



National Insurance Contributions Act 2006

2006 CHAPTER 10

Disclosure of avoidance

7 Disclosure of contributions avoidance arrangements

- (1) The Social Security Administration Act 1992 (c. 5) is amended as follows.
- (2) After section 132 insert—

“Contributions avoidance arrangements

132A Disclosure of contributions avoidance arrangements

- (1) The Treasury may by regulations make provision requiring, or relating to, the disclosure of information in relation to any notifiable contribution arrangements or notifiable contribution proposal.
- (2) The only provision which may be made under subsection (1) is provision applying (with or without modification), or corresponding to, any of the following provisions—
 - (a) any provision of, or made under, Part 7 of the Finance Act 2004 (disclosure of tax avoidance schemes) so far as that provision relates to income tax;
 - (b) section 98C of the Taxes Management Act 1970 (penalties for failure to comply with Part 7 of the Finance Act 2004) and any other provision of the Taxes Management Act 1970 so far as it relates to a penalty under that section;
 - (c) any provision made under section 132 of the Finance Act 1999 or section 135 of the Finance Act 2002 (electronic communications);
 - (d) any provision of any other enactment or instrument (including any enactment or instrument passed or made on or after the day on which the National Insurance Contributions Act 2006 was passed) which requires, or relates to, the disclosure of information in relation to tax

Changes to legislation: There are currently no known outstanding effects for the National Insurance Contributions Act 2006, Cross Heading: Disclosure of avoidance. (See end of Document for details)

avoidance arrangements which relate in whole or in part to income tax.

(3) For the purposes of subsection (1)—

“notifiable contribution arrangements” means any arrangements which—

- (a) enable, or might be expected to enable, any person to obtain an advantage in relation to a contribution, and
- (b) are such that the main benefit, or one of the main benefits, that might be expected to arise from the arrangements is the obtaining of that advantage;

“notifiable contribution proposal” means a proposal for arrangements which, if entered into, would be notifiable contribution arrangements (whether the proposal relates to a particular person or to any person who may seek to take advantage of it).

(4) Where, at any time after the passing of the National Insurance Contributions Act 2006, a relevant tax provision is passed or made which changes the notifiable tax matters, the Treasury may, by regulations, amend the definitions in subsection (3) so as to make an analogous change to the matters in respect of which information may be required to be disclosed by virtue of this section.

(5) In subsection (4)—

“the notifiable tax matters” means the arrangements, proposals or other matters in respect of which information is or may be required to be disclosed under a relevant tax provision;

“relevant tax provision” means a provision mentioned in subsection (2).

(6) No provision made by regulations under this section may require any person to disclose to the Commissioners for Her Majesty's Revenue and Customs, or any other person, any information with respect to which a claim to legal professional privilege, or, in Scotland, to confidentiality of communications, could be maintained in legal proceedings.

(7) In this section—

“advantage”, in relation to any contribution, means—

- (a) the avoidance or reduction of a liability for that contribution, or
- (b) the deferral of the payment of that contribution;

“arrangements” includes any scheme, transaction or series of transactions;

“contribution” means a contribution under—

- (a) Part 1 of the Social Security Contributions and Benefits Act 1992, or
- (b) Part 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;

“tax avoidance arrangements” includes arrangements which enable, or might be expected to enable, a person to obtain an advantage in relation to any tax (within the meaning of Part 7 of the Finance Act 2004).”

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- (3) In section 190(1) (statutory instruments subject to affirmative resolution procedure), after “provisions)—” insert—
- “(za) regulations under section 132A(4);”.
- (4) In section 192(5) (which lists the provisions of that Act which extend to Northern Ireland), at the appropriate place in the list insert— “ section 132A (and sections 189 and 190, but only for the purposes of regulations under section 132A); ”.

Changes to legislation:

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