# National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019

**2019 CHAPTER 23**

## PART 2

SPORTING TESTIMONIALS

### 3 Sporting testimonials: Great Britain

(1) The Social Security Contributions and Benefits Act 1992 is amended as follows.

(2) In section 10 (Class 1A contributions: benefits in kind etc) in subsection (2) for "section 10ZA below" substitute " sections 10ZA and 10ZBA ".

(3) In section 10ZA (liability of third party provider of benefits in kind) after subsection (1) insert—

"(1A) This section does not apply if the benefit is a sporting testimonial payment (see section 10ZBA)."

(4) After section 10ZB insert—

"**10ZBA Liability of third party controller of sporting testimonial**

(1) This section applies where—

(a) a Class 1A contribution is payable for any tax year in respect of the whole or any part of general earnings received by an earner;

(b) the general earnings, in so far as they are ones in respect of which such a contribution is payable, consist in a sporting testimonial payment; and

**Changes to legislation:** *There are currently no known outstanding effects for the National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019, Section 3. (See end of Document for details)*

(c) the controller of the sporting testimonial is not the person ("the relevant employer") by whom, but for this section, the Class 1A contribution would be payable in accordance with section 10(2).

(2) The controller of the sporting testimonial, instead of the relevant employer, is liable to pay any Class 1A contribution in respect of the sporting testimonial payment.

(3) Subsection (4) applies if—

(a) the controller of the sporting testimonial pays an amount ("the amount to cover tax") for the purpose of discharging any liability of the earner to income tax for any tax year ("the relevant year"), and

(b) the income tax in question is tax chargeable in respect of the sporting testimonial payment or of the amount to cover tax.

(4) For the purposes of this Act the amount to cover tax is to be treated as if it were general earnings consisting in the making of a sporting testimonial payment to the earner in the relevant year and falling, for the purposes of Class 1 contributions, to be left out of account in the computation of the earnings paid to or for the benefit of the earner.

(5) The controller of the sporting testimonial, instead of the relevant employer, is liable to pay any Class 1A contribution in respect of any further sporting testimonial payment treated as made to the earner in accordance with subsection (4).

(6) Expressions used in this section and section 226E of ITEPA 2003 (sporting testimonial payments) have the same meaning as in that section."

**Commencement Information**

**I1** S. 3 in force at 6.4.2020 except in relation to sporting testimonials which take place on or after 6.4.2020 but which were announced before 6.4.2020, by S.I. 2020/285, **reg. 3**

**Changes to legislation:**
There are currently no known outstanding effects for the National Insurance Contributions (Termination Awards and Sporting Testimonials) Act 2019, Section 3.