

SCHEDULE

Section 4

TRANSITIONAL AND CONSEQUENTIAL PROVISION

Rates for directors in the tax year 2023-24

- 1 (1) [This paragraph](#) applies to an assessment of the amount of earnings-related contributions payable where that amount is assessed on the amount of earnings paid in an earnings period specified in regulation 8(2) to (5) of the Social Security (Contributions) Regulations 2001 (earnings periods for directors).
- (2) For the purposes of such an assessment the following apply, for the tax year 2023-24, with the modifications specified.
- (3) Part 1 of the Social Security Contributions and Benefits Act 1992 has effect as if in section 8(2)(a) (main primary percentage), for the percentage specified there were substituted “11.5%”.
- (4) Part 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 has effect as if in section 8(2)(a) (main primary percentage), for the percentage specified there were substituted “11.5%”.
- (5) Regulation 131 of the Social Security (Contributions) Regulations 2001 has effect as if for the percentage specified there were substituted “5.35%”.
- (6) In [this paragraph](#) “earnings-related contributions” has the meaning it has in the Social Security (Contributions) Regulations 2001 (see regulation 1(2)).

Annual maximum contributions for the tax year 2023-24

- 2 (1) The Social Security (Contributions) Regulations 2001 are amended as follows.
- (2) In regulation 21 (annual maxima for those with more than one employment)—
 - (a) in paragraph (2), in Step Two, for “12 per cent” substitute “11.5%”, and
 - (b) in paragraph (3), for “12 per cent” substitute “the rate specified as the main primary percentage”.
- (3) In regulation 100 (annual maximum of Class 4 contributions), in paragraph (4), for “12 per cent” substitute “the rate specified as the main primary percentage”.
- (4) The amendments made by [this paragraph](#) are treated as having come into force on 6 April 2023.

Annual maximum contributions for subsequent tax years

- 3 (1) The Social Security (Contributions) Regulations 2001 (as amended by [paragraph 2](#)) are amended as follows.
- (2) In regulation 21 (annual maxima for those with more than one employment) in paragraph (2), in Step Two, for “11.5%” substitute “10%”.
- (3) In regulation 100 (annual maximum of Class 4 contributions), in paragraph (3)—
 - (a) in Step Two, for “9 per cent” substitute “8%”, and
 - (b) in Step Five, for “100/9” substitute “100/8”.
- (4) The amendments made by [this paragraph](#) come into force on 6 April 2024.

Status: This is the original version (as it was originally enacted).

Class 2 contributions

- 4 (1) In the Social Security Contributions and Benefits Act 1992, omit section 11A (application of certain provisions of the Income Tax Acts in relation to Class 2 contributions under section 11(2)).
- (2) In the Social Security Contributions and Benefits (Northern Ireland) Act 1992, omit section 11A (application of certain provisions of the Income Tax Acts in relation to Class 2 contributions under section 11(2)).
- (3) The Social Security Administration Act 1992 is amended as follows.
- (4) In section 141 (annual review of contributions), in subsection (4)—
- (a) in paragraph (a), for “11(2) and (6)” substitute “11(6)”, and
 - (b) in paragraph (b)—
 - (i) for “figures” substitute “figure”, and
 - (ii) omit “the lower profits threshold and as”.
- (5) In section 143 (power to alter contributions with a view to adjusting level of National Insurance Fund)—
- (a) in subsection (1)(c) for “11(2) and (6)” substitute “11(6)”, and
 - (b) in subsection (3)—
 - (i) for “11(2) and (6)” substitute “11(6)”, and
 - (ii) for “lower profits threshold” substitute “small profits threshold”.
- (6) In section 145 (power to alter primary and secondary contributions), in subsection (4) (a), for “11(2) and (6)” substitute “11(6)”.
- (7) The amendments made by [this paragraph](#) come into force on 6 April 2024.

Power to make further consequential provision

- 5 (1) The Treasury may by regulations made by statutory instrument—
- (a) make such provision as they consider appropriate in consequence of this Act, and
 - (b) make such transitional or saving provision as they consider appropriate in connection with the coming into force of any provision of this Act.
- (2) Regulations under [this paragraph](#) may (among other things)—
- (a) amend, repeal or revoke provision made by or under any enactment;
 - (b) make provision having retrospective effect from no earlier than 6 April 2023.
- (3) Subsections (3) and (4) of section 175 of the Social Security Contributions and Benefits Act 1992 (provision which may be made by regulations) apply to regulations under [this paragraph](#) as they apply to regulations under that Act.
- (4) A statutory instrument containing regulations under [this paragraph](#) is subject to annulment in pursuance of a resolution of either House of Parliament.