

1977 No. 1987

SOCIAL SECURITY

The Social Security (Categorisation of Earners and Contributions) Amendment Regulations 1977*Made* - - - - - 2nd December 1977*Laid before Parliament* 9th December 1977*Coming into Operation* 6th April 1978

The Secretary of State for Social Services in exercise of the powers conferred upon him by sections 2(2)(b), 3 and 4(4)(b)(i) and (5) of the Social Security Act 1975(a) and of all other powers enabling him in that behalf, after considering the report of the National Insurance Advisory Committee on the draft submitted to them in accordance with section 139 of that Act, hereby makes the following regulations:—

Citation, commencement and interpretation

1.—(1) These regulations which may be cited as the Social Security (Categorisation of Earners and Contributions) Amendment Regulations 1977 shall come into operation on 6th April 1978.

(2) Each provision of these regulations shall—

- (a) in so far as it amends the Social Security (Categorisation of Earners) Regulations 1975(b) as amended(c) (hereinafter called “the Categorisation of Earners Regulations”) be read as one with those regulations;
- (b) in so far as it amends the Social Security (Contributions) Regulations 1975(d) as amended(e) (hereinafter called “the Contributions Regulations”) be read as one with those regulations.

Amendment of regulation 1(2) of the Categorisation of Earners Regulations

2. In regulation 1(2) of the Categorisation of Earners Regulations (interpretation) after “educational establishment” there shall be inserted the following definition—

“remuneration” in paragraph 7 of Schedule 3 to these regulations includes any payment in respect of stipend or salary and excludes—

- (a) any payment disregarded or, as the case may be, deducted from the amount of a person's earnings by virtue of regulations made under section 3(3) of the Act; or
- (b) any specific and distinct payment made towards the maintenance or education of a dependant of the person receiving the payment.?

(a) 1975 c. 14.

(b) S.I. 1975/528 (1975 I, p. 1726).

(c) The relevant amending instrument is S.I. 1977/1015 (1977 II, p. 2834).

(d) S.I. 1975/492 (1975 I, p. 1516).

(e) The relevant amending instrument is S.I. 1976/88 (1976 I, p. 282).

Amendment of paragraph 3 in column (A) of Schedule 1 to the Categorisation of Earners Regulations

3. In paragraph 3 in column (A) of Schedule 1 to the Categorisation of Earners Regulations for the words "under the provisions of paragraph 1 or 4 of this Schedule" there shall be substituted the words "under the provisions of paragraph 1, 4 or 4B of this Schedule".

Insertion of new paragraph 4B in Part I of Schedule 1 to the Categorisation of Earners Regulations

4. After paragraph 4A of Part I of Schedule 1 to the Categorisation of Earners Regulations there shall be inserted the following paragraph—

(a) in column (A)—

"4B. Employment as a minister of religion, not being employment under a contract of service or in an office with emoluments chargeable to income tax under Schedule E."

(b) in column (B)—

"4B. Any person in employment described in paragraph 4B of Column (A) whose remuneration in respect of that employment (disregarding any payment in kind) does not consist wholly or mainly of stipend or salary."

Revocation of paragraph 5 of Part II of Schedule 1 to the Categorisation of Earners Regulations

5. Paragraph 5 of Part II of Schedule 1 to the Categorisation of Earners Regulations is hereby revoked.

Amendment of paragraph 2 in column (A) of Schedule 3 to the Categorisation of Earners Regulations

6. In paragraph 2 in column (A) of Schedule 3 to the Categorisation of Earners Regulations for the words "to which paragraph 1, 3 or 4 of this Schedule applies" there shall be substituted the words "to which paragraph 1, 3, 4, 6 or 7 of this Schedule applies".

Insertion of new paragraphs 6 and 7 in Schedule 3 to the Categorisation of Earners Regulations

7. After paragraph 5 of Schedule 3 to the Categorisation of Earners Regulations there shall be inserted the following paragraphs—

(a) in column (A)—

"6. Employment as a minister of the Church of England, not being employment under a contract of service.

7. Employment as a minister of religion not being employment—

(a) as a minister of the Church of England; or

(b) under a contract of service; or

(c) described in paragraph 4B in column (B) of Schedule 1 to these regulations."

(b) in column (B)—

“6. The Church Commissioners for England.

7. (a) Where the remuneration in respect of the employment is paid from one fund, the person responsible for the administration of that fund;

(b) Where the remuneration in respect of the employment is paid from more than one fund and—

(i) remuneration is also paid from one of those funds to other ministers of religion, the person responsible for the administration of that fund;

(ii) remuneration is also paid from two or more of those funds to other ministers of religion, the person responsible for the administration of the fund from which remuneration is paid to the greatest number of ministers of religion who carry out their duties in Great Britain;

(iii) no person falls to be treated as secondary contributor by virtue of sub-paragraph (b)(i) or (ii) of this paragraph, the person responsible for the administration of the fund from which the minister of religion first receives a payment of remuneration in the tax year.”

Amendment of regulation 17 of the Contributions Regulations

8. In regulation 17(1) of the Contributions Regulations (payments to be disregarded) after sub-paragraph (g) there shall be added the following paragraph—

“(h) a payment of a fee in respect of employment as a minister of religion which does not form part of the stipend or salary paid in respect of that employment.”

David Ennals,

Secretary of State for Social Services.

2nd December 1977.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations further amend the Social Security (Categorisation of Earners) Regulations 1975 by making provision for a minister of religion whose employment is not under a contract of service or in an office with emoluments chargeable to income tax under Schedule E and whose remuneration for that employment is wholly or mainly by way of stipend or salary to be treated as an employed earner; and prescribe the person who is to be treated as the secondary contributor in respect of those and other ministers of religion. They revoke the provisions in those Regulations relating to ministers of religion who are treated as self-employed earners.

The Regulations also further amend the Social Security (Contributions) Regulations 1975 by providing that for the purposes of earnings-related contributions, fees are to be disregarded when paid in respect of employment as a minister of religion and which are not part of that minister's stipend or salary.

The other amendments are of a minor consequential nature.

The report of the National Insurance Advisory Committee on the draft of these Regulations dated 7th November 1977 is contained in the House of Commons Paper No. 109 (Session 1977-78) published by Her Majesty's Stationery Office.

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