
STATUTORY INSTRUMENTS

1988 No. 676

SOCIAL SECURITY

The Social Security (Treasury Supplement to and Allocation of Contributions) (Re-rating) Order 1988

Made - - - - *31st March 1988*

Coming into force - - *6th April 1988*

Whereas a draft of this Order was laid before Parliament in accordance with the provisions of section 167(1) of the Social Security Act 1975((1)) and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Services, with the consent of the Treasury, in exercise of the powers conferred upon him by sections 1(5A) and 134(4A) and (5A) of the Social Security Act 1975((2)) and of all other powers enabling him in that behalf, hereby makes the following Order:—

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Social Security (Treasury Supplement to and Allocation of Contributions) (Re-rating) Order 1988 and shall come into force on 6th April 1988.

(2) In this Order “the Act” means the Social Security Act 1975.

Alteration of Treasury supplement to contributions

2. In section 1(5) of the Act (Treasury supplement to contributions)((3)) for the words “7 per cent.”((4)) there shall be substituted the words “5 per cent.”.

-
- (1) 1975 c. 14; section 167(1) was amended by the Social Security (Contributions) Act 1981 (c. 1), section 4(5), and by the Social Security Act 1986 (c. 50), sections 62(3) and 74(4).
- (2) Section 1(5A) was inserted by the Social Security (Contributions) Act 1981, section 2(2) and was amended by the Social Security (Contributions) Act 1982 (c. 2), section 2(2); section 134(4A) was inserted by the Social Security (Contributions) Act 1981, section 3(3); section 134(5A) was inserted by the Social Security Act 1986, section 74(3).
- (3) Section 1(5) was amended by the Social Security (Miscellaneous Provisions) Act 1977 (c. 5), section 24(6) and Schedule 2, and by the Employment Protection Act 1975 (c. 71), section 40(1).
- (4) See S.I. 1987/48, article 2.

Percentage rates of appropriate national health service allocation

3.—(1) Section 134(4) of the Act⁽⁵⁾ (allocation of contributions) shall be amended in accordance with the provisions of this article.

(2) In the definition of “the appropriate national health service allocation”—

- (a) in paragraph (a) (primary Class 1 contributions) for the words “0·85 per cent.”⁽⁶⁾ there shall be substituted the words “0·95 per cent.”;
- (b) in paragraph (b) (secondary Class 1 contributions) for the words “0·7 per cent.” there shall be substituted the words “0·8 per cent.”.

Appropriate employment protection allocation

4. It is hereby directed that there shall be no appropriate employment protection allocation in relation to the tax year beginning on 6th April 1988, and section 134 of the Act shall have effect accordingly.

Signed by authority of the Secretary of State for Social Services.

Department of Health and Social Security
29th March 1988

Michael Portillo
Parliamentary Under-Secretary of State,

31st March 1988

Peter Lloyd
Michael Neubert
Two of the Lords Commissioners of Her
Majesty’s Treasury

(5) Section 134(4) was amended by the Employment Protection Act 1975, section 40(1), by the Social Security (Contributions) Act 1982, section 3(3), and by the Social Security Act 1985 (c. 53), section 29(1) and Schedule 5, paragraph 11.

(6) See S.I. 1987/48, article 3(2).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order decreases the Treasury supplement to contributions paid under the Social Security Act 1975 from 7 per cent. to 5 per cent. (article 2).

It increases the percentage rates of the appropriate national health service allocation in the cases of primary Class 1 contributions (from 0·85 to 0·95 per cent.) and of secondary Class 1 contributions (from 0·7 to 0·8 per cent.).

It contains a direction that there shall be no appropriate employment protection allocation in relation to the tax year 1988—89.