

2001 No. 46

SOCIAL SECURITY, NORTHERN IRELAND

**The Social Security (Contributions) (Amendment)
(Northern Ireland) Regulations 2001**

Made - - - - 9th January 2001

Laid before Parliament 10th January 2001

Coming into force - 31st January 2001

The Treasury, in exercise of the powers conferred upon them by section 171(3) to (5) of, and paragraph 8(1)(q) and (1A) of Schedule 1 to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(a) and section 107 of the Social Security Administration (Northern Ireland) Act 1992(b), hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment) (Northern Ireland) Regulations 2001 and shall come into force on 31st January 2001.

Amendments to the Social Security (Contributions) Regulations (Northern Ireland) 1979

2.—(1) Amend regulation 53A of the Social Security (Contributions) Regulations (Northern Ireland) 1979(c) (notification of commencement or cessation of payment of Class 2 or Class 3 contributions) as follows.

(2) In paragraph (1) after “notify” insert “the relevant date to”.

(3) After paragraph (3) add—

“(4) Subject to paragraph (9) of this regulation, where a person becomes liable to pay a Class 2 contribution and fails to notify immediately the Inland Revenue in accordance with paragraph (1) of this regulation, he shall be liable to a penalty of £100.

(5) The penalty referred to in paragraph (4) of this regulation shall be incurred on the following date—

(a) in the case of a failure which first occurs on or after 31st January 2001 and continues throughout the period of 3 calendar months beginning with the first day of the calendar month following that in which he becomes liable to pay a Class 2 contribution, the date after the day on which that period ends; or

(b) in the case of a failure which first occurs before 31st January 2001 and continues throughout the period beginning with that date and ending on 30th April 2001, 1st May 2001.

(a) 1992 c. 7. Paragraph 8(1) was amended, and paragraph 8(1A) inserted, by paragraph 38 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671) (“the Transfer Order”).

(b) 1992 c. 8. Section 107 was substituted by Article 56 of the Social Security (Northern Ireland) Order 1998 (S.I. 1998/1506 (N.I. 10)) and amended by paragraph 5 of Schedule 4 to the Transfer Order and paragraph 7 of Schedule 6 to the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 (c. 4 (NI)).

(c) S.R. 1979 No. 186; regulation 53A was inserted by regulation 4 of S.R. 1993 No. 59 and amended by regulation 8 of S.I. 2000/2344.

(6) The penalty referred to in paragraph (4) of this regulation may be imposed by a notice of decision by an officer of the Inland Revenue under Article 7(1)(k)(ii) of the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 within 6 years after the date on which the penalty is incurred in accordance with the provisions of paragraph (5) of this regulation.

(7) The penalty referred to in paragraph (4) of this regulation—

- (a) shall be due and payable at the end of the period of 30 days beginning with the date of the issue of the notice of decision referred to in paragraph (6) of this regulation; and
- (b) shall be recoverable as if it were a Class 2 contribution due and payable.

(8) The Inland Revenue may, in their discretion, mitigate or remit any penalty imposed in accordance with the provisions of this regulation, or stay or compound any proceedings for it.

(9) For the purposes of paragraph (4) of this regulation, a person shall be deemed not to fail to notify immediately the Inland Revenue in accordance with paragraph (1) of this regulation if that person—

- (a) notifies the Inland Revenue within such further time, if any, as the Inland Revenue may allow;
- (b) has a reasonable excuse for not notifying the Inland Revenue and, if that excuse ceases, notifies the Inland Revenue without unreasonable delay after it ceases; or
- (c) shows to the satisfaction of the Inland Revenue that his earnings met the conditions set out in regulation 25(1) of these Regulations (earnings for the purposes of certificates of exception) for the purposes of section 11(4)(a) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 throughout the period beginning on the date on which he became liable to pay a Class 2 contribution and ending on the date on which he notified the Inland Revenue.”.

*Clive Betts
Bob Ainsworth*

9th January 2001

Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend regulation 53A of the Social Security (Contributions) Regulations (Northern Ireland) 1979 (S.R. 1979 No. 186) (notification of commencement or cessation of payment of Class 2 or Class 3 contributions). The amendments provide for a penalty of £100 in respect of the failure by a person becoming liable to pay a Class 2 contribution to notify the Inland Revenue in accordance with paragraph (1) of regulation 53A.

The costs to business of the amendments made by these Regulations are covered in the Regulatory Impact Assessment for these Regulations. A copy of this Assessment can be obtained from Jenny Fox, Inland Revenue, Cross Cutting Policy, Room 432, 22 Kingsway, London WC2B 6NR. A copy of the Assessment is available also on the Inland Revenue website (<http://www.inlandrevenue.gov.uk>) and has been placed in the libraries of both Houses of Parliament.

(a) Amended by paragraph 13 of Schedule 3 to the Transfer Order and Article 2 of S.I. 2000/755.

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