
STATUTORY INSTRUMENTS

2012 No. 817

**The Social Security (Contributions)
(Amendment No. 2) Regulations 2012**

PART 2

Amendments relating to pensions

Amendments relating to the abolition of certain types of contracted-out pensions

3. In paragraph (2) of regulation 1 (citation, commencement and interpretation)—
 - (a) omit ““COMPS employment” means employment in respect of which minimum payments are made to a money purchase pension scheme contracted out under section 9(3) of the Pensions Act;” and
 - (b) in the definition of “contracted-out rate”—
 - (i) in sub-paragraph (a) for “upper earnings limit” substitute “upper accrual point”; and
 - (ii) omit sub-paragraph (b).
4. For paragraph (3) of regulation 6 (earnings periods for earnings to be aggregated where the earnings period for those earnings would be of different lengths) substitute—

“(3) In this regulation “the designated earnings period” means—

 - (a) where the earnings are derived from employments which include any contracted-out employment and any non-contracted out employment, the earnings period in respect of earnings derived from the contracted-out employment or, if there is more than one such employment, the shorter, or as the case may be the shortest, of the earnings periods in respect of earnings derived from such employments; and
 - (b) in any other case, the shorter, or as the case may be the shortest, of the earnings periods in respect of the earnings derived from such employments.”.
5. In paragraph 7(13)(b) of Schedule 4 (calculation of deduction) omit “or section 42A(1) to 2(A)”.

Amendments to Part 6 of Schedule 3

6. In Part 6 of Schedule 3 (pensions and pension contributions)—
 - (a) in paragraph (2)(a) after “section 308” omit “(1)”; and
 - (b) for paragraph 10(5)(a) substitute “any pension payable under its rules would have satisfied pension rules 1, 3 and 4;”.