

SCHEDULE 1

EXEMPTION FOR EXISTING MICRO-BUSINESSES AND NEW BUSINESSES

The exemption period: existing micro-businesses

- 4.—(1) This paragraph defines the exemption period in relation to an existing micro-business.
- (2) The exemption period starts on 8th April 2013 and ends on the day after a grace period in relation to the business ends, if the grace period is one in which the business grows (see paragraphs 5 and 6).
- (3) The following are grace periods in relation to a business for the purposes of this paragraph—
 - (a) the 6-month period that starts with the first day after 8th April 2013 on which the business has 10 or more employees;
 - (b) the 6-month period that starts after the end of a grace period (the “earlier grace period”) that is not one in which the business grows, in accordance with sub-paragraph (4) or (5).
- (4) If the business has 10 or more employees on the day after the end of the earlier grace period, the next grace period starts on that day.
- (5) If the business has fewer than 10 employees on that day, the next grace period starts on the next day on which the business has 10 or more employees.

Changes to legislation:

There are currently no known outstanding effects for the The Social Security (Overpayments and Recovery) Regulations 2013, Paragraph 4.