
STATUTORY INSTRUMENTS

2013 No. 622

**The Social Security (Contributions)
(Amendment and Application of Schedule 38
to the Finance Act 2012) Regulations 2013**

PART 4

Other provisions relating to Class 1, 1A, 2 and 3 contributions

Amendment of the Social Security (Contributions) Regulations 2001

33. In regulation 40 (prescribed general earnings in respect of which Class 1A contributions not payable) omit paragraph (2)(za).

34. In regulation 48(3)(b) (Class 3 contributions) for “and 50B” substitute “, 50B and 50C”.

35. After regulation 50B (Class 3 contributions: tax years 1993-94 to 2007-08) insert—

“Class 3 contributions: tax years 2006-07 to 2015-16: unavailability of pension statements 2013-14 to 2016-17

50C.—(1) This regulation applies to Class 3 contributions payable in respect of one or more of the tax years 2006-07 to 2015-16 (“the relevant contribution years”).

(2) Paragraph (3) applies if a person (“the contributor”)—

- (a) was entitled under regulation 48, 146(2)(b) or 147(1)(b) to pay a Class 3 contribution in respect of one or more of the relevant contribution years;
- (b) had not, before the coming into force of this regulation, paid that contribution; and
- (c) will reach pensionable age on or after 6th April 2017.

(3) The contributor may pay a Class 3 contribution under this regulation, in respect of any of the relevant contribution years, within the period specified in paragraph (4).

(4) The period within which the contribution may be paid is the period beginning on 6th April 2013 and ending on 5th April 2023.

(5) Notwithstanding section 13(6) of the Act, the amount of a Class 3 contribution payable under this regulation shall be—

- (a) in respect of contribution years 2006-07 to 2009-10, the amount payable in relation to tax year 2012-13; or
- (b) in respect of contribution years 2010-11 to 2015-16, the amount payable in the contribution year to which the payment relates.

(6) Paragraph (5) does not apply to a Class 3 contribution paid on or after 6th April 2019.

(7) Nothing in this regulation limits the application of regulations 50, 50A and 50B.”.

36. In regulation 52A (return of contributions paid in excess of maxima prescribed in regulation 21) for “10.4%” in each place where it appears, substitute “10.6%”.

37. After regulation 61A (voluntary Class 2 contributions: tax years 1993-94 to 2007-08) insert—

“Voluntary Class 2 contributions: tax years 2006-07 to 2015-16: unavailability of pension statements 2013-14 to 2016-17

61B.—(1) This regulation applies to Class 2 contributions which a person (“the contributor”) was entitled, but not liable, to pay in respect of one or more of the tax years 2006-07 to 2015-16 (“the relevant contribution years”).

(2) Paragraph (3) applies if the contributor—

- (a) was entitled under regulation 46 or 147(1)(a) to pay a Class 2 contribution in respect of one or more of the relevant contribution years;
- (b) had not, before the coming into force of this regulation, paid that contribution; and
- (c) will reach pensionable age on or after 6th April 2017.

(3) The contributor may pay a Class 2 contribution under this regulation, in respect of any of the relevant contribution years, within the period specified in paragraph (4).

(4) The period within which the contribution may be paid is the period beginning on 6th April 2013 and ending on 5th April 2023.

(5) Notwithstanding section 12(3) of the Act, the amount of a Class 2 contribution payable under this regulation shall be—

- (a) in respect of contribution years 2006-07 to 2010-11, the amount payable in relation to tax year 2012-13; or
- (b) in respect of contribution years 2011-12 to 2015-16, the amount payable in the contribution year to which the payment relates.

(6) Paragraph (5) does not apply to a Class 2 contribution paid on or after 6th April 2019.

(7) Nothing in this regulation limits the application of regulations 61 and 61A.”.

38. After regulation 63 (Class 2 contributions paid late in accordance with a payment undertaking) insert—

“Collection of unpaid Class 2 contributions through PAYE code

63A.—(1) Where—

- (a) the amount of any Class 2 contributions (“relevant debt”) would fall to be computed in accordance with section 12(3) of the Act⁽¹⁾ (late paid Class 2 contributions), and
- (b) paragraph (2) applies,

the amount of the relevant debt must be computed in accordance with paragraph (4).

(2) This paragraph applies where—

- (a) the code (“the PAYE code”) required by regulation 13 of the PAYE Regulations⁽²⁾ (determination of code by Inland Revenue) for use by an employer for a year⁽³⁾

(1) Regulation 1(2) of [S.I. 2001/1004](#) provides that “the Act” means the Social Security Contributions and Benefits Act 1992. Regulation 156 provides that a reference to a provision in an enactment that applies only to Great Britain, shall be construed so far as necessary as including a reference to the corresponding enactment applying in Northern Ireland. Schedule 7 provides that the corresponding enactment is the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

(2) [S.I. 2003/2682](#), amended by [S.I. 2011/1584](#).

(3) Regulation 1(2) of [S.I. 2001/1004](#) provides that “year” means “tax year”.

in respect of the person liable to pay the relevant debt is determined in accordance with regulation 14A of the PAYE Regulations (determination of code in respect of recovery of relevant debts) so as to effect recovery of the relevant debt;

- (b) the determination of the PAYE code is made assuming the amount of the relevant debt is the amount computed in accordance with paragraph (4); and
- (c) the relevant debt is paid in the year in respect of which the PAYE code is determined for use by an employer of the person liable to pay the relevant debt.

(3) For the purpose of determining whether a relevant debt is paid in accordance with paragraph (2)(c), the amount of the relevant debt must be assumed to be the amount computed in accordance with paragraph (4).

(4) The amount referred to in paragraphs (1), (2)(b) and (3) is the highest weekly rate of a Class 2 contribution in the period beginning with the contribution week to which the relevant debt relates and ending with the day the PAYE code mentioned in paragraph (2)(a) is determined.”.

39. In Schedule 2 (calculation of earnings for the purposes of earnings-related contributions in particular cases) for paragraph 14(3) (valuation of non-cash meal vouchers) substitute—

“(3) For the purposes of sub-paragraph (2) the chargeable expense shall be reduced by any part of that which the employed earner makes good to the person incurring it.”.

40. In Schedule 3 (payments to be disregarded in the calculation of earnings for the purposes of earnings-related contributions)—

- (a) in Part 5 (certain non-cash vouchers to be disregarded as payments in kind)—
 - (i) omit paragraph 6A; and
 - (ii) in paragraph 7A(4)(a) for “£22” substitute “£25”.
- (b) in Part 6 (pensions and pensions contributions) after paragraph 10 insert—

“Armed forces early departure scheme payments

10A. A payment under a scheme established by the Armed Forces Early Departure Payments Scheme Order 2005 ([S.I. 2005/437](#)).”.