
STATUTORY INSTRUMENTS

2015 No. 478

**The Social Security (Miscellaneous
Amendments No. 2) Regulations 2015**

PART 1

Amendment of the Social Security (Contributions) Regulations 2001

- 2.** The Social Security (Contributions) Regulations 2001 are amended as follows.
- 3.—**(1) Amend regulation 1(2) (definitions) as follows.
- (2) For the definition of “due date” substitute—
- ““due date” in Part 6 means, in relation to—
- (a) any Class 1 contribution, the date by which payment falls to be made;
- (b) any Class 2 contribution which a person is liable or entitled to pay, the 31st January following the end of the tax year in respect of which it is paid or payable; and
- (c) any Class 3 contribution, the date 42 days after the end of the year in respect of which it is paid.”.
- (3) After the definition of “earnings-related contributions” insert—
- “employment and support allowance” has the same meaning as in the Welfare Reform Act 2007(1);”.
- 4.—**(1) Amend regulation 43 (exception from liability for Class 2 contributions)(2) as follows.
- (2) In the heading omit “liability for”.
- (3) In paragraph (1), after sub-paragraph (a) insert—
- “(ab) in respect of the whole of which the earner is in receipt of employment and support allowance;”.
- (4) In paragraphs (1) and (3) for “liability to pay” substitute “paying”.
- 5.—**(1) Amend regulation 61B (voluntary Class 2 contributions: tax years 2006-07 to 2015-16: unavailability of pension statements 2013-14 to 2016-17)(3) as follows.
- (2) In paragraph (2) omit “under regulation 46 or 147(1)(a)”.
- (3) In paragraph (7)—
- (a) for “regulations” substitute “regulation”; and
- (b) omit “and 61A”.

(1) 2007 c.5.

(2) Regulation 43 was amended by S.I. 2002/2924.

(3) Regulation 61B was inserted by S.I. 2013/622 and amended by S.I. 2013/718.

6. In regulation 63A(4) (collection of unpaid Class 2 contributions through PAYE code)(4), after the words “in the period beginning with the”, omit “contribution”.
7. In regulation 67(1) (collection and recovery of earnings-related contributions, and Class 1B contributions)(5)—
- (a) for “the general earnings from an office or employment” substitute “PAYE income”; and
 - (b) after paragraph (1) insert—
 - “(1A) PAYE income has the meaning given in section 683 of ITEPA 2003.”(6).
8. In regulation 72 (Class 1A contribution due on succession to business)(7)—
- (a) in paragraph 1(a) omit “general”; and
 - (b) in paragraph (4)—
 - (i) omit the definition of “general earnings”; and
 - (ii) omit “general” in the definition of “relevant tax month”.
9. In regulation 73 (Class 1A contribution due on cessation of business)(8)—
- (a) in paragraph (1)(a) omit “general”; and
 - (b) in paragraph 4—
 - (i) omit the definition of “general earnings”; and
 - (ii) omit “general” in the definition of “relevant final tax month”.
10. In regulation 87A(2) (notification of commencement or cessation of payment of Class 2 or Class 3 contributions on or after 6th April 2009)(9) after “6th April 2009” insert “but before 6th April 2015” and amend the heading of the regulation accordingly.
11. After regulation 87A insert —

“Notification of commencement or cessation of self-employment or Class 3 contributions on or after 6th April 2015

87AA.—(1) A person (P) to whom paragraph (2) applies shall immediately notify the relevant date to HMRC in writing or by such means of electronic communication as may be approved.

- (2) This paragraph applies where P on or after 6th April 2015—
 - (a) commences or ceases to be a self-employed earner; or
 - (b) is entitled to pay a Class 3 contribution and either wishes to do so or cease doing so.
- (3) In paragraph (1) “the relevant date” means—
 - (a) in relation to a person to whom paragraph (2)(a) applies, the date on which P commences or ceases to be a self-employed earner;
 - (b) in relation to a person to whom paragraph (2)(b) applies, the date on which P wishes to commence or cease paying Class 3 contributions.

(4) Regulation 63A was inserted by [S.I. 2013/622](#).

(5) Regulation 67 was amended by [S.I. 2004/770](#), [2008/636](#) and [2012/821](#).

(6) Section 122 of the Social Security Contributions and Benefits Act 1992, as amended by paragraphs 169 and 178 of Schedule 6 to ITEPA 2003 and section 121 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, as amended by paragraphs 190 and 199 of Schedule 6 to ITEPA 2003; defines “ITEPA 2003” as meaning the Income Tax (Earnings and Pensions) Act 2003.

(7) Regulation 72 was amended by [S.I. 2004/770](#).

(8) Regulation 73 was amended by [S.I. 2004/770](#).

(9) Regulation 87A was inserted by [S.I. 2009/600](#).

(4) P is to be treated as having immediately notified HMRC in accordance with paragraph (1) if P has notified HMRC within such further time, if any, as HMRC may allow.”.

12.—(1) Amend regulation 89 (method of, and time for, payment of Class 2 and Class 3 contributions etc)(**10**) as follows.

(2) In paragraph (1)—

- (a) after the first mention of “accordance with” insert “the Taxes Management Act 1970 (as modified by section 11A of the Act) or in accordance with,”;
- (b) after “regulation 90” insert “or in accordance with regulation 90ZA or 148C”(11); and
- (c) after “paragraph” omit “(2),”.

(3) Omit paragraphs (1A) and (2).

(4) In paragraph (2A)(a)(12)—

- (a) after “regulation 87” for “or” substitute “,”; and
- (b) after “87A” insert “or 87AA”.

(5) In paragraph (3) for “or 87A” substitute “, 87A or 87AA”.

(6) In paragraph (4)—

- (a) in sub-paragraph (a) omit “or (6)”;
- (b) in sub-paragraph (b) omit—
 - (i) “person’s liability for Class 2 contributions or”; and
 - (ii) “the number of contribution weeks in respect of which the liability arises together with the weekly rate, and of the date specified as the date of notification, or, where he is entitled to pay contributions, of”; and
- (c) at the end of the paragraph omit the words from “shall, if he is liable to pay” to “if he is entitled to pay a contribution, he”.

(7) In paragraph (5)—

- (a) in sub-paragraph (a)—
 - (i) for “or 87A” insert “, 87A or 87AA”;
 - (ii) omit paragraph (i);
 - (iii) in paragraph (ii) for “biannual contribution period” substitute “tax year”; and
- (b) in sub-paragraph (b)(iii)—
 - (i) for “or 87A” substitute “, 87A or 87AA”;
 - (ii) omit “ceased to be liable to pay Class 2 contributions or”; and
 - (iii) omit “as the case may be”.

(8) Omit paragraph (6).

(9) In paragraph (7)—

- (a) omit sub-paragraphs (a), (b) and (c); and
- (b) for sub-paragraph (e) substitute—
 - “(e) “notification date” means 31st October following the end of the tax year.”.

(10) Regulation 89 was amended by [S.I. 2011/797](#).

(11) Regulations 90ZA and 148C are inserted by these Regulations.

(12) Paragraph (2A) was inserted by [S.I. 2011/797](#).

13. After regulation 89 insert—

“Class 2 contributions for tax years up to 2014-15

89A.—(1) This regulation applies where a person (P) is liable to pay a Class 2 contribution in respect of any contribution week in a tax year up to and including the 2014-15 tax year.

(2) An officer of HMRC may issue P with written notice of the amount of Class 2 contributions for which P is liable in respect of any tax year up to and including the 2014-15 tax year.

(3) P shall pay the amount of contributions for which he is liable no later than the date specified in the notice. This paragraph is subject to paragraphs (4) and (5).

(4) Where P—

- (a) is liable to pay a Class 2 contribution in respect of any contribution week falling within the period defined in paragraph (5) (“the specified contribution period”); and
- (b) has notified HMRC of such liability in accordance with the provisions of regulation 87 or 87A,

HMRC shall issue P with written notice of the amount of Class 2 contributions for which P is liable to pay in respect of the specified contribution period no later than 1st June 2015 and P shall pay the amount set out in that notice to HMRC no later than 31st July 2015.

(5) For the purposes of paragraph (4), the specified contribution period is the period of not less than 26 contribution weeks falling within the 2014-15 tax year commencing with the first day of the twenty seventh contribution week in that year.”.

14. After regulation 90 insert—

“Class 2 contributions - maternity allowance

90ZA.—(1) This regulation applies in connection with maternity allowance under section 35 or 35B(13) of the Act.

(2) A person who is, or will be, either liable or entitled to pay a Class 2 contribution in respect of a week in a tax year may pay a Class 2 contribution in respect of that week at any time in the period—

- (a) beginning with that week; and
- (b) ending with 31st January next following the end of the relevant tax year.

(3) Where a person pays a Class 2 contribution in accordance with paragraph (2)—

- (a) the contribution is to be treated, before the end of the tax year, as a Class 2 contribution under section 11(6) of the Act, and
- (b) the contribution is to be treated after the end of the tax year—
 - (i) if the person is liable under section 11(2) of the Act to pay a Class 2 contribution in respect of that week, as a Class 2 contribution under section 11(2) of the Act; or
 - (ii) otherwise, as a Class 2 contribution under section 11(6) of the Act.”.

15. In regulation 95 (deferment of Class 4 liability where such liability is in doubt)(14), after “year of assessment” insert “before the tax year 2015-16”.

16. In regulation 125(g) (modification in relation to share fishermen of Part 1 of the Act and so much of Part 6 of the Act as relates to contributions)(15) for “liability for Class 2 contributions arose” substitute “the earner became entitled to pay Class 2 contributions”.

17. After regulation 148A(16) insert—

“148B.—(1) This regulation applies, in relation to a tax year, in respect of a person who is in that tax year—

- (a) in employment as a self-employed earner; and
- (b) a person to whom the Act applies by virtue of Regulation (EC) No 1408/71(17) or Regulation (EC) No 883/2004(18).

(2) Section 11 of the Act has effect in relation to the employment as if for subsection (3) there were substituted—

“(3) “Relevant profits” means profits from the employment in respect of which Class 4 contributions would be payable under section 15 for the relevant tax year if—

- (a) for the purposes of income tax, the earner were resident in the United Kingdom in that year;
- (b) the employment were carried on by the earner in Great Britain;
- (c) the amount of the profits were to exceed the amount specified in subsection (3) (a) of that section in excess of which the main Class 4 percentage is payable; and
- (d) any applicable arrangements having effect under section 2 of the Taxation (International and Other Provisions) Act 2010(19) (double taxation arrangements) were to be disregarded.””

18. After regulation 148B (as inserted by regulation 17) insert—

“148C.—(1) This regulation applies in relation to a person (P)—

- (a) who is liable under section 11(2) of the Act, or entitled under section 11(6) of the Act, to pay one or more Class 2 contributions in respect of a contribution week in a relevant tax year;
- (b) who does not carry on a trade, profession or vocation the profits of which (if any) would be chargeable to income tax under Chapter 2 of Part 2 of the Income Tax (Trading and Other Income) Act 2005 for the relevant tax year; and
- (c) in respect of whom regulation 148B applies in relation to the relevant tax year.

(2) Section 11(5) of the Act (Class 2 contributions payable in the same manner as Class 4 contributions) does not apply in relation to the Class 2 contributions (if it would otherwise do so).

(3) Section 12 of the Act (late paid Class 2 contributions) is to apply to the Class 2 contributions that P is liable to pay under section 11(2) of the Act as it applies to contributions paid under section 11(6) of the Act.

(14) Regulation 95 was amended by [S.I. 2003/193](#).

(15) Regulation 125 was amended by paragraph 33 of Schedule 1 to the National Insurance Contributions Act 2015.

(16) Regulation 148A was inserted by [S.I. 2007/1838](#).

(17) OJ No L 149, 5.7.1971, p.2-50.

(18) OJ No L 166, 30.4.04, p1; relevant amending instruments are Regulation No (EC) 988/2009 (OJ No L 284, 30.10.09, p43) and Commission Regulation No (EU) 465/2012 (OJ No L 149, 22.4.12, p4).

(19) [2010 c.8](#).

(4) If P is liable to pay the Class 2 contributions, P must, no later than 31st January next following the end of the relevant tax year—

- (a) pay the Class 2 contributions for which P is liable in respect of any contribution weeks in that tax year; and
- (b) make a return in such form as may be approved by HMRC.

(5) If P is entitled to pay a Class 2 contribution under section 11(6) of the Act, P may—

- (a) make a return in such form as may be approved by HMRC; and
- (b) pay the contribution.

(6) P must keep such records as may be necessary for the purposes of calculating P's—

- (a) relevant profits from the employment for the purposes of section 11(2) of the Act; and
- (b) liability or, as the case may be, entitlement to pay a Class 2 contribution,

for the relevant tax year and preserve such records until the sixth anniversary of the 31st January next following the end of the relevant tax year.”.

19. In regulation 151 (option to pay Class 2 contribution)—

- (a) omit paragraph (a); and
- (b) in paragraph (b) for “such a” substitute “ a Class 2”.

20. In regulation 152(b) (special provision as to residence, rate, annual maximum and method of payment) for “11(1)” substitute “11(2)”.

21.—(1) Amend Schedule 3 (payments to be disregarded in the calculation of earnings for the purposes of earnings-related contributions) as follows.

(2) In Part 6 (pensions and pension contributions) at the end of paragraph 10A(20), insert “or by the Armed Forces Early Departure Payments Scheme Regulations 2014 (S.I. 2014/2328)”.

(3) In Part 9 (incentives by way of securities) after paragraph 17 insert—

“Payments made to internationally mobile employees

18.—(1) So much of any payment as equals the amount in sub-paragraph (3).

(2) For the purposes of calculating the amount in sub-paragraph (3) treat amounts which count as employment income under Chapters 2 to 5 of Part 7 of ITEPA 2003 as having been paid in equal instalments on each day of the “relevant period” as determined in accordance with section 41G of ITEPA 2003(21).

(3) The amount in this sub-paragraph is calculated by adding together every instalment which would satisfy the condition in sub-paragraph (4), (5) or (6) on the day on which the instalment is treated as having been paid.

(4) The condition in this sub-paragraph is that the instalment does not give rise to a liability to pay earnings-related contributions because the employed earner does not fulfil the prescribed conditions as to residence or presence in Great Britain or Northern Ireland (as the case requires) set out in paragraph (1) of regulation 145 or because the proviso in paragraph (2) of that regulation applies.

(5) The condition in this sub-paragraph is that the instalment does not give rise to a liability to pay earnings-related contributions because the employed earner is determined in

(20) Paragraph 10A was inserted by S.I. 2013/622.

(21) Chapter 5B (sections 41F to 41L) was substituted for Chapter 5A (sections 41A to 41E) by paragraphs 1, 2 and 5 of Schedule 9 to the Finance Act 2014 (2014 c. 26).

accordance with Title II of Regulation No (EC) 883/2004(22) and Title II of Regulation No (EC) 987/2009(23) to be subject only to the legislation of another EEA State or Switzerland.

(6) The condition in this sub-paragraph is that the instalment does not give rise to a liability to pay earnings-related contributions because the employed earner is determined to be subject only to the legislation of a country outside the United Kingdom pursuant to an Order in Council having effect under section 179 of the Administration Act(24).”.

22.—(1) Amend Schedule 4 (provisions derived from the Income Tax Acts and the Income Tax (Pay As You Earn) Regulations 2003) as follows.

(2) In Part 1 (general)(25)—

(a) in paragraph 1(2)—

- (i) in the definition of “employee” omit “general”; and
- (ii) omit the definition of “general earnings”;

(b) in paragraph 1(5) before “earnings” omit “general”; and

(c) omit “general” in each place where it occurs in paragraphs 3 and 4A.

(3) In Part 2 (deduction of earnings-related contributions)(26)—

(a) in paragraph 6(1) omit—

- (i) “general”; and
- (ii) “, or on making any payment of statutory maternity pay”; and

(b) in paragraph 7 omit “general” in each place where it occurs.

(4) In Part 3 (payment and recovery of earnings-related contributions, Class 1A contributions and Class 1B contributions, etc.)(27)—

(a) omit “general” in each place where it occurs in paragraphs 10, 11 and 12(2);

(b) in paragraph 21A omit “general” in each place where it occurs and accordingly in the heading omit “general”;

(c) omit “general” in each place where it occurs in paragraphs 21AA, 21AB, 21AC, 21AD, 21B, 21CA, 21D, 21E, 21EA, 21F and 21G; and

(d) omit “general” in each place where it occurs in paragraphs 24(2), 27 and 28.

(5) For paragraph 23 (additional return by employer at end of year where liability transferred to employed earner) substitute—

(22) Regulation 883/2004 is extended to the EEA by Annex VI of the Agreement on the European Economic Area (OJ No L 001, 3.1.94, p3), as amended by Decision 76/2011 of the EEA Joint Committee (OJ No L 262, 6.10.11, p33). Regulation 883/2004 is extended to Switzerland by Annex II of the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the Free Movement of Persons (OJ No L 114, 30.4.02, p6) (the “Swiss Agreement”), as amended by Decision 1/2012 of the Joint Committee established under the Swiss Agreement (OJ No L 103, 13.4.12, p51).

(23) Regulation OJ No L 284, 30.10.09, p1, amended by Commission Regulation No (EU) 465/2012 (OJ No L 149, 22.4.12, p4); there are other amending instruments but none is relevant. Regulation 987/2009 is extended to the EEA by Annex VI of the Agreement on the European Economic Area (OJ No L 001, 3.1.94, p3), as amended by Decision 76/2011 of the EEA Joint Committee (OJ No L 262, 6.10.11, p33). Regulation 987/2009 is extended to Switzerland by Annex II of the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the Free Movement of Persons (OJ No L 114, 30.4.02, p6) (the “Swiss Agreement”), as amended by Decision 1/2012 of the Joint Committee established under the Swiss Agreement (OJ No L 103, 13.4.12, p51).

(24) “the Administration Act” is defined in section 174 of the Social Security Contributions and Benefits Act 1992 and section 170 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

(25) Part 1 was amended by S.I. 2002/2929, 2004/770 and 2012/821.

(26) Part 2 was amended by S.I. 2002/2929, 2004/770 and 2007/1056.

(27) Part 3 was amended by S.I. 2002/2929, 2004/770, 2004/2096, 2007/1056, 2012/821, 2013/622 and 2014/2397.

“Notification by employer at end of year that an agreement described in paragraph 3A(2) or an election under paragraph 3B(1) of Schedule 1 to the Act has been operated in relation to a Secondary Class 1 contribution

23.—(1) An employer must notify HMRC on or before 6th July if a relevant agreement or relevant election has been operated in relation to a Secondary Class 1 contribution payable in respect of the relevant employment income of a person (“the earner”) in the year immediately preceding the year in which that day falls.

(2) A relevant agreement has been operated in relation to the contribution described in sub-paragraph (1) if the employer has recovered the whole or any part of it pursuant to an agreement described in paragraph 3A(2) of Schedule 1 to the Act.

(3) A relevant election has been operated in relation to the contribution described in sub-paragraph (1) if the liability for the whole or any part of it has been transferred to the earner pursuant to an election under paragraph 3B of that Schedule.”.

(6) In Part 4 (assessment and direct collection)(28) omit “general” in each place where it occurs in paragraphs 31 and 31A(1).

23. In paragraph 11 of Schedule 4A (real time returns)(29) omit “general”.

Revocation of regulations and consequential amendments

24.—(1) Omit—

- (a) the definitions of “official error” and “service provider” in regulation 1(2) (interpretation)(30);
- (b) regulations 44 to 47;
- (c) regulation 50B (class 3 contributions: tax years 1993-94 to 2007-08)(31);
- (d) regulation 61A (voluntary Class 2 contributions: tax years 1993-94 to 2007-08)(32);
- (e) regulation 65ZA (amounts of Class 2 and 3 contributions in certain cases where earnings removed)(33);
- (f) regulation 65C (late payment of voluntary Class 2 and 3 contributions for tax year 2005-06)(34);
- (g) regulation 65D (late payment of voluntary Class 2 and 3 contributions for tax year 2006-07)(35);
- (h) paragraphs (3) to (8) of regulation 87 (notification of commencement or cessation of payment of Class 2 or Class 3 contributions on or before 5th April 2009); and
- (i) regulations 87B to 87G (penalty for failure to notify and related provisions)(36).

(2) In regulation 48(3)(b) (Class 3 contributions) omit “, 50B”(37).

(28) Part 4 was amended by [S.I. 2013/622](#) and [2014/608](#).

(29) Schedule 4A was inserted by [S.I. 2012/821](#).

(30) The definitions of “official error” and “service provider” were inserted by [S.I. 2007/2520](#). The definition of “official error” was amended by [S.I. 2008/2683](#).

(31) Regulation 50B was inserted by [S.I. 2007/2520](#).

(32) Regulation 61A was inserted by [S.I. 2007/2520](#).

(33) Regulation 65ZA was inserted by [S.I. 2007/2520](#).

(34) Regulation 65C was inserted by [S.I. 2008/607](#).

(35) Regulation 65D was inserted by [S.I. 2008/3099](#).

(36) Regulations 87B to 87G were inserted by [S.I. 2009/600](#).

(37) Regulation 48(3)(b) was amended by [S.I. 2007/2520](#) and [S.I. 2013/622](#).

(3) In regulation 61B (voluntary Class 2 contributions: tax years 2006-07 to 2015-16: unavailability of pension payments 2013-14 to 2016-17)(38) for “regulations 61 and 61A” substitute “regulation 61”.