

1995 No. 1003

SOCIAL SECURITY

**The Social Security (Contributions) Amendment
(No. 4) Regulations 1995**

<i>Made</i> - - - - -	<i>5th April 1995</i>
<i>Laid before Parliament</i>	<i>5th April 1995</i>
<i>Coming into force</i>	<i>6th April 1995</i>

The Secretary of State for Social Security, in exercise of powers conferred by sections 3(2) and (3), 122(1) and 175(1) to (3) of the Social Security Contributions and Benefits Act 1992(a) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that proposals to make these Regulations should not be referred to it(b), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) Amendment (No. 4) Regulations 1995 and shall come into force on 6th April 1995.

(2) In these Regulations “the principal Regulations” means the Social Security (Contributions) Regulations 1979(c).

[Reg. 2 amends reg. 18 of S.I. 1979/591.]

[Reg. 3 amends Sch. 1A to S.I. 1979/591.]

Signed by authority of the Secretary of State for Social Security.

5th April 1995

James Arbuthnot
Parliamentary Under-Secretary of State,
Department of Social Security

(a) 1992 c.4; section 122(1) is cited because of the meaning ascribed to the word “prescribe”.
(b) See the Social Security Administration Act 1992 (c.5), section 173(1)(b).
(c) S.I. 1979/591; relevant amending instruments are S.I. 1991/2505, 1993/2925 and 1994/2194.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Social Security (Contributions) Regulations 1979 (“the principal Regulations”).

Regulation 2 amends regulation 18 of the principal Regulations so that where a payment of earnings is made by conferring a beneficial interest in certain assets for which trading arrangements exist, the amount of the payment is to be established by reference to the amount obtainable under those arrangements.

Regulation 3 amends Schedule 1A to the principal Regulations, which lists certain assets which are not excluded from the computation of a person’s earnings. Two further paragraphs are inserted. Paragraph 9C refers to assets, including vouchers, for which trading arrangements exist and vouchers for such assets and paragraph 19 defines the term “trading arrangements” by reference to section 203K(2)(a) of the INcome and Corporation Taxes Act 1988.

These Regulations do not impose any additional administrative costs on business but the effect will be to require the payment of primary and secondary Class 1 national insurance contributions (although any primary Class 1 contributions remain subject to the upper earnings limit) which had not previously been due on certain payments of earnings, where those payments of earnings are made by means of assets or vouchers now covered by these Regulations.

An assessment of the cost to business of applying these Regulations has been placed in the Libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Room 09/03, Adelphi, 1–11 John Adam Street, London WC2N 6HT.