STATUTORY INSTRUMENTS

2007 No. 1838

SOCIAL SECURITY

The Social Security (Contributions) (Amendment No. 4) Regulations 2007

Made - - - -	*26th June 2007*
Laid before Parliament	*27th June 2007*
Coming into force - -	*18th July 2007*

The Treasury make the following Regulations in exercise of the powers conferred on them by sections 13(1), 14(1), 119, 122(1) and 175(3) and (4) of the Social Security Contributions and Benefits Act 1992(**a**) and sections 13(1), 14(1), 119, 121(1) and 171(3) and (4) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**b**).

The Secretary of State and the Department for Social Development(**c**) concur in the making of these Regulations.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) (Amendment No. 4) Regulations 2007 and shall come into force on 18th July 2007.

(2) In these Regulations "the principal Regulations" means the Social Security (Contributions) Regulations 2001(**d**).

Amendments to the principal Regulations: general

2. The principal Regulations are amended as follows.

Insertion of regulation 49A in the principal Regulations

3. After regulation 49 insert—

(**a**) 1992 c. 4. Section 13(1) was amended by paragraph 14(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2) and by S.I. 2006/624; section 119 was amended by paragraph 69 of Schedule 7 to the Social Security Act 1998 (c. 14), and by paragraph 25 of Schedule 3 and paragraph 7 of Schedule 7 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999; and section 175(4) was amended by paragraph 29(4) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999. Section 122(1) is cited for the meaning of the word "prescribe".

(**b**) 1992 c. 7. Section 13(1) was amended by S.I. 1999/671 and 2006/624; and section 119 was amended by S.I. 1998/1506 (N.I. 10) and S.I. 1999/671. Section 121(1) is cited for the meaning of the word "prescribe".

(**c**) The functions of the Department of Health and Social Services for Northern Ireland under the Social Security Contributions and Benefits (Northern Ireland) Act 1992 were transferred to the Department for Social Development by Article 8(b) of, and Part II of Schedule 6 to, the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. 1999 No. 481).

(**d**) S.I. 2001/1004, to which there are amendments not relevant to these Regulations.

"Conditions relating to Class 3 contributions: transfers to the Communities' pension scheme

49A.—(1) The entitlement of a person to pay a Class 3 contribution is subject to the condition set out in paragraph (2).

(2) The condition is that a person may not pay a Class 3 contribution for any part of the period to which that person's Communities transfer relates.

(3) For the purposes of this regulation, paragraph (3) of regulation 148A applies to determine the meaning of a Communities transfer in the same way as it applies to determine the meaning of that expression for the purposes of that regulation.".

Amendment of regulation 146 of the principal Regulations

4. In regulation 146(2)(b) (payment of contributions for periods abroad) for "regulation 148" substitute "regulations 148 and 148A".

Amendment of regulation 147 of the principal Regulations

5. In regulation 147(1) (Class 2 and Class 3 contributions for periods abroad) for "regulation 148" substitute "regulations 148 and 148A".

Insertion of regulation 148A in the principal Regulations

6. After regulation 148 insert—

"Conditions of payment of Class 3 contributions: transfers to the Communities' pension scheme

148A.—(1) Entitlement to pay Class 3 contributions under regulations 146 and 147 is subject to the condition set out in paragraph (2).

(2) The condition is that a person may not pay a Class 3 contribution for any part of the period to which that person's Communities transfer relates.

(3) For the purposes of this regulation—

a "Communities transfer" means a transfer to the Communities pension scheme of rights to relevant benefits;

"the Communities' pension scheme" means the pension scheme provided for officials and other servants of Community institutions and bodies in accordance with regulations adopted by the Council of the European Communities(**a**);

"relevant benefits" means benefits under—

(a) Parts 2 to 5 and 10 of the Act,

(b) sections 36 and 37 of the National Insurance Act 1965(**b**) (graduated retirement benefit), and

(c) sections 1(2) and 2 of the Jobseekers Act 1995(**c**) (contribution-based jobseeker's allowance).".

(**a**) Council Regulation (EEC, Euratom, ECSC) No. 259/68 of 29th February 1968 (OJ No. L 56, 4.3.1968 p. 1 - Special Edition 1968, 1 December 1972). The Communities' scheme is contained in Title V, Chapter 3, Articles 77 to 84 and Annex VIII.

(**b**) 1965 c. 51. Section 36 of that Act was repealed by the Social Security Act 1973 (c. 38) with effect from 6th April 1975, but continues in force by virtue of regulations made under Schedule 3 to the Social Security (Consequential Provisions) Act 1975 (c. 18) or under Schedule 3 to the Social Security (Consequential Provisions) Act 1992 (c. 6).

(**c**) 1995 c. 18. Section 1(2) was amended by paragraph 2(2) of Schedule 7 to the Welfare Reform and Pensions Act 1999 (c. 30); and section 2 was amended by paragraph 3 of Schedule 7 to that Act.

Frank Roy
Claire Ward
26th June 2007 Two of the Lords Commissioners of Her Majesty's Treasury

The Secretary of State concurs.
Signed by authority of the Secretary of State for Work and Pensions.

James Purnell
Minister of State,
25th June 2007 Department for Work and Pensions

The Department for Social Development concurs.
The Official Seal of the Department is affixed on the 19th June 2007

L.S.

John O'Neill
A Senior Officer of the Department for Social Development

EXPLANATORY NOTE

(This note is not part of the Regulations)

The European Communities provide a pension scheme ("the Communities' pension scheme") for officials and servants of Community institutions; and those who work for those institutions may transfer their pension rights under national legislation to the Communities' pension scheme.

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) so that individuals who transfer their pension rights under national legislation to the Communities' pension scheme may not make Class 3 contributions for any part of the period to which the transfer relates.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

£3.00

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E0932 7/2007 170932T 19585

