STATUTORY INSTRUMENTS

2000 No. 1149

SOCIAL SECURITY

The Social Security (Contributions) (Amendment No. 5) Regulations 2000

Made - - - -	*25th April 2000*
Laid before Parliament	*26th April 2000*
Coming into force	*19th May 2000*

The Commissioners of Inland Revenue, in exercise of the powers conferred on them by paragraph 6(1) of Schedule 1 to the Social Security Contributions and Benefits Act 1992**(a)**, and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment No. 5) Regulations 2000 and shall come into force on 19th May 2000.

Amendment of Schedule 1 to the Social Security (Contributions) Regulations 1979

2. For paragraph (3) of regulation 26A of Schedule 1 to the Social Security (Contributions) Regulations 1979**(b)** (level below which an employer may choose to make payments to the Collector quarterly rather than monthly) substitute—

"(3) The condition specified in this paragraph is that, for income tax months falling within the current year, the average monthly amount found by the formula—

N + **P** + **L** + **S** − **T**
will be less than £1,500.

Here—

N is the amount which would be payable to the Collector under the Social Security Contributions and Benefits Act 1992 and the Main Regulations if any adjustment to that amount under regulation 7(3) of the Tax Credits (Payments by Employers) Regulations 1999**(c)** (funding of payment by relevant employer or relevant subsequent employer of tax credit) were disregarded;

P is the amount which would be payable to the Collector under regulation 40 of the Income Tax (Employments) Regulations 1993**(d)** (payment of tax monthly by

(a) 1992 c. 4. The power to make regulations under paragraph 6 was transferred to the Commissioners of Inland Revenue by paragraph 35 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2).
(b) S.I. 1979/591. Regulation 26A was inserted by regulation 2(3) of S.I. 1991/1632 and paragraph (3) was amended by regulation 2 of S.I. 1999/827.
(c) S.I. 1999/3219.
(d) S.I. 1993/744. The relevant amending instrument is S.I. 1993/2276.

employer) if any adjustment to that amount under regulation 7(1) of the Tax Credits (Payments by Employers) Regulations 1999 were disregarded;

L is the amount which would be payable to the Collector under regulation 39(1) of the Education (Student Loans) (Repayment) Regulations 2000 (payment of repayments deducted to the Inland Revenue)**(a)** if the reduction of that amount which is referred to in paragraph (3) of that regulation and in regulation 7(2) of the Tax Credits (Payments by Employers) Regulations 1999 were disregarded;

S is the amount payable to the Collector under section 559 of the Taxes Act and the Income Tax (Sub-contractors in the Construction Industry) Regulations 1993**(b)**; and

T is the amount which the employer is required to pay by way of tax credit in accordance with regulation 6(2) of the Tax Credits (Payment by Employers) Regulations 1999 (relevant employer's or relevant subsequent employer's obligation to pay tax credits).".

Tim Flesher
Ann Chant
25th April 2000 Two of the Commissioners of Inland Revenue

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 1979 (S.I. 1979/591) ("the 1979 Regulations").

Regulation 1 provides for the citation and commencement of these Regulations.

Regulation 2 amends Schedule 1 to the 1979 Regulations (which contains the Income Tax (Employments) Regulations 1973 (S.I. 1973/334) as applied with modifications for the purposes of earnings-related contributions, Class 1A and Class 1B contributions) by replacing paragraph (3) of regulation 26A in that Schedule. As a result of the amendment the employer may choose to account to the Collector on a quarterly basis if he has reasonable grounds for believing that the average monthly amount which he would be liable to pay to the Collector in the year of assessment in respect of—

(a) national insurance contributions,

(b) PAYE tax,

(c) deductions from payments to sub-contractors in the construction industry, and

(d) repayments in respect of student loans deducted from earnings,

after deducting the amount which he would be liable to pay by way of tax credit under regulation 6(2) of the Tax Credits (Payments by Employers) Regulations 1999 (S.I. 1999/3219), is less than £1,500.

(a) S.I. 2000/944.
(b) S.I. 1993/743.

£1.00

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