STATUTORY INSTRUMENTS

1974 No. 988

SOCIAL SECURITY

PENSIONS

The Social Security (Contributions) Amendment Regulations 1974

Made - - - -	*7th June* 1974
Laid before Parliament	*19th June* 1974
Coming into Operation	*31st July* 1974

The Secretary of State for Social Services with the concurrence of the Inland Revenue in so far as their concurrence is required, in exercise of powers conferred upon her by sections 1(10), 3(5), 4(1) and (2), 5(6), (7), and (8), 6, 77(1), (3) and (5) and 99(14) of, and paragraphs 1(1)(*a*) and (*b*), 3, 4(*a*) and (*d*), 5(1)(*a*) and (*b*), 6(1)(*b*), (*c*), (*d*), (*f*), (*h*) and (*m*) and 8 of Schedule 1, and paragraph 6(*c*) and (*d*) of Schedule 19, and paragraphs 2(1), 3, 4 and 6(1) and (2)(*b*) of Schedule 26 to the Social Security Act 1973**(a)** and of all other powers enabling her in that behalf hereby makes the following regulations:—

Citation, interpretation and commencement

1. These regulations, which may be cited as the Social Security (Contributions) Amendment Regulations 1974, shall be read as one with the Social Security (Contributions) Regulations 1973**(b)** (hereinafter referred to as "the principal regulations") and shall come into operation on 31st July 1974.

Revocation of regulation 37 *of the principal regulations*

2. Regulation 37 of the principal regulations (information as to recognised pensionable employment) is hereby revoked.

Insertion of new regulation 37

3. After regulation 36 of the principal regulations there shall be inserted as regulation 37 the following regulation—

"*Special provisions relating to culpable primary contributors and to secondary contributors or, as the case may be, employers exempted by treaty etc., from enforcement of the Act or from liability under it*

37.—(1) As respects any employed earner's employment—

(*a*) where there has been a failure to pay any primary contribution which a secondary contributor is, or but for the provisions of this regulation would be, liable to pay on behalf of the earner and the failure was due to an act or default of the earner and not to any negligence on the part of the secondary contributor, or

(a) 1973 c. 38.

(b) S.I. 1973/1264 (1973 II, p. 3750).

(*b*) where the secondary contributor is a person against whom, by reason of any international treaty or convention such as is specified in Regulation 50(1) of Schedule 3 to these regulations (provisions for direct payment), the provisions of the Act are not enforceable and who is not willing to pay on behalf of the earner any contribution due in respect of earnings paid to or for the benefit of the earner in respect of that employment,

the provisions of paragraph 3(1) of Schedule 1 to the Act, (method of paying Class 1 contributions) shall not apply in relation to that contribution.

(2) Where as respects any employed earner's employment the employer is a person who by reason of any such international treaty or convention as aforesaid is exempt from the provisions of the Act, he may, if he so wishes, pay contributions in respect of any earnings paid to or for the benefit of the earner in respect of the employment to the same extent to which he could have paid such contributions if he had not been so exempt.

(3) In this regulation the word "employer" has the same meaning as it has in the said Regulation 50(1)."

Substitution of regulation 42 *of the principal regulations*

4. For regulation 42 of the principal regulations (deduction of contributions from pensions etc.—prescribed enactments and instruments under which payable) there shall be substituted the following regulation—

"42. For the purposes of paragraph 8 of Schedule 1 to the Act (power to deduct contributions from a pension or allowance payable by the Secretary of State by virtue of any prescribed enactment or instrument) the prescribed enactments and instruments shall be any enactment or instrument by virtue of which there is payable by the Secretary of State any pension or allowance—

(*a*) such as is specified in—

(i) the definition of war disablement pension in regulation 1(2) of the Family Income Supplements (General) Regulations 1971**(a)**, as amended**(b)**; or

(ii) paragraph 24(4)(*b*) and (*c*) of Schedule 2 to the Supplementary Benefit Act 1966**(c)**, as amended**(d)**; or

(*b*) which is analogous to any pension or allowance specified in the provisions referred to in head (ii) of the last preceding paragraph of this regulation."

Deletion of provisions under Part III of the Act from, and other miscellaneous amendments of, the principal regulations

5. For the purposes of deleting provisions under Part III of the Act (reserve pension scheme) from, and the making of other miscellaneous amendments to, the principal regulations, the provisions of those regulations specified in the first column of Schedule A to these regulations shall be amended as specified in the second column of that Schedule.

(a) S.I. 1971/226 (1971 I, p. 662). **(b)** S.I. 1972/1282 (1972 II, p. 3857).
(c) 1966 c. 20 (and *see* Social Security Act 1973 (c. 38), s. 99(18)).
(d) The relevant amending enactment is the National Insurance and Supplementary Benefit Act 1973 (1973 c. 42), section 6 and Schedule 4, paragraph 8.

Amendments of Parts IV, V and VI of, and Schedules 3 *and* 4 *to, the principal regulations*

6. In the principal regulations—

(*a*) Parts IV, V and VI shall respectively be renumbered Parts V, VI and IX;

(*b*) except so far as amended under the provisions of the last preceding regulation, regulations 33 to 44 and 45 to 47 shall respectively be renumbered 38 to 49 and 71 to 73;

(*c*) for the reference notes of Schedules 3 and 4 there shall respectively be substituted as reference notes "Regulation 40" and "Regulation 49".

Addition of a new Part IV to the principal regulations

7. After the provisions of Part III of the principal regulations there shall be inserted as Part IV the provisions set out in Schedule B to these regulations.

Addition of a new Part VII to the principal regulations

8. After the provisions of Part VI of the principal regulations, as amended by these regulations, there shall be inserted as Part VII the provisions set out in Schedule C to these regulations.

Addition of a new Part VIII to the principal regulations

9. Immediately before Part IX of the principal regulations (miscellaneous provisions) (which Part having been so renumbered by regulation 6 of these regulations) there shall be inserted as Part VIII the provisions set out in Schedule D to these regulations and after Schedule 4 to the principal regulations there shall be inserted as Schedule 5 the provisions set out in Schedule E to these regulations.

Barbara Castle,
Secretary of State for Social Services.

6th June 1974.

The Commissioners of Inland Revenue hereby concur.
By Order of the Commissioners of Inland Revenue.

G. Wolters,
Secretary.

7th June 1974.

Regulation 5

SCHEDULE A

MISCELLANEOUS AMENDMENTS OF PRINCIPAL REGULATIONS

Provision	Amendment
Regulation 1(1) (citation and commencement)	For the words "and shall come into operation on 6th April 1975" there shall be substituted the words "and shall come into operation in the case of this regulation and regulations 63 and 64 on 31st July 1974 and in the case of the remainder of the regulations on 6th April 1975".
Regulation 1(2) (interpretation)	After the definition of "aggregation" there shall be inserted the following definition, namely, ' "the appointed day" means 6th April 1975;'. In the definition of "contribution card", for the reference to "Part IV of these regulations", there shall be substituted a reference to "Part V of these regulations". After the definition of "contribution week" there shall be inserted the following definition, namely, ' "due date" in Part IV of these regulations means in relation to any contribution the due date for payment of that contribution, which date, for the purpose of a contribution which a person is entitled but not liable to pay shall be treated as the date of the last day of the year in respect of which it is paid;' In the definition of "national insurance number", for the reference to "regulation 33" there shall be substituted a reference to "regulation 38". After the definition of "national insurance number" there shall be inserted the following definition, namely, ' "profits or gains" for the purposes of Part VII of these regulations means profits or gains which, subject to the provisions of Schedule 2 of the Act, are chargeable to income tax under Case I or Case II of Schedule D;'. In the definition of "regular interval" for the word "means" there shall be substituted the words "includes only such interval as is". In the definition of "secondary contributor" the provisions of paragraph (1) shall be deleted.

Provision	Amendment
	After the definition of "year", there shall be inserted the following definition, namely, ' "year of assessment" has the meaning assigned to it in section 526 of the Income and Corporation Taxes Act 1970(a);'.
Regulation 6 (equivalent amounts)	In paragraph (1), for the words "section 2(2)(*b*), 2(6), 77(1)(*b*) and 77(3)" there shall be substituted the words "section 2(2)(*b*) and (6)".
Regulation 7 (calculation of earnings-related contributions)	In paragraph (1), there shall be deleted the word "where" which immediately precedes the phrase "earnings-related contributions" and all the words which follow that phrase and precede the words "shall be calculated".
	In paragraph (2), for the words from and including "Part I" to "Schedule 2" there shall be substituted the words "the scale prescribed in Part I or, as the case may be, Part II of Schedule 1", and the provisions of sub-paragraph (*b*) shall be deleted.
	In paragraph (3), there shall be deleted the words "or, as the case may be, the said Schedule 2".
	In paragraph (4), for the words "Schedules 1 and 2" there shall be substituted the words "Schedule 1".
Regulation 9 (aggregation of earnings paid in respect of separate employed earner's employments under the same secondary contributor)	For the words "secondary contributor" there shall be substituted the word "employer" (and the shoulder note shall be amended accordingly).
Regulation 15 (annual maximum)	In paragraph (1)(*a*), for the words "but is not employed as a self-employed earner" there shall be substituted the words "and is not liable to pay any Class 2 contributions for that year".
	In paragraph (1)(*b*), for the words "employed as a self-employed earner" there shall be substituted the words "liable to pay Class 2 contributions for that year".
Regulation 19 (other practices avoiding or reducing liability)	For the words "Class 1 contributions" there shall be substituted the words "earnings-related contributions", and in the shoulder note there shall be deleted the word "other".

(a) 1970 c. 10.

Provision	Amendment
Regulation 20 (exception from Class 2 contributions)	In paragraph (3), for the words "any regulations made under paragraph 6(1)(*c*) of Schedule 1 to the Act" there shall be substituted the words "the provisions of Part IV of these regulations", and, in the shoulder note, after the word "from" there shall be inserted the words "liability for".
Regulation 23 (certificate of exception—exception from liability for, and entitlement to pay, Class 2 contributions)	In paragraph (*b*), for the words "any regulations made under paragraph 6(1)(*c*) of Schedule 1 to the Act" there shall be substituted the words "the provisions of Part IV of these regulations".
Regulation 24 (Class 3 contributions)	In paragraph (2)(*a*), for the words "Part IV of these regulations" there shall be substituted the words "Part V of these regulations". In paragraph (3)(*b*), for the words "any regulations made under paragraph 6(1)(*c*) of Schedule 1 to the Act" there shall be substituted the words "the provisions of Part IV of these regulations". In paragraph (3)(*b*)(ii), for the words "full-time unpaid apprenticeship or training, or" there shall be substituted the words "full-time apprenticeship or training for which, in either case, any earnings are less than the lower earnings limit, or has been undergoing".
Regulation 27 (disposal of contributions and reserve scheme premiums not properly paid)	There shall be deleted all the words following the words "payable under that Part" (and from the shoulder note there shall be deleted the words "and reserve scheme premiums").
Regulation 28 (return of contributions and reserve scheme premiums)	In paragraph (1) there shall be deleted the words "or any contributions under Part III of the Act or reserve scheme premiums" and "or, as the case may be, premiums" wherever those words appear (and in the shoulder note to this regulation the words "and reserve scheme premiums" shall also be deleted). In paragraph (4) there shall be deleted the words "or reserve scheme premium" and "or premium".

Provision	Amendment
	After paragraph (4) there shall be inserted the following paragraph:— "(5) In this regulation the word "error" means, and means only, an error which (i) is made at the time of the payment, and (ii) relates to some present or past matter.".
Regulation 29(1)(*a*)(ii) (special provisions for return of Class 3 contributions)	For the words "the period specified in sub-paragraph (*b*)(i) or as the case may be, sub-paragraph (*b*)(ii) of regulation 24(3)" there shall be substituted the words "the 2 year period specified in sub-paragraph (*b*)(i), or, as the case may be, the 6 year period specified in sub-paragraph (*b*)(ii), of regulation 24(3)".
Regulation 30 (calculation of return of contributions)	There shall be deleted the words "or reserve scheme premiums" and "or premiums" wherever those words appear.
Regulation 35 (collection and recovery of earnings-related contributions)	For the reference to "regulation 36" there shall be substituted a reference to "the next succeeding regulation".
Regulation 36 (direct collection and recovery of earnings-related contributions)	For the reference to "regulation 35" there shall be substituted a reference to "the last preceding regulation".
Regulation 38 (provisions as to application for, and custody of, contribution cards etc.)	In paragraph (1)(*d*), for the reference to "regulation 39(2) or 40(2)" there shall be substituted a reference to "regulation 44(2) or 45(2)". In paragraph (3), for the reference to "regulation 41(3)(*a*)" there shall be substituted a reference to "regulation 46(3)(*a*)".
Regulation 47 (Northern Ireland)	There shall be deleted the words "except in so far as they relate to reserve scheme contributions and reserve scheme premiums".
Schedule 2 (contributions under the reserve pension scheme)	The whole Schedule shall be deleted.
Schedule 3, Regulation 2(1) (interpretation)	After the definition of "Inspector" there shall be inserted the following definition, namely, ' "national insurance number" has the meaning assigned to it in regulation 1(2) of the Main Regulations'. The definition of "the reserve pension scheme"' shall be deleted.

Provision	Amendment
	Before the words "references to a Regulation" there shall be inserted the words 'references to "the Main Regulations" shall be references to the provisions of this instrument other than the provisions of this Schedule, and references to any regulation of the Main Regulations shall be construed accordingly, but, save as aforesaid'.
Schedule 3, Regulation 3A (employers' earnings-related contributions)	There shall be deleted the words "or 77(2)".
Schedule 3, Regulation 13 (calculation of deduction)	In paragraph (1) there shall be deleted the words "or 77(2)". In paragraph (6), the provisions of sub-paragraph (*b*)(iv) shall be deleted. In paragraph (6B) for the words "heads (ii), (iii) and (iv)" there shall be substituted the words "heads (ii) and (iii)".
Schedule 3, Regulation 30 (return by employer at end of year)	In paragraph (1) for the words "heads (ii) to (iv)" there shall be substituted the words "heads (ii) and (iii)". In paragraph (2)— (i) after sub-paragraph (*a*) there shall be inserted the word "and"; (ii) after sub-paragraph (*b*) there shall be deleted the word "and"; (iii) the provisions of sub-paragraph (*c*) shall be deleted. In paragraph (3), before the words "a director" there shall be inserted the words "the secretary or by". In paragraph (6A), after the words "with the agreement of" there shall be inserted the words "the Commissioners of Inland Revenue and".
Schedule 3, Regulation 32 (inspection of employer's records)	In paragraph (1), for the words "any authorised officer of the Department of Health and Social Security or of the Commissioners of Inland Revenue" there shall be substituted the words "an officer authorised by the Secretary of State or by the Commissioners of Inland Revenue".

Provision	Amendment
Schedule 3, Regulation 50 (provisions for direct payment)	In paragraph (1) for all the words following the words "are not enforceable" there shall be substituted the words "the provisions of Regulation 51 of these Regulations shall, unless the employer, being a person entitled to pay the primary contributions due in respect of the earnings from the said employment, is willing to pay those contributions, apply to the employee."

SCHEDULE B

Regulation 7

The following provisions are, by virtue of regulation 7 of these regulations, to be included in the principal regulations as Part IV thereof.

PART IV

LATE PAID AND UNPAID CONTRIBUTIONS

Treatment for purpose of basic scheme benefit of late paid basic scheme contributions

33.—(1) Subject to the provisions of regulations 34, 35 and 36 of these regulations, the following provisions of this regulation shall, for the purpose of entitlement to basic scheme benefit, apply to contributions (other than Class 4 contributions) paid under Part I of the Act (basic scheme) after the due date.

(2) Subject to the provisions of the next succeeding paragraph, for the purpose of any entitlement to such benefit, any such contribution—

(*a*) if paid after the end of the second year following the year in which liability for that contribution arises, or, in the case of a contribution which a person is entitled, but not liable, to pay, following the due date for that contribution, shall be treated as not paid;

(*b*) if paid before the end of the said second year, shall, subject to paragraphs (5) and (6) of this regulation, be treated as paid on the date on which payment of the contribution is made.

(3) For the purpose aforesaid, any such contribution, being a Class 3 contribution, which is payable by a person to whom regulation 24(3)(*b*)(ii) of these regulations applies in respect of a year which includes a period of education, apprenticeship, training, imprisonment or detention in legal custody such as is specified in that regulation—

(*a*) if paid after the end of the 6th year specified in that regulation, shall be treated as not paid;

(*b*) if paid before the end of the said 6th year shall, subject to the provisions of paragraphs (5) and (6) of this regulation, be treated as paid on the date on which payment of the contribution is made.

(4) Notwithstanding the provisions of the last preceding paragraph, for the purpose of entitlement of any particular basic scheme benefit where a Class 3 contribution, which is payable in respect of a year specified in that paragraph, is paid after the due date and after the end of the second year following the year preceding that in which occurred the relevant time for the purposes of Schedule 3 to the Act (contribution conditions for basic scheme benefit) or, as the case may be, the date on which the person concerned attained pensionable age or died under that age or, in the case of entitlement to death grant, the death which gave rise to the claim for that grant, that contribution shall for the purpose of entitlement to the particular benefit be treated as not paid.

(5) Notwithstanding the provisions of paragraphs (2) and (3) of this regulation, any such contribution as is specified in paragraph (1) of this regulation shall, in determining whether the relevant contribution conditions are satisfied in whole or in part for the purpose of entitlement to any benefit specified in that paragraph, be treated—

(*a*) for the purpose of entitlement in respect of any period before the date on which the payment of the contribution is made—as not paid; and,

(*b*) subject to the provisions of the next succeeding paragraph, for the purpose of any entitlement to such benefit in respect of any other period—as paid on the date on which the payment of the contribution is made.

(6) For the purpose of entitlement to unemployment benefit, sickness benefit or maternity allowance, any such contribution as is specified in the said paragraph (1) shall, for the purpose of determining whether the second contribution condition for such benefit is satisfied in whole or in part, be treated—

(*a*) if paid before the beginning of the relevant benefit year—as paid on the due date;

(*b*) if paid after the end of the benefit year immediately preceding the said relevant benefit year—as not paid in relation to the benefit claimed in respect of any day before the expiry of a period of 42 days (including Sundays) from and including the date on which the payment of that contribution is made, and, subject to the provisions of paragraph (2)(*a*) of this regulation, as paid at the expiry of that period in relation to entitlement to such benefit in respect of any other period.

Treatment for the purpose of any basic scheme benefit of late paid or unpaid primary Class 1 contributions where there was no consent, connivance or negligence by the primary contributor

34. Where a primary Class 1 contribution which is payable on a primary contributor's behalf by a secondary contributor is paid after the due date or is not paid, or in relation to any claim for unemployment benefit, sickness benefit, maternity grant or maternity allowance, is not paid before the relevant time for such benefit, and the delay or failure in making payment thereof is shown to the satisfaction of the Secretary of State not to have been with the consent or connivance of, or attributable to any negligence on the part of, the primary contributor, the primary contribution shall be treated—

(*a*) for the purpose of the first contribution condition of entitlement to unemployment benefit, sickness benefit, maternity grant or maternity allowance—as paid on the day on which payment is made of the earnings in respect of which the contribution is payable; and

(*b*) save as aforesaid, for the purpose of any entitlement to basic scheme benefit—as paid on the due date.

Voluntary Class 2 contributions not paid within permitted period

35. Where a person who is entitled, but not liable, to pay a Class 2 contribution under Part I of the Act fails to pay that contribution within the period within which it may be paid, and his failure is shown to the satisfaction of the Secretary of State to be attributable to ignorance or error on the part of that person which was not due to any failure on his part to exercise due care and diligence, that contribution may be paid within such further period as the Secretary of State may direct.

Treatment for the purpose of any basic scheme benefit of basic scheme contributions paid late through ignorance or error

36. In the case of a contribution under Part I of the Act (other than a Class 4 contribution) paid by or in respect of a person after the due date, where—

(*a*) the contribution is paid after the time when it would under the preceding provisions of this Part of these regulations have been treated as paid for the purpose of entitlement to basic scheme benefit, and

(*b*) it is shown to the satisfaction of the Secretary of State that the failure to pay the contribution before that time is attributable to ignorance or error on the part of that person or the person making the payment and that that ignorance or error was not due to any failure on the part of such person to exercise due care and diligence,

the Secretary of State may direct that for the purposes of the preceding provisions of this Part of these regulations the contribution shall be treated as paid on such earlier day as she may consider appropriate in the circumstances, and those provisions shall have effect subject to any such direction.

Payment of contributions after death of contributor

37. If a person dies, any contributions which, immediately before his death he was entitled, but not liable, to pay, may be paid, notwithstanding his death, subject, however, to the same provisions with respect to the time for payment as were applicable to that person.

SCHEDULE C Regulation 8

The following provisions are, by virtue of regulation 8 of these regulations, to be inserted in the principal regulations as Part VII thereof.

PART VII

CLASS 4 CONTRIBUTIONS

Exceptions from Class 4 liability of persons more than 5 years over pensionable age and persons not resident in the United Kingdom

50. Any earner, who—

(*a*) at the beginning of a year of assessment is more than 5 years over pensionable age; or

(*b*) for the purposes of income tax is not resident in the United Kingdom in the year of assessment,

shall be excepted from liability for contributions under section 5(1) of the Act (Class 4 contributions).

Exception of persons under the age of 16 and of certain persons over pensionable age but under the age of 65 (women) and 70 (men) from liability for Class 4 contributions

51.—(1) Where as respects any year of assessment a person to whom this regulation applies wishes to be excepted from liability to pay contributions under section 5(1) of the Act (Class 4 contributions) for that year, the following provisions of this regulation shall apply, subject to the provisions of regulations 55 and 56 of these regulations (certificates of exception from, and deferment of, Class 4 liability and revocation of such certificates).

(2) Any such person shall make application to the Secretary of State for a certificate of exception for that year.

(3) If it is shown to the satisfaction of the Secretary of State that the applicant is a person to whom this regulation applies and the application is made before the beginning of the year of assessment to which it relates, the Secretary of State shall issue in respect of the applicant such a certificate of exception for that year.

(4) If the application is not made until after the beginning of the year of assessment to which it relates, but is made before contributions under the said section 5(1) for that year become due and payable and it is shown to the satisfaction of the Secretary of State that the applicant is a person to whom this regulation applies, the Secretary of State may, with the agreement of the Inland Revenue (whether given generally or in the individual case), issue in respect of the applicant a certificate of exception for that year.

(5) Where under the foregoing provisions of this regulation a certificate of exception has been issued in respect of an applicant for any year of assessment, the Inland Revenue shall not collect any contributions under the said section 5(1) from the applicant for that year.

(6) This regulation applies to any person who at the beginning of the year of assessment—

(*a*) is under the age of 16; or

(*b*) is over pensionable age but under the age of 65 (in the case of a woman) or 70 (in the case of a man) and either

(i) has retired from regular employment; or

(ii) has not retired from regular employment but does not satisfy the contribution conditions for a category A retirement pension.

Exception from Class 4 *liability by reference to Class* 1 *contributions paid on earnings chargeable to income tax under Schedule D*

52.—(1) Subject to the provisions of paragraph (2) of this regulation, where in respect of earnings paid in any year of assessment an earner has paid Class 1 contributions and those earnings are chargeable to income tax under Schedule D, he shall be excepted from liability to pay contributions under section 5(1) of the Act (Class 4 contributions) on so much of his profits or gains for that year of assessment as exceed the smaller of the two money sums specified in section 5(2) of the Act and do not exceed the greater of those two money sums and equal—

(*a*) in the case of an earner who has paid such Class 1 contributions at the standard rate, the value of the Class 1 contributions so paid, multiplied by 100 and divided by the higher of the two figures specified in section 2(6)(*a*) of the Act;

(*b*) in the case of an earner who is paid such Class 1 contributions at the reduced rate, the value of the Class 1 contributions so paid, multiplied by 100 and divided by the lower of the two figures specified in the said section 2(6)(*a*).

(2) It shall be a condition of such exception from liability that the earner makes application therefor to the Secretary of State before the beginning of the year of assessment to which the application relates, or before such later date as the Secretary of State, with the agreement of the Inland Revenue (whether given generally or in the individual case), may allow.

(3) Any such application shall be made in such manner as the Secretary of State may direct and, for the purpose of enabling the Secretary of State to determine whether the earner is entitled to the said exception, the earner shall furnish the Secretary of State with such information and evidence as the Secretary of State may, at the time of the application or thereafter, require.

(4) Without prejudice to the earner's right to any such exception, nothing in the foregoing provisions of this regulation shall prejudice the Secretary of State's powers under the next succeeding regulation to defer, pending the determination of the application, the earner's said liability under section 5(2) of the Act.

Deferment of Class 4 liability where such liability is in doubt

53. Where as respects any year of assessment it appears to the Secretary of State that, by virtue of the provisions of this Part of these regulations, there is doubt as to the extent, if any, of an earner's liability to pay contributions under section 5(1) of the Act (Class 4 contributions) for that year or that at the date on which any application under the next succeeding regulation (application for deferment of Class 4 liability) is made it is not possible to determine whether having regard to the provisions of these regulations the earner is or will be liable to pay such contributions for that year, the Secretary of State may issue in respect of the earner a certificate of deferment deferring that earner's liability for such contributions until such later date as the Secretary of State may direct.

Application for deferment of Class 4 liability

54.—(1) If a person wishes his liability to pay contributions under section 5(1) of the Act (Class 4 contributions) for any year of assessment to be deferred, he shall make application therefor to the Secretary of State.

(2) Any such application shall—

(*a*) be made before the beginning of that year or before such later date as the Secretary of State, with the agreement of the Inland Revenue (whether given generally or in the individual case), may allow; and

(*b*) be subject to the provisions of the next two succeeding regulations.

General conditions for application for, and issue of, certificates of exception and deferment

55.—(1) Any application made under any of the foregoing provisions of this Part of these regulations for a certificate of exception from, or deferment of, liability to pay contributions under section 5(1) of the Act (Class 4 contributions) for any particular year of assessment shall be made in such form and in such manner as the Secretary of State may approve.

(2) Any such certificate shall be in such form as may for the time being be approved by the Secretary of State with the agreement of the Inland Revenue.

(3) Any person making such application shall furnish, or cause to be furnished, to the Secretary of State such information or evidence as the Secretary of State may require for the purpose of enabling her to determine whether such a certificate should be issued in respect of that person.

(4) On the issue of such a certificate the person in respect of whom the certificate is issued shall, subject to the provisions of the next succeeding paragraph of this regulation, be excepted from liability to pay the contributions to which the certificate relates or, as the case may be, his liability for such payment shall, subject as aforesaid, be deferred.

(5) If for the purpose of obtaining a certificate of exception or deferment the person making the application furnishes or causes to be furnished to the Secretary of State information which is erroneous, or fails to furnish or cause to be furnished to the Secretary of State information which is relevant, and but for such furnishing or failure the certificate would not have been issued for any particular year of assessment—

(*a*) the Secretary of State may revoke the certificate in so far as it relates to that year, and

(*b*) the person who made the application shall be liable to pay contributions under the said section 5(1) for that year to the extent to which he would have been so liable if the certificate had not been issued.

Revocation of certificates of exception and deferment

56. Where under the provisions of paragraph (5)(*a*) of the last preceding regulation the Secretary of State revokes a certificate of exception or deferment—

(*a*) the Secretary of State and not the Inland Revenue shall be responsible for calculating the contributions due under section 5(1) of the Act for the year specified in paragraph (5)(*b*) of that regulation (being the current or a past year) and for the collection of those contributions;

(*b*) the applicant shall—

(i) furnish, or cause to be furnished, to the Secretary of State all such information or evidence as the Secretary of State may require for the purpose of calculating the said contributions and,

(ii) within such period as the Secretary of State may direct, pay to the Secretary of State the contributions so calculated.

Calculation of liability for, and recovery of, Class 4 contributions after issue of certificate of deferment

57.—(1) Where a certificate of deferment has been issued in respect of any earner under the foregoing provisions of this Part of these regulations—

(*a*) the profits or gains of that earner in respect of which contributions would be payable under section 5(1) of the Act (Class 4 contributions) but for the issue of the certificate of deferment shall be assessed under the Income Tax Acts for each year to which the certificate relates in all respects as if no such certificate had been issued, provided that (without prejudice to the validity of the assessment of the amount of the earner's profits or gains and his right to appeal against the assessment) no figure representing contributions payable shall be shown in any such assessment or on any notice of such assessment nor shall any of the provisions of the Income Tax Acts (as applied or modified by section 5(3) of and Schedule 2 to the Act) as to collection, repayment or recovery apply to any such assessment;

(*b*) the Secretary of State shall be responsible for the calculation, administration and recovery of Class 4 contributions ultimately payable in respect of the profits or gains so assessed for any year of assessment to which the certificate of deferment relates.

(2) Any such calculation shall be subject to the provisions of regulation 52 of these regulations (exception from Class 4 liability by reference to Class 1 contributions paid on earnings chargeable to income tax under Schedule D) and of regulation 58 thereof (annual maximum of Class 4 contributions) and for the purpose of the said calculation where the total amount of the profits or gains for any year of assessment to which the said certificate relates includes a fraction of £1·00, that fraction shall be disregarded.

(3) For the purpose of enabling the Secretary of State to make the said calculation, the Inland Revenue shall, subject to the limitation imposed by the provisions of section 5(8) of the Act (certification by the Inland Revenue of a person's profits or gains, but no such certificate to relate to a person's profits or gains so far as they exceed the higher of the two money sums specified in section 5(2) of the Act) and to the provisions of the next succeeding paragraph, at the request of the Secretary of State certify to the Secretary of State and the earner the amount of that earner's profits or gains (as computed under Schedule 2 to the Act) for each such year.

(4) Notwithstanding the provisions of the last preceding paragraph, the Inland Revenue shall not be required to certify the said amount unless the assessment made under this regulation has become final and conclusive or, if an appeal is pending against the said assessment,

(*a*) the Inland Revenue and the earner have come to an agreement, whether in writing or otherwise, or

(*b*) it appears to the General Commissioners or the Special Commissioners within the meaning of the Income Tax Acts, as the case may be,

that the amount of the earner's profits or gains so computed is not less than the higher of the two money sums specified in section 5(2) of the Act.

(5) The Secretary of State on making the said calculation shall give notice to the earner of the amount of the contributions due from him under section 5(1) of the Act for each year to which the certificate of deferment relates.

(6) The earner shall thereupon pay to the Secretary of State those contributions within the period of 28 days from the receipt of the notice from the Secretary of State, unless before the expiry of that period the earner—

(*a*) has appealed out of time or made a claim or appealed against the decision on a claim made under the Income Tax Acts on any matter concerning the amount of the profits or gains certified as aforesaid and has notified the Secretary of State accordingly; or

(*b*) has raised a question under section 84(1)(*b*)(ii) of the Act (Secretary of State's questions) relating to those contributions.

(7) If the amount of any assessment made under this regulation for any year is altered for any reason, or if a further assessment is made in respect of that year, subsequently to the certification by the Inland Revenue of the amount of an earner's profits or gains computed in accordance with the provisions of this regulation and that alteration or further assessment affects the amount of the earner's profits or gains so computed the Inland Revenue shall forthwith, or in the case of a further assessment when that further assessment has become final and conclusive, certify to the Secretary of State and the earner the altered amount of the earner's profits or gains.

Annual maximum of Class 4 contributions due under section 5(1) of the Act

58. Where for any year there are payable by or in respect of an earner Class 4 contributions under section 5(1) of the Act and also primary Class 1 or Class 2 contributions or both primary Class 1 and Class 2 contributions, the liability of that earner for such Class 4 contributions for that year shall (without prejudice to his liability in the first instance for the full amount payable apart from this regulation) not exceed such amount as, when added to the amount of such other of the said contributions as are ultimately payable by or in respect of him for that year, equals in value the sum of the amount which, but for the provisions of this regulation, would be payable by that earner on profits or gains equal to the higher of the two money sums specified in section 5(2) of the Act and 53 times the amount of a Class 2 contribution payable for that year.

Disposal of Class 4 contributions under section 5(1) of the Act which are not due

59. Where for any year of assessment any payment is made by an earner as on account of contributions under section 5(1) of the Act (Class 4 contributions) and

(*a*) a certificate of exception is issued for that year, or would have been so issued if application had been made therefor before the beginning of that year; or

(*b*) that payment is made in error in circumstances in which the contributions so paid do not fall to be refunded by the Inland Revenue; or

(*c*) the payment is in excess of the amount which, subject to any exception under regulation 52 of these regulations, is due from that earner for that year or would have been so due if application for exception had been made under that regulation before the beginning of that year; or

(*d*) the payment is in excess of the amount calculated in accordance with the last preceding regulation (annual maximum);

the Secretary of State may treat that payment as made on account of other contributions properly payable by that person under the Act.

Repayment of Class 4 contributions under section 5(1) of the Act which are not due

60.—(1) Subject to the following provisions of this regulation, any payment such as is specified in the last foregoing regulation shall, except in so far as it is, under that regulation, treated by the Secretary of State as made on account of contributions under Part I of the Act, be repaid by the Secretary of State to the earner, unless the net amount of such repayment would not exceed in value £0·50.

(2) It shall be a condition of the said repayment that—

(*a*) the earner makes application for the said repayment in such form and in such manner as the Secretary of State may determine, and

(*b*) the said application is made within a period of 6 years from the end of the year of assessment in respect of which the payment was made or within a period of 2 years from the end of the year in which the payment was made.

Husband and wife

61. Where by virtue of paragraph 4 of Schedule 2 to the Act (husband's liability for wife's Class 4 contributions) a husband is liable to pay a Class 4 contribution in respect of the profits or gains of his wife, the foregoing provisions of this Part of these regulations, except in so far as they relate to assessment, appeals or claims under the Income Tax Acts or certification by the Inland Revenue, shall apply as if the wife were separately assessed within the meaning of that paragraph.

Service of notice by post

62. Any notice which under this Part of these regulations the Secretary of State is required to give may be sent by post.

Special transitional provision

63. For the purpose of facilitating the introduction of the basic scheme in relation to exception from, and deferment of, liability for Class 4 contributions, any application for such exception or deferment in respect of the year of assessment beginning on the appointed day shall be made before that day and for that purpose the provisions of regulations 51 to 56 of these regulations shall apply.

Regulation 9

SCHEDULE D

The following provisions are, by virtue of regulation 9 of these regulations, to be inserted in the principal regulations as Part VIII thereof.

PART VIII

GENERAL (CONTRIBUTIONS) TRANSITIONAL PROVISIONS

Contribution week immediately preceding the appointed day

64. For the purposes of the former principal Act the period of 6 days which begins on 31st March 1975 and ends on 5th April 1975 shall be a contribution week.

Provisions relating to remuneration received on or after the appointed day in respect of employment before that day

65.—(1) Where a payment of remuneration is made on or after the appointed day, other than a payment to which regulation 11 of the National Insurance (Assessment of Graduated Contributions) Regulations 1973(a) (abnormal pay practices) applies, in respect of employment during a period before that day the following provisions of this regulation shall apply.

(a) S.I. 1973/1013 (1973 II, p. 3054).

(2) Subject to the provisions of paragraph (3) of this regulation, if the employment during the period before the appointed day would, if the Act had then been in force, have been employed earner's employment, and either—

(*a*) the employment has ended before that day, but there was no requirement under the former principal Act or the regulations made thereunder to pay contributions under section 3 of that Act (flat-rate contributions) before that day in respect of the person employed in the employment, or, as the case may be, that part of that employment, for which the payment of remuneration is made, or

(*b*) the employment has not ended before that day,

the payment specified in paragraph (1) of this regulation shall be treated as earnings in respect of employed earner's employment, and, except in so far as provided in the next succeeding regulation, the provisions of the Act and regulations made thereunder relating to liability for, assessment (including earnings periods), payment, collection and recovery of basic scheme contributions shall apply to the said payment and employment in respect of which the payment is made as if the employment had occurred on or after the appointed day.

(3) Where the payment specified in paragraph (1) of this regulation is made to the person employed in an employment specified in paragraph (2)(*a*) of this regulation (other than an employment as a self-employed person within the meaning of the former principal Act) and that payment is by way of addition to a payment made to him before the appointed day in respect of the same employment during the same period, that payment shall (whether or not there was any requirement such as is specified in the said paragraph (2)(*a*) with regard to the payment of contributions before the appointed day) also be treated as a payment of earnings in respect of an employed earner's employment and the provisions of the Act and regulations made thereunder as specified in the last foregoing paragraph shall apply in respect of that payment.

(4) Subject to the provisions of regulation 67 of these regulations, where in respect of remuneration specified in paragraph (1) of this regulation contributions under the Act are payable by virtue of the foregoing provisions of this regulation in respect of any employment during a period before the appointed day no contribution in respect of that employment shall be payable under section 3 of the former principal Act (flat-rate contributions) or, as the case may be, under the Industrial Injuries Act for the period in respect of which the payment of remuneration is made, unless it is a contribution which under the provisions of the former principal Act or, as the case may be, the Industrial Injuries Act, was required to be paid before the appointed day.

(5) For the avoidance of doubt, the reference in paragraphs (2)(*a*) and (4) of this regulation to contributions payable under section 3 of the former principal Act shall include any contributions payable under section 1 of the National Health Service Contributions Act 1965**(a)** and section 27 of the Redundancy Payments Act 1965**(b)**.

Earnings period for contributions payable under regulation 65(2) *of these regulations in respect of employment which ended before the appointed day*

66. For the purposes of contributions payable under paragraph (2) of the last preceding regulation, where the employment has ended before the appointed day and

(*a*) was employed contributor's employment within the meaning of the former principal Act; and

(*b*) the payment of remuneration made on or after that day for that employment is not made at the shortest interval at which payment of remuneration for that employment would normally be made and does not fall to be aggregated under or by virtue of the provisions of the Act with a payment made at the shortest regular interval of payment,

the earnings period shall, in relation to that payment, be treated as one week.

(a) 1965 c. 54. (b) 1965 c. 62.

Contributions treated as paid under the former principal Act

67.—(1) Subject to the provisions of paragraphs (2) and (3) of this regulation, where by virtue of paragraph (2) of regulation 65 of these regulations, in so far as that paragraph relates to employment which under the former principal Act was employed contributor's employment, contributions are payable in accordance with the provisions of the Act, a contribution under section 3(*a*) of the former principal Act (flat-rate contributions), at the rate appropriate to a person who is not in a non-participating employment, shall also be treated as paid by the person employed in the employment, or, as the case may be, that part of that employment, for which payment of the remuneration is made, for each week beginning before the appointed day in the period of the employment for which that payment is made, other than a week for which a contribution under section 3 of the former principal Act is payable by or on behalf of the earner, or has been credited to him as an employed or self-employed person under the former principal Act.

(2) Where under the foregoing provisions of this regulation more than one contribution is treated as paid by any person for any week, not more than one such contribution shall be taken into account for any purpose, and where under those provisions a contribution is treated as paid by any person for a week in respect of which a contribution as a non-employed person has been credited to him under the former principal Act the contribution as a non-employed person shall be disregarded.

(3) Subject to the provisions of regulation 64 of these regulations, in this regulation the expression "week" means a contribution week within the meaning of the former principal Act.

Return of insurance cards and emergency cards

68. Any insurance card issued under the former principal Act in respect of any period ending immediately before the appointed day and any emergency card issued under that Act shall within 6 days or such longer time as the Secretary of State may in any special case allow, after the appointed day, be returned to a local office of the Department of Health and Social Security by the person who immediately before the appointed day is, under the provisions of the National Insurance and Industrial Injuries (Collection of Contributions) Regulations 1948(**a**), as amended(**b**), responsible for the custody of that card.

Recovery of unpaid contributions

69.—(1) For the purposes of enabling unpaid contributions under the former legislation to be recovered, where a person is convicted of an offence mentioned in paragraph 7 or 8(*a*) of Schedule 23 to the Act, subject to the provisions of the next succeeding paragraph of this regulation, the provisions of paragraphs 9 to 13 of the said Schedule shall apply as if the references therein to contributions or premiums under the Act, were references to contributions under the former legislation.

(2) For the purposes specified in the foregoing provisions of this regulation—

(*a*) sub-paragraph (3) of paragraph 9 of Schedule 23 to the Act shall apply with the modification that for the words "such contributions or premiums" there shall be substituted the words "contributions in respect of an employed person under the former legislation"; and

(*b*) sub-paragraph (4) of the said paragraph 9 shall apply with the modification that for the words "such contributions" there shall be substituted the words "contributions as a self-employed or non-employed person within the meaning of the former principal Act".

(3) In this regulation the words "the former legislation" and "contributions" have the same meaning as those words have in paragraph 3 of Schedule 26 to the Act.

(**a**) S.I. 1948/1274 (Rev. XVI, p. 148; 1948 I, p. 3037).
(**b**) The amending regulations are not relevant to the subject matter of this regulation.

Appropriation and savings

70.—(1) Any payment made by a person after the appointed day in respect of any contributions payable under the Act and the former principal Act may, if not expressly or impliedly appropriated by that person to contributions under those Acts and if such appropriation cannot reasonably be obtained, be appropriated under either or both of those Acts by the Secretary of State in such manner as she may direct having regard to the best interests of the person or persons in respect of whom the payments are made.

(2) For the purposes of facilitating the winding up of the system of insurance under the former principal Act and the disposal of matters connected with that system there shall continue in force the enactments specified in the first column of Part I of Schedule 5 to these regulations and the regulations specified in column 2 of Part II of that Schedule.

SCHEDULE E

Regulation 9

The following provisions are, by virtue of regulation 9 of these regulations, to be inserted in the principal regulations as Schedule 5 thereof.

SCHEDULE 5

Regulation 70(2)

SAVINGS

PART I

Enactments	*Description*
The National Insurance (Industrial Injuries) Act 1946**(a)** Section 71(2)	Priority of contributions in bankruptcy.
Section 90(*j*)	Application of section 71(2) to Scotland.
The National Insurance Act 1946**(b)**	
Section 55(2)	Priority of contributions in bankruptcy.
Section 79(*j*)	Application of section 55(2) to Scotland.
The National Insurance Act 1965**(c)**	
Section 4(7)(*c*)	Graduated contributions by employed persons and employers.
Section 8(1)	Restriction on entitlement to pay contributions.
Section 10	Exception from liability for, and crediting of, contributions.
Section 14(1)	General provisions as to payment and collection of contributions etc.
Section 15(1), (2)(*b*) and (3)	Power to combine payment and collection of contributions with that of income tax.
Section 56(3), as amended by Schedule 1, paragraph 6 to the National Insurance Act 1966**(d)**	Non-participating employments.
Section 59(8)	Further provisions as to payments in lieu of contributions.

(a) 1946 c. 62.
(b) 1946 c. 67.
(c) 1965 c. 51.
(d) 1966 c. 6.

Enactments	*Description*
Section 90(2) to (8)	Inspectors.
Section 94(1) and (2)	General provisions as to prosecutions.
Section 99(2) and section 99 (3)(*c*), as amended by Schedule 1, paragraph 9(*a*) to the National Insurance Act 1966	Members of forces.
Section 115	Transitory provisions.
Section 117(1) and (2)	General savings etc.
Schedule 11, paragraph 17, and paragraph 18(1) and (2) and	Pre-1948 contributors and beneficiaries. Insured persons over school leaving age on 5th July 1948.
paragraph 19(*d*) and (*e*)	Miscellaneous special savings.
The National Insurance (Industrial Injuries) Act 1965(a) Section 3	Payment of contributions.
In section 64, in subsection (3), the words from "contributions" to "or whether"; and subsection (5)	Inspectors.
Schedule 2, Part III	Return of contributions paid erroneously.
The National Health Service Contributions Act 1965(b) Section 2(5)	No benefit to be deducted from any repayment of the national health service contributions paid in error.
The Redundancy Payments Act 1965(c) Section 28(6)	No benefit to be deducted from any repayment of the redundancy fund contributions paid in error.

(a) 1965 c. 52.
(b) 1965 c. 54.
(c) 1965 c. 62.

SCHEDULE 5

PART II

Column 1 *Powers and Applying Provisions*	Column 2 *Regulations*	Column 3 *Description*
The National Insurance Act 1965**(a)** Sections 115, 117(1) and Schedule 11, paragraph 17.	The National Insurance (Pensions, Existing Contributors) (Transitional) Regulations 1948**(b)**, as amended**(c)** Regulation 8	Contributions under the Contributory Pensions Acts to be taken into account for the purposes of the National Insurance Act 1965.
Sections 115, 117(1) and Schedule 11, paragraphs 18(1) and (2) and 19(*d*) and (*e*)	The National Insurance (New Entrants Transitional) Regulations 1949**(d)**, as amended**(e)** Regulation 4(1)(*c*)	Rights of new entrants who were immediately before 5.7.48 over 55 (men) and 50 (women) and under pensionable age to elect not to be qualified for a retirement pension and to receive a refund of portion of contributions.
	Regulation 4A(1) and (5)	Refund of contributions for new entrants who entered insurance under the former principal Act less than 156 weeks before attaining pensionable age.

(a) 1965 c. 51.
(b) S.I. 1948/612 (Rev. XVI, p. 18; 1948 I, p. 2834).
(c) The relevant amending instruments are S.I. 1949/1412, 1960/1226, 1966/610 (1949 I, p. 2748; 1960 II, p. 2360; 1966 II, p. 1380).
(d) S.I. 1949/352 (1949 I, p. 2737).
(e) The relevant amending instruments are S.I. 1952/2144, 1955/493, 1957/2077, 1958/1239, 2124, 1960/1210, 1961/557, 1963/502 (1952 II, p. 2154; 1955 I, p. 1586; 1957 I, p. 1556; 1958 II,pp.1661; 1666; 1960 II, p. 2234; 1961 I, p. 1228; 1963 I, p. 578).

Column 1 *Powers and Applying Provisions*	Column 2 *Regulations*	Column 3 *Description*
	Regulation 4B(1)	Refund of contributions for new entrants who enter insurance too late to be able to satisfy the condition as to yearly average of contributions for widow's benefit or retirement pension.
Section 56(3), as amended by Schedule 1, paragraph 6 to the National Insurance Act 1966**(a)** and section 117(1).	The National Insurance (Graduated Contributions and Non-participating Employments—Miscellaneous Provisions) Regulations 1960**(b)**, as amended**(c)**	
	Regulation 4	Calculation of excess payment of graduated contributions.
Section 99(2) and (3)(*c*), as amended by Schedule 1 paragraph 9(*a*) of the National Insurance Act 1966.	The National Insurance (Members of the Forces) Regulations 1968**(d)**, as amended**(e)**	
	Regulation 4(2)	Contributions deemed to have been paid on due date.
	Regulation 5(3) in so far as it relates to payments in lieu of contributions.	Application without modifications for the purposes of section 58 of the former principal Act of column (1) of Schedule 4 to the National Insurance (Members of the Forces) Regulations 1968.
	Regulation 11	Financial provisions.
	Regulation 12	Application of the former principal Act and Regulations.

(a) 1966 c .6.
(b) S.I. 1960/1210 (1960 II, p. 2234).
(c) S.I. 1966/1048 (1966 II, p. 2567).
(d) S.I. 1968/827 (1968 II, p. 2228).
(e) The relevant amending instrument is S.I. 1969/1508 (1969 III, p. 4898).

Column 1 *Powers and Applying Provisions*	Column 2 *Regulations*	Column 3 *Description*
Sections 8(1), 10 and 14(1)(*b*), (*c*), (*d*) and (*e*).	The National Insurance (Contributions) Regulations 1969**(a)**, as amended**(b)**	
	Regulation 2	Unemployment—exception and credits.
	Regulation 3	Incapacity for work—exception and credits.
	Regulation 4	Payment of contributions by persons excepted from liability under regulations 2 and 3 of the National Insurance (Contributions) Regulations 1969.
	Regulation 5	Provisions determining days of unemployment or incapacity for work.
	Regulation 6	Persons over pensionable age.
	Regulation 9(5)(*a*), (*b*) and (*e*) and (6)	Issue of certificates of exception to women and refund of contributions paid by women excepted from liability.
	Regulation 10(5)	Credits for weeks of apprenticeship and training.
	Regulation 11	Insured women who have been confined.
	Regulation 13	Applications for, and duration and cancellation of, certificates of exception.
	Regulation 15(3)	Credits during period for which certificate of exception is in force.
	Regulation 19	Disposal of contributions improperly paid.
	Regulation 20	Return of contributions paid in error.
	Regulation 23	Treatment for the purpose of late paid or unpaid contributions where there was no consent, connivance or negligence by the insured person.
	Regulation 24	Treatment for the purpose of any benefit of contributions paid late through ignorance or error.

(a) S.I. 1969/1696 (1969 III, p. 5323).

(b) The only relevant amending instrument is S.I. 1971/1421 (1971 II, p. 3992).

Column 1 *Powers and Applying Provisions*	Column 2 *Regulations*	Column 3 *Description*
	Regulation 25	Treatment for the purpose of unemployment, sickness or invalidity benefit of late paid contributions.
	Regulation 26	Treatment for the purpose of maternity benefit of late paid contributions.
	Regulation 27	Treatment for the purpose of widow's benefit, child's special allowance or retirement pension of late paid contributions.
	Regulation 28	Treatment for the purpose of increase rate of retirement pension of late paid contributions.
	Regulation 29	Treatment for the purpose of death grant of late paid contributions.
	Regulation 30	Treatment for the purpose of any benefit of late paid graduated contributions and payments in lieu of contributions.
	Regulation 31	Treatment for the purpose of any benefit of contributions which persons are entitled but not liable to pay.
	Regulation 32	Contributions not paid within prescribed periods.
	Regulation 33	Payments after death.
Sections 14(1), 15(1) and (2)(*b*) and 59(8) ...	The National Insurance (Collection of Graduated Contributions) Regulations 1970**(a)**, as amended**(b)**:	
	Regulation 2 in so far as it relates to those matters specified hereafter in Schedules 1 and 2.	Collection and recovery of graduated contributions.

(a) S.I. 1970/1770 (1970 III, p. 5763).

(b) S.I. 1971/2050, 1973/548 (1971 III, p. 5847; 1973 I, p. 1754).

Column 1 *Powers and Applying Provisions*	Column 2 *Regulations*	Column 3 *Description*
	Regulation 4	Payments in lieu of contributions.
	Schedule 1, Regulation 2(1)	Interpretation.
	Schedule 1, Regulation 3(1) and (2) ...	Intermediate employers.
	Schedule 1, Regulation 3A	Employer's graduated contributions.
	Schedule 1, Regulation 4A	Inspectors and Collectors.
	Schedule 1, Regulation 5	Service by post.
	Schedule 1, Regulation 26	Payment of graduated contributions by employers.
	Schedule 1, Regulation 27	Employer failing to pay graduated contributions.
	Schedule 1, Regulation 28	Recovery of graduated contributions.
	Schedule 1, Regulation 29	Return by employer at end of year.
	Schedule 1, Regulation 32	Inspection of employer's records.
	Schedule 1, Regulation 33	Death of employer.
	Schedule 1, Regulation 34	Succession to a business, etc.
	Schedule 2, Regulations 2(3) and 2A ...	Interpretation.
	Schedule 2, Regulations 4(1A) to (4A)	Deduction of graduated contributions from seamen's emoluments.
	Schedule 2, Regulation 6	Payment of graduated contributions to Collector.
	Schedule 2, Regulation 7	Return to be rendered by employer.
	Schedule 2, Regulation 8	Application of Part IV of Schedule 1.
	Schedule 2, Regulation 11	Seamen to whom Schedule 2 does not apply.
Section 4(7)(*c*)	The National Insurance (Assessment of Graduated Contributions) Regulations 1973**(a)**, as amended**(b)**:	
	Regulation 11	Abnormal pay practices.

(a) S.I. 1973/1013 (1973 II, p. 3054).
(b) There is no amendment which relates expressly to the subject matter of this regulation.

Column 1 *Powers and Applying Provisions*	Column 2 *Regulations*	Column 3 *Description*
Section 3 and Schedule 2, Part III to the National Insurance (Industrial Injuries) Act 1965**(a)**	The National Insurance (Industrial Injuries) (Refund of Contributions) Regulations 1948**(b)** The whole of the Regulations.	

(a) 1965 c. 52

(b) S.I. 1948/1424 (Rev. XVI, p. 439: 1948 I, p. 2969).

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations, being made before the day appointed for the coming into force of section 2 of the Social Security Act 1973, by virtue of section 48(2) of, and paragraph 16 of Schedule 12 to, that Act, are not required to be referred to the National Insurance Advisory Committee and no such reference has been made.

The Regulations (by regulation 3 and the last item of Schedule A) provide for collection direct from the primary contributor of contributions not paid on his behalf owing to the primary contributor's own fault or where by reason of international treaty or convention the Act either is not enforceable against, or is not applicable to, the person who is, or would be, the secondary contributor, and the latter is unwilling to make voluntary payment.

The Regulations also substitute a new provision for regulation 42 of the principal Regulations adding to the enactments and instruments prescribed in that regulation any enactments or instruments by virtue of which there is payable by the Secretary of State any pension or allowance analogous to those specified in the original paragraph (*b*) of that regulation, and make other minor amendments to that regulation.

The Regulations further add a new Part IV to the principal Regulations making provision for the circumstances in which basic scheme contributions which are paid late or are not paid are to be treated as paid for the purpose of entitlement to basic scheme benefits, and for the circumstances in which for that purpose they are to be treated as not paid.

These Regulations also add a new Part VII to the principal Regulations making provision for Class 4 contributions. They provide for exception from, and deferment of, Class 4 liability, the issue and revocation of certificates of exception and deferment and the consequence thereof and the annual maximum of Class 4 liability.

The Regulations (by the addition of a new Part VIII) also make provision for transitional matters concerning contributions and in particular make provision for the payment of contributions in relation to payments of earnings after the appointed day in respect of employment before that day. They also make provision for the recovery after the appointed day of contributions due under the former legislation and generally for facilitating the introduction of the basic scheme established by the Act and for facilitating the winding up of the system of insurance contained in the former principal Act.

Further, Schedule A of the Regulations makes other miscellaneous amendments to the principal Regulations, including the deletion from the principal Regulations of all provisions relating to the reserve pension scheme.

The other provisions of these Regulations are of a minor or consequential nature.

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