STATUTORY INSTRUMENTS

2016 No. 117

SOCIAL SECURITY

The Social Security (Contributions) (Amendment) Regulations 2016

Made - - - -	*3rd February 2016*
Laid before Parliament	*5th February 2016*
Coming into force - -	*6th April 2016*

The Treasury make the following Regulations in exercise of the powers conferred by sections 9B(9) and 175(3) of the Social Security Contributions and Benefits Act 1992(**a**) and sections 9B(9) and 171(3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**b**).

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment) Regulations 2016 and come into force on 6th April 2016.

Amendment of the Social Security (Contributions) Regulations 2001

2.—(1) The Social Security (Contributions) Regulations 2001(**c**) are amended as follows.

(2) In Part 9 (special classes of earners) after regulation 154 (modification of the Act and these Regulations) insert—

"CASE H

Apprentices: zero-rate secondary Class 1 contributions

154A.—(1) For the purposes of section 9B (zero-rate secondary Class 1 contributions for certain apprentices) of the Act, an apprentice is a person who falls within paragraphs (2) and (3).

(2) The person is employed under—

(a) an approved English apprenticeship agreement within the meaning of section A1 of the Apprenticeships, Skills, Children and Learning Act 2009(**d**) ("the 2009 Act"),

(**a**) 1992 c. 4. Section 9B was inserted by section 1(4) of the National Insurance Contributions Act 2015 (c. 5) ("the NICs Act"). Section 122 of the Social Security Contributions and Benefits Act 1992 defines "prescribe" as meaning "prescribe by regulations". Section 175 was amended by section 2 and paragraph 29 of Schedule 4 to the Social Security Contributions (Transfer of Functions, etc.) Act 1992 (c.2).

(**b**) 1992 c. 7. Section 9B was inserted by section 1(9) of the NICs Act. Section 121 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 defines "prescribe" as meaning "prescribe by regulations".

(**c**) S.I. 2001/1004. There are amendments but none are relevant.

(**d**) 2009 c. 22. Section A1 was inserted by section 3 and paragraph 1 of Schedule 1 to the Deregulation Act 2015 (c. 20).

(b) an English apprenticeship agreement within the meaning of section 32 of the 2009 Act as saved by paragraph 2 of Part 2 of the Schedule to the Deregulation Act 2015 (Commencement No. 1 and Transitional and Saving Provisions) Order 2015(**a**),

(c) a Welsh apprenticeship agreement within the meaning of section 32 of the 2009 Act,

(d) arrangements made by the Secretary of State or the Scottish Ministers under section 2 of the Employment and Training Act 1973(**b**),

(e) arrangements made by the Secretary of State or the Scottish Ministers under section 2 of the Enterprise and New Towns (Scotland) Act 1990(**c**), or

(f) arrangements made by the Secretary of State or Northern Ireland Ministers under section 1 of the Employment and Training Act (Northern Ireland) 1950(**d**).

(3) The person is being trained pursuant to arrangements—

(a) in relation to which the Secretary of State has secured the provision of financial resources under section 100 of the 2009 Act, or

(b) which are set out in a written agreement made between that person, the employer and the training provider containing the following information—

(i) the type of apprenticeship framework or standard being followed,

(ii) the start date of the apprenticeship, and

(iii) the expected completion date of the apprenticeship.".

Mel Stride
David Evennett

3rd February 2016 — Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations prescribe "an apprentice" for the purposes of sections 9B of the Social Security Contributions and Benefits Act 1992 (c. 4) ("SSCBA 1992") and the corresponding Northern Ireland legislation. Section 9B was inserted into the SSCBA 1992 by the National Insurance Contributions Act 2015 (c. 5) and provides that "relevant apprentices" are earners under the age of 25 who are employed as "apprentices" as prescribed by these Regulations.

A Tax Information and Impact Note covering this instrument was published on the HMRC website at https://www.gov.uk/government/publications/national-insurance-contributions-abolition-of-employer-contributions-for-apprentices-under-25. It remains an accurate summary of the impacts that apply to this instrument.

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(**a**) S.I. 2015/994.

(**b**) 1973 c.50. The powers of the Secretary of State under section 2 are exercisable by Scottish Ministers by virtue of section 53(2)(c) of the Scotland Act 1998 (c.46).

(**c**) 1990 c.35. The powers of the Secretary of State under section 2 are exercisable by Scottish Ministers by virtue of section 53(2)(c) of the Scotland Act 1998.

(**d**) 1950 c. 29 (N.I). Section 1 was amended by section 7 and paragraph 1 to Schedule 1 to the Employment Act (Northern Ireland) 2010 (c. 12). The powers of the Secretary of state under section 1 are exercisable by the Northern Ireland Ministers by virtue of article 4 of S.I. 1999/283 (N.I. 1) and S.R 1999 No.481.

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