STATUTORY INSTRUMENTS

1982 No. 206

SOCIAL SECURITY

The Social Security (Contributions) (Mariners) Amendment Regulations 1982

Laid before Parliament in draft

Made - - - - - 22*nd February* 1982

Coming into Operation 6*th April* 1982

Whereas a draft of the following regulations was in accordance with section 167(1) of the Social Security Act 1975**(a)**, laid before Parliament and approved by resolution of each House of Parliament:

Now, therefore, 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 him by sections 3, 11 and 129(1) of, and paragraphs 1(1)(*a*), 4(*a*), 5(1) and 6(1)(*d*) of Schedule 1 to, that Act, and of all other powers enabling him in that behalf, after reference to the Social Security Advisory Committee**(b)**, hereby makes the following regulations:—

Citation, interpretation and commencement

1. These regulations, which may be cited as the Social Security (Contributions) (Mariners) Amendment Regulations 1982, amend the Social Security (Contributions) Regulations 1979**(c)** (hereinafter referred to as "the principal regulations") and shall come into operation on 6th April 1982.

Substitution for regulation 90 *of the principal regulations*

2. For regulation 90 of the principal regulations there shall be substituted the following—

"*Earnings periods for mariners and apportionment of earnings*

90.—(1) For the purposes of liability for and calculation of earnings-related contributions, the following provisions of this regulation apply where earnings are paid to or for the benefit of a mariner in respect of his employment as such for a voyage period.

(a) 1975 c. 14.

(b) *See* sections 9 and 10 of the Social Security Act 1980 (c. 30).

(c) S.I. 1979/591; the relevant amending instrument is S.I. 1981/82.

(2) In this regulation "a relevant change" means a change affecting the calculation of earnings-related contributions under the Act not being—

(*a*) a change in the amount of the mariner's earnings; or

(*b*) a change in one or more of the following figures applicable in respect of the mariner's employment—

(i) the percentage rate for primary or secondary Class 1 contributions specified in section 4(6) of the Act;

(ii) the contracted-out percentage applying in the case of a primary or secondary Class 1 contribution in section 27(2) of the Pensions Act;

(iii) the amount by which the percentage rate of a Class 1 contribution is reduced in accordance with regulation 89(1)(*a*) or (*b*) of these regulations;

(iv) the lower or upper earnings limit for Class 1 contributions specified under section 1 of the Pensions Act.

(3) Where a voyage period falls wholly in one year, then—

(*a*) if no relevant change occurs during the voyage period, the earnings period shall be the voyage period;

(*b*) if one or more than one relevant change occurs during the voyage period the earnings shall be apportioned to such periods as comprise—

(i) the day on which the voyage period began and the day immediately before which the change occurred, and for any subsequent change, the day on which the immediately preceding change occurred and the day before which the next succeeding change occurred, and

(ii) so much of the voyage period as remains,

according to the amounts earned in each period; and the earnings period in respect of each amount so apportioned shall be the length of the period to which it is apportioned.

(4) Where a voyage period falls partly in one and partly in one or more other years, then if no relevant change occurs during the voyage period—

(*a*) the earnings shall be apportioned to those years according to the amounts earned in each year; and

(*b*) the earnings period in respect of each amount shall be the length of the period to which that amount is apportioned.

(5) Where a voyage period falls partly in one and partly in one or more other years and one or more than one relevant change occurs during the voyage period, then—

(*a*) in respect of a year during which a relevant change or more than one relevant change occurs the earnings shall be apportioned to such periods as comprise—

(i) the day on which the voyage period began, or where it began in another year, the beginning of the year in which the change occurred, and the day immediately before which the change occurred, and for any subsequent change, the day on which the immediately preceding change occurred and the day before which the next succeeding change occurred, and

(ii) so much of the voyage period as remains in the year,

according to the amounts earned in each period; and the earnings period in respect of each amount so apportioned shall be the length of the period to which it is apportioned.

(*b*) in respect of other years, the earnings shall be apportioned to those years according to the amounts earned in each year and the earnings period in respect of each amount so apportioned shall be the length of the period to which it is apportioned.

(6) Where under the provisions of paragraphs (3) to (5) of this regulation an earnings period—

(*a*) is less than a week, that period shall for the said purpose be treated as a week;

(*b*) exceeds a week or a whole multiple of a week by a part of a week,

(i) if that part of a week is a period in excess of 3 days, that part of a week shall for the said purpose be treated as a week;

(ii) if that part of a week is a period of 3 days or less, that part of the week shall for the said purpose be disregarded.

(7) For the purposes of paragraphs (3) to (5) of this regulation—

(*a*) where a period of leave on pay immediately follows the day on which the termination of an entire voyage or series of voyages occurs—

(i) the earnings for that period of leave shall be treated as if they were earned during that period and shall be excluded from the earnings for any other period or periods; and

(ii) for the purpose of apportionment, the earnings for the period of leave shall be deemed to accrue from day to day by equal daily amounts.

(*b*) "earned" includes treated as earned under this paragraph.

(8) Where under the foregoing provisions of this regulation earnings are apportioned to a period—

(*a*) each amount so apportioned shall be treated as paid at the end of the period to which it is apportioned; and

(*b*) contributions paid in respect of the amount so apportioned shall be treated as paid in respect of the year in which the end of the said period falls.

(9) Notwithstanding the provisions of paragraphs (3) to (5) and (8) of this regulation, where a voyage period extends beyond the date on which the earnings are paid, any amount of earnings which, by virtue of the foregoing provisions of this regulation, is apportioned to a period in the year following that in which the earnings are paid—

(*a*) shall be treated as paid at the end of the year in which the earnings are paid but shall not be aggregated with any other amount of earnings paid or treated as paid at the end of that year, and

(*b*) the earnings period in respect of that amount shall be a period of the same length as that to which it is apportioned."

Amendment of regulation 94 *of the principal regulations*

3. In regulation 94 of the principal regulations (payments to be disregarded)—

(*a*) in paragraph (1) for the words from "so far" to "his ship" there shall be substituted—

"respect of employment as a mariner which is—
(*a*) an interim payment of earnings by way of an advance;
(*b*) a payment to some other person of any part of such a mariner's earnings allotted by him to that person;
(*c*) a payment of a special payment while sick abroad (as defined by the National Maritime Board);"

(*b*) in paragraph (2)—

(i) for the words "sub-paragraph (*a*)" there shall be substituted the words "sub-paragraphs (*a*) or (*b*)";
(ii) for the words "that sub-paragraph" there shall be substituted "either of those sub-paragraphs".

Amendments of Schedule 1 *to the principal regulations*

4. In Schedule 1 to the principal regulations (application of Income Tax (Employments) Regulations 1973 to earnings-related contributions)—

(1) in Regulation 2(1) (interpretation) the following definitions shall be inserted—

(*a*) after the definition of Inspector—
""mariner" has the same meaning as in regulation 86 of the Main Regulations";

(*b*) after the definition of "national insurance number"—
""voyage period" has the same meaning as in regulation 86 of the Main Regulations".

(2) after Regulation 30 (return by employer at end of year) there shall be inserted the following Regulation—

"*Special return by employer at end of voyage period*

30A.—(1) The following provisions of this Regulation apply where earnings-related contributions are assessed in accordance with regulation 90(4) or (5) of the Main Regulations (earnings periods for mariners and apportionment of earnings).

(2) Not later than 14 days after the end of the voyage period the employer shall render to the Secretary of State in such form as the Secretary of State may authorise a return in respect of each mariner showing—

(*a*) his name, discharge book number and national insurance number,

(*b*) the earnings periods and the amounts of emoluments apportioned to each such period in the voyage period,

(*c*) the appropriate category letter for each apportionment of emoluments,

(*d*) the amounts of all the earnings-related contributions payable on each apportionment of emoluments otherwise than under Regulation 13(2A),

(*e*) the amounts of primary Class 1 contributions included in the amounts shown under sub-paragraph (*d*) above for each apportionment of emoluments, and

(*f*) where the employment is contracted-out employment for any part of the voyage period—

(i) the amounts of that part of the contributions shown under sub-paragraph (*e*) above which were payable at the contracted-out percentage on earnings above the lower earnings limit, and

(ii) the number notified by the Occupational Pensions Board on the relevant contracting-out certificate as the employer's number."

Revocations

5. The regulations specified in Column 2 of the Schedule to these regulations are hereby revoked to the extent mentioned in Column 4 thereof.

Norman Fowler,
Secretary of State for Social Services.

22nd February 1982.

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

J. H. Gracey,
Secretary.

22nd February 1982.

SCHEDULE Regulation 5

REVOCATIONS

Column 1	Column 2	Column 3	Column 4
Serial	Regulation	Description	Extent of revocation
1	92	Change of circumstances etc. affecting calculation of mariner's earnings for contributions purposes	The whole regulation
2	95	Special payments to mariners after terminal payment	The whole regulation
3	96	Application of the Act and regulations	Paragraph (2)
4	97	Special provisions concerning earnings-related contributions	The whole regulation
5	Schedule 1 Regulation 35	Interpretation of Part V	The whole regulation
6	Schedule 1 Regulation 37	Deduction of earnings-related contributions from seamen's emoluments	The whole regulation
7	Schedule 1 Regulation 39	Payment of earnings-related contributions to Collector	The whole regulation
8	Schedule 1 Regulation 40	Return to be rendered by employer	The whole regulation
9	Schedule 1 Regulation 41	Application of Part IV	The whole regulation
10	Schedule 1 Regulation 43	Seamen to whom Part V shall not apply	The whole regulation

EXPLANATORY NOTE

(*This Note is not part of the Regulations.*)

These Regulations further amend the Social Security (Contributions) Regulations 1979 ("the principal regulations"). They revoke Part V of Schedule 1 to the principal regulations which contained the special provisions applicable to seamen for the deduction, payment and collection of earnings-related contributions. This follows a revocation of similar provisions in the Income Tax (Employments) Regulations 1973 (S.I. 1973/334). The remaining amendments are made as a result of the revocation of Part V of the Schedule.

Regulation 2 makes provision for the assessment of earnings-related contributions when the mariner is paid by reference to a voyage or series of voyages. It provides for the manner in which the earnings periods are to be determined and for the apportionment of earnings to those periods according to the amount earned therein. It treats earnings so apportioned as paid at the end

of the period to which they are apportioned and treats contributions paid thereon as paid in respect of the income tax year in which the end of that period falls. It provides for earnings for terminal leave to be treated as earned when the leave is taken. It also provides, in a case where earnings are paid in an income tax year preceding that in which the voyage period ends, for any earnings apportioned to the succeeding year to be treated as paid separately at the end of the preceding year.

Regulation 3 makes an amendment consequent on the revocation of Part V of Schedule 1 to the principal regulations, and Regulation 5 revokes that Part and other regulations dependent on that Part.

Regulation 4 makes provision for a return to be rendered by an employer at the end of the voyage period where earnings-related contributions have been assessed in relation to a voyage period which falls in two or more income tax years.

The Report of the Social Security Advisory Committee dated 22nd December 1981 on the draft of these Regulations, together with a statement showing that the Regulations give effect to the Committee's recommendations, is contained in Command Paper (Cmnd. 8477) published by Her Majesty's Stationery Office.

SI 1982/206
ISBN 0-11-026206-9

