



Statutory Document No. 124/95

The Social Security Act 1982

**THE SOCIAL SECURITY LEGISLATION (APPLICATION)
(NO. 5) ORDER 1995**

Approved by Tynwald 16 May 1995

Coming into operation in accordance with Article 1

In exercise of the powers conferred on the Department of Health and Social Security by section 1 of the Social Security Act 1982(a), and of all other enabling powers, the following Order is hereby made:-

Citation and commencement

1. (1) This Order may be cited as the Social Security Legislation (Application) (No. 6) Order 1995 and shall, subject to section 1(6) of the Social Security Act 1982, come into force as provided in paragraph (2).

(2) This Article and Articles 2 and 3 shall come into force forthwith and each provision of the applied legislation, as modified by this Order, shall come into force or be deemed to have come into force as the case may be, on the same day as that provision came into force in Great Britain.

Interpretation

2. (1) In this Order "the applied legislation" means -

- (a) The Social Security (Contributions) (Re-rating and National Insurance Fund Payments) Order 1995(b);
- (b) The Social Security (Contributions) Amendment Regulations 1995(c);
- (c) The Social Security (Contributions) Amendment (No.2) Regulations 1995(d).

(2) Unless the context otherwise requires -

- (a) any reference in any of the applied legislation to any provision in an instrument of a legislative character which is not itself a provision of any of the applied legislation shall be construed as if the provision so referred to had been in force in the Island from the date on which that instrument of a legislative character had effect in Great Britain;
- (b) reference in any legislation applied by this Order to any provision of any such legislation or of any other legislation applied to the Island by an Order under section 1 of the Social Security Act 1982, shall be construed as a reference to that legislation as it has effect in the Island.

(a) 1982 c. 9; (b) S.I. 1995/561; (c) S.I. 1995/514; (d) S.I. 1995/714.

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Application to the Island of the applied legislation

3. The applied legislation, as modified and shown as a Schedule to this Order, shall apply to the Island as part of the law of the Island.

SCHEDULE 1

This Schedule sets out the text of the Social Security (Contributions) (Re-rating and National Insurance Fund Payments) Order 1995 (S.I. 1995/561) with such exceptions, adaptations and modifications made where necessary

Note: Modifications subject to which the legislation is applied to the Island are in *bold italic* type

STATUTORY INSTRUMENTS

1995 No. 561 (as applied)

SOCIAL SECURITY

The Social Security (Contributions) (Re-rating and National Insurance Fund Payments) Order 1995

Citation, commencement and interpretation

1. (1) This Order may be cited as the Social Security (Contributions) (Re-rating and National Insurance Fund Payments) Order 1995 and shall come into force on 6th April 1995.

(2) In this Order "the Act" means the Social Security Contributions and Benefits Act 1992.

Weekly earnings figures and appropriate percentage rates for secondary earnings brackets

2. (1) Section 9 of the Act (calculation of secondary Class 1 contributions) shall be amended in accordance with the provisions of this article.

(2) In subsection (3) (secondary earnings brackets and percentage rates) -

(a) for the figure "£99.99" specified in respect of Bracket 1 there shall be substituted the figure "£104.99" and for the percentage rate figure "3.6 per cent." there shall be substituted the figure "3 per cent.";

(b) for the figures "£100.00" and "£144.99" specified in respect of Bracket 2 there shall be substituted respectively the figures "£105.00" and "£149.99" and for the percentage rate figure "5.6 per cent." there shall be substituted the figure "5 per cent.";

(c) for the figures "£145.00" and "£199.99" specified in respect of Bracket 3 there shall be substituted respectively the figures "£150.00" and "£204.99" and for the percentage rate figure "7.6 per cent." there shall be substituted the figure "7 per cent.";

(d) for the figure "£200.00" specified in respect of Bracket 4 there shall be substituted the figure "£205.00".

Rate of, and small earnings exception from, Class 2 contributions

3. In section 11 of the Act (Class 2 contributions) -

(a) in subsection (1) (weekly rate) for the figure "£5.65" there shall be substituted the figure "£5.75";

(b) in subsection (4) (small earnings exception) for the figure "£3,200" there shall be substituted the figure "£3,260".

Amount of Class 3 contributions

4. In section 13(1) of the Act (amount of Class 3 contributions) for the figure "£5.55" there shall be substituted the figure "£5.65".

Lower and upper limits for Class 4 contributions

5. In both section 15(3) and section 18(1) of the Act (Class 4 contributions recoverable under the Income Tax Acts and under regulations) -

(a) for the figure "£6,490" (lower limit) on each occasion where it appears there shall be substituted the figure "£6,640";

(b) for the figure "£22,360" (upper limit) there shall be substituted the figure "£22,880".

Prescribed percentage of estimated benefit expenditure

6. *Omitted.*

SCHEDULE 2

This Schedule sets out the text of the Social Security (Contributions) Amendment Regulations 1995 (S.I. 1995/514) with such exceptions, adaptations and modifications made where necessary

Note: Modifications subject to which the legislation is applied to the Island are in *bold italic* type

STATUTORY INSTRUMENTS

1995 No. 514 (as applied)

SOCIAL SECURITY

**The Social Security (Contributions)
Amendment Regulations 1995**

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) Amendment Regulations 1995 and shall come into force on 6th April 1995.

Amendment of the Social Security (Contributions) Regulations 1979

2. In regulation 98 of the Social Security (Contributions) Regulations 1979 (modification of provisions of the Social Security Contributions and Benefits Act 1992 in relation to share fishermen), in paragraph (c) (weekly rate of any Class 2 contributions payable by share fishermen) for the sum of "£7.75" there shall be substituted the sum of "£7.30".

SCHEDULE 3

This Schedule sets out the text of the Social Security (Contributions) Amendment (No. 2) Regulations 1995 (S.I. 1995/714) with such exceptions, adaptations and modifications made where necessary

Note: Modifications subject to which the legislation is applied to the Island are in *bold italic* type

STATUTORY INSTRUMENTS

1995 No. 714 (as applied)

SOCIAL SECURITY

**The Social Security (Contributions)
Amendment (No.2) Regulations 1995**

Citation, commencement and interpretation

1. (1) These Regulations may be cited as the Social Security (Contributions) Amendment (No.2) Regulations 1995 and shall come into force on 6th April 1995.

(2) In these Regulations "the principal Regulations" means the Social Security (Contributions) Regulations 1979(a).

Amendment of the principal Regulations

2. (1) The principal Regulations shall be further amended in accordance with the following provisions of this regulation.

(2) In regulation 7 (lower and upper earnings limits for Class 1 Contributions) -

(a) for the date "6th April 1994" there shall be substituted the date "6th April 1995"; and

(b) for the sums "£57" and "£430" there shall be substituted respectively the sums "£58" and "£440".

(3) In sub-paragraphs (a) and (b) of regulation 115(1) (reduction of rate of Class 1 contributions payable in respect of earnings of serving members of the forces) for the figure "0.5" in each place where it appears there shall be substituted the figure "0.4".

(4) In regulation 123D(1)(b) (special provisions as to volunteer development workers) for "5.6 per cent." there shall be substituted "5 per cent."

Made 7 April

1995

B MAY M.H.K.

Minister for Health and Social Security

EXPLANATORY NOTE

(This note is not part of the Order)

1. Section 1 of the Social Security Act 1982 enables the Department by Order to apply to the Island, as part of the law of the Island, subject to such exceptions, adaptations and modifications as may be specified in the Order, any legislation to which the Act applies.
2. Inter alia, the Act applies to the Social Security Acts 1975 to 1992 and any statutory instruments made or having effect as if made under those Acts.
3. The Social Security (Contributions) (Re-rating and National Insurance Fund Payments) Order 1995 (S.I. 1995/561).

This Order increases the amounts of weekly earnings specified in the secondary earnings brackets in section 9(3) of the Social Security Contributions and Benefits Act 1992 ("the Act"), in respect of Bracket 1 from £99.99 to £104.99, in respect of Bracket 2 from £100.00 and £144.99 to £105.00 and £149.99, in respect of Bracket 3 from £145.00 and £199.99 to £150.00 and £204.99 and in respect of Bracket 4 from £200.00 to £205.00. The percentage rate is reduced, in respect of Bracket 1 from 3.6% to 3%, in respect of Bracket 2 from 5.6% to 5% and in respect of Bracket 3 from 7.6% to 7% (article 2).

The Order increases the rates of Class 2 and Class 3 contributions specified in sections 11(1) and 13(1) of the Act from £5.65 to £5.75 and from £5.55 to £5.65 respectively. It also increases from £3,200 to £3,260 the amount of earnings specified in section 11(4) below which an earner may be excepted from liability for Class 2 contributions (articles 3 and 4).

The Order increases, from £6,490 to £6,640 and from £22,360 to £22,880 respectively, the lower and upper limits of profits or gains specified in sections 15(3) and 18(1) of the Act between which Class 4 contributions are payable (article 5).

4. The Social Security (Contributions) Amendment Regulations 1995 (S.I. 1995/514).

These Regulations further amend regulation 98 (which relates to share fishermen) of the Social Security (Contributions) Regulations 1979. They amend paragraph (c) of that regulation by reducing the special rate of Class 2 contributions payable by share fishermen from £7.75 to £7.30.

5. The Social Security (Contributions) Amendment (No.2) Regulations 1995 (S.I. 1995/714).

These Regulations further amend the Social Security (Contributions) Regulations 1979 ("the principal Regulations").

Regulation 2(2) amends regulation 7 of the principal Regulations by increasing the lower and upper earnings limits for Class 1 contributions for the tax year beginning on 6th April 1995. The lower earnings limit is increased from £57 to £58 and the upper earnings limit from £430 to £440.

Regulation 2(3) amends regulation 115 of the principal Regulations by reducing the abatement of percentage rates of Class 1 contributions payable by and in respect of serving members of the forces from 0.5 per cent. to 0.4 per cent..

Regulation 2(4) amends regulation 123D of the principal Regulations by decreasing the weekly rate of Class 2 contributions payable by volunteer development workers from 5.6 per cent. to 5 per cent. of the lower earnings limit. For the tax year beginning on 6th April 1995, the weekly contributions for those workers will decrease from £3.19 to £2.90.