

P. N. No: 24/90
G. C. No: 99/90

ISLE OF MAN

SOCIAL SECURITY

The Social Security Legislation (Application) (No. 3) Order 1990

The Social Security Legislation (Application) (No. 3) Order 1990 made on 2nd March 1990 by the Department of Health and Social Security in exercise of the powers conferred by section 1 of the Social Security Act 1982

The Social Security Act 1982The Social Security Legislation (Application) (No. 3) Order 1990

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 all other enabling powers, the following Order is hereby made: -

Citation and commencement

1. This Order may be cited as the Social Security Legislation (Application) (No. 3) Order 1990 and shall, subject to section 1(6) of the Social Security Act 1982, come into force on 6th April 1990.

Amendment of G.C. 105/89

2. (1) The Social Security Legislation (Application) (No. 7) Order 1989(b) shall be amended in accordance with paragraph (2).
- (2) For the Schedule (exceptions, adaptations and modifications subject to which the Social Security (Contributions and Allocation of Contributions (Re-rating) Order 1989(b) has effect in the Island) there shall be substituted the following Schedule -

"Article 3(1)

Schedule

Exceptions, adaptations and modifications subject to which the Social Security (Contributions and Allocation of Contributions) (Re-rating) Order 1989 (S.I. 1989 No.26) shall have effect in the Island.

<u>Article</u>	<u>Subject Matter</u>	<u>Exceptions, adaptations and modifications</u>
2	Weekly earnings figures for secondary earnings brackets	(a) In paragraph (3) - i) in sub-paragraph (a) for "£74.99" substitute "£79.99"; ii) in sub-paragraph (b) for "£75.00" and "£114.99" substitute "£80.00" and "£124.99" respectively; iii) in sub-paragraph (c) for "£115.00" and "£164.99" substitute "£125.00" and "£174.99" respectively; iv) in sub-paragraph (d) for "£165.00" substitute "£175.00";
3	Rate of, and small earnings exception from Class 2 contributions	(a) In paragraph (a) for "£4.25" substitute "£4.55"; (b) In paragraph (b) for "£2,350" substitute "£2,600".

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4	Amount of Class 3 contributions	For "£4.15" substitute "£4.45".
5	Lower and upper limits for Class 4 contributions	(a) In paragraph (a) for "£5,050" substitute "£5,450": (b) In paragraph (b) for "£16,900" substitute "£18,200".
7	Appropriate employment protection allocation	Omit.

Amendment of G.C. 242/89

5. (1) The Social Security Legislation (Application) (No.8) Order 1989(a) shall be amended in accordance with paragraph (2).
- (2) For Schedule 1 (exceptions, adaptations and modifications subject to which the Social Security (Contributions) Amendment Regulations 1989 (S.I. 1989 No.345) shall have effect in the Island) there shall be substituted the following Schedule

"Article 3(1)

Schedule 1

Exceptions, adaptations and modifications subject to which the Social Security (Contributions) Amendment Regulations 1989 (S.I. 1989 No.345) shall have effect in the Island.

<u>Regulation</u>	<u>Subject Matter</u>	<u>Exceptions, adaptations and modifications</u>
2	Amendment to Regulations	(a) In paragraph (2) i) in sub-paragraph (a) for "1989" substitute " 1990";

(a) G.C. 242/89

The Social Security Act 1982

The Social Security Legislation (Application) (No.3) Order 1990

ii) in sub-paragraph (b) for "£43"
and "£325" substitute "£46" and
"£350";

(b) Omit paragraph (5). "

Made this 2nd Day of March 1990

J. C. CAIN, M. H. K.

MINISTER FOR HEALTH AND
SOCIAL SECURITY

Approved by Tynwald on 21st March 1990

The Social Security Act 1982The Social Security Legislation (Application) (No. 3) Order 1990Explanatory 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 and 1986 (of Parliament) and any statutory instrument made or having effect as if made under those Acts of Parliament.
3. This Order amends with effect from 6th April 1990 the previous application to the Island by two Orders (G.C. 105/89 and G.C. 242/89) of two statutory instruments (S.I. 1989/26 and S.I. 1989/345) concerning certain rates and figures prescribed for the purpose of determining national insurance contribution liabilities. The amendments and their effects are summarised in the following paragraphs.
4. Amendment of G.C. 105/89 - the Social Security Legislation (Application) (No. 7) Order 1989

Article 4 of the present Order amends the application to the Island (by G.C. 105/89) of the Social Security (Contributions and Allocation of Contributions) (Re-rating) Order 1989 (S.I. 1989/26). The effect of the amendments is, for the tax year commencing 6th April 1990, to -

- (a) increase the amount of weekly earnings specified in the secondary earnings brackets in section 4(6E) of the Social Security Act, determining the appropriate percentage rate at which Class 1 contributions are payable by employers under that Act. The new and old brackets are as follows -

The Social Security Act 1982The Social Security Legislation (Application) (No. 3) Order 1990

<u>Old</u>		<u>New</u>
Lower earnings limit to £74.99	Bracket 1	Lower earnings limit to £79.99
£75.00 to £114.99	Bracket 2	£80.00 to £124.99
£115.00 to £164.99	Bracket 3	£125.00 to £174.99
£165.00 or more	Bracket 4	£175.00 or more

NB (i) The percentage rates of employers contributions appropriate to each bracket remain unchanged at -

	Not contracted-out	Contracted-out
Bracket 1	5%	1.2%
Bracket 2	7%	3.2%
Bracket 3	9%	5.2%
Bracket 4	10.45%	6.65% upto the upper earnings limit and 10.45% thereafter

(ii) The percentage rates of employees contributions are also unchanged at 2% of earnings upto the lower earnings limit plus 9% (or 7% if contracted-out) of that part of earnings which exceeds the lower earnings limit but does not exceed the upper earnings limit (but see paragraph 5 below for changes in the lower and upper earnings limits).

- b) to increase the weekly rate of Class 2 contributions from £4.25 to £4.55,
- c) to increase the weekly rate of Class 3 contributions from £4.15 to £4.45,

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- d) increase the amount of earnings below which an earner may be excepted from liability for Class 2 contributions is increased from £2,350 per annum to £2,600 per annum, and
- e) increase the lower and upper limits of profits or gains between which Class 4 contributions are payable are increased from £5,050 and £16,900 to £5,450 and £18,200.

5. Amendment of G.C. 242/89 - the Social Security Legislation (Application) (No. 8) Order 1989

Article 5 of the present Order amends the application to the Island (by G.C. 242/89) of the Social Security (Contributions) Amendment Regulations 1989. The effect of the amendments is to increase the weekly lower and upper earnings limits for Class 1 contribution purposes for the tax year beginning on 6th April 1990. The lower earnings limit is increased from £43 to £46 and the upper earnings limit from £325 to £350.

1989 No. 26 (as modified)

SOCIAL SECURITY

The Social Security (Contributions and Allocation of Contributions) (Re-rating) Order 1989

Made - - - - 10th January 1989

Coming into force - 6th April 1989

Whereas the Secretary of State for Social Security, as a result of carrying out in the tax year 1988-89 a review of the general level of earnings pursuant to subsections (2) and (3) of section 120 of the Social Security Act 1975(a), has determined that an Order should be made under that section amending Part I of the said Act by altering the rates of Class 2 and Class 3 contributions, the amount of earnings below which an earner may be excepted from liability for Class 2 contributions and the lower and upper limits of profits or gains to be taken into account for Class 4 contributions:

And whereas the Secretary of State, for the purposes of adjusting amounts payable by way of Class 1 contributions, has determined that an Order should be made under section 123A(1) and (2) of that Act(b) amending section 4(6B) and (6E) of that Act(c) by altering the weekly earnings figures therein specified:

And whereas a draft of the following Order was laid before Parliament in accordance with the provisions of sections 120(4), 121(2), 123A(6) and 167(1) of that Act(d) and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Security, in conjunction with the Treasury so far as relates to matters with regard to which the Treasury has so directed(e) and, in respect of articles 6 and 7 of this Order, with the consent of the Treasury, in exercise of powers conferred upon him by sections 120(5) and (6), 121(2), 123A(1) and (2) and 134(4A) and (5A)(f) of the said Act and of all other powers enabling him in that behalf, hereby makes the following Order:

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Social Security (Contributions and Allocation of Contributions) (Re-rating) Order 1989 and shall come into force on 6th April 1989.

(2) In this Order "the Act" means the Social Security Act 1975.

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- (a) 1975 c.14; section 120(2) was amended by the Social Security Pensions Act 1975 (c.60), section 65 and Schedule 4, paragraph 50(b), and see paragraph 50(a).
 - (b) Section 123A was inserted by section 7(5) of the Social Security Act 1985 (c.53) and amended by section 74(1) and (2) of the Social Security Act 1986 (c.50).
 - (c) Section 4(6B) and (6E) was inserted by section 7(2) of the Social Security Act 1985; the relevant instrument amending section 4(6B) and (6E) is S.I. 1988/675.
 - (d) Section 167(1) was amended by the Social Security (Contributions) Act 1981 (c.1), section 4(5), and by the Social Security Act 1986, sections 62(3) and 74(4).
 - (e) See section 166(5) of the Social Security Act 1975.
 - (f) Section 134(4A) was inserted by the Social Security (Contributions) Act 1981, section 3(3); section 134(5A) was inserted by the Social Security Act 1986, section 74(3).

Weekly earnings figures for primary and secondary earnings brackets

2.—(1) Section 4 of the Act (incidence of Class 1 contributions) shall be amended in accordance with the provisions of this article.

(2) In subsection (6B)(a) (primary earnings brackets)—

- (a) for the figure £69.99 specified in respect of Bracket 1 there shall be substituted the figure £74.99;
- (b) for the figures £70.00 and £104.99 specified in respect of Bracket 2 there shall be substituted respectively the figures £75.00 and £114.99;
- (c) for the figure £105.00 specified in respect of Bracket 3 there shall be substituted the figure £115.00.

(3) In subsection (6E)(b) (secondary earnings brackets)—

- (a) for the figure £69.99 specified in respect of Bracket 1 there shall be substituted the figure £79.99;
- (b) for the figures £70.00 and £104.99 specified in respect of Bracket 2 there shall be substituted respectively the figures £80.00 and £124.99;
- (c) for the figures £105.00 and £154.99 specified in respect of Bracket 3 there shall be substituted respectively the figures £125.00 and £174.99;
- (d) for the figure £155.00 specified in respect of Bracket 4 there shall be substituted the figure £175.00.

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

3. In section 7 of the Act (Class 2 contributions)—

- (a) in subsection (1) (weekly rate) for the figure £4.05(c) there shall be substituted the figure £4.55;
- (b) in subsection (5) (small earnings exception) for the figure £2,250(d) there shall be substituted the figure £2,600.

Amount of Class 3 contribution

4. In section 8(1) of the Act (amount of Class 3 contributions) for the figure £3.95(e) there shall be substituted the figure £4.45.

Lower and upper limits for Class 4 contributions

5. In sections 9(2) and 10(1) of the Act (Class 4 contributions recoverable under Tax Acts and regulations)—

- (a) for the figure £4,750 (lower limit)(f) wherever it appears there shall be substituted in each of those sections the figure £5,450;
- (b) for the figure £15,860 (upper limit)(g) there shall be substituted in each of those sections the figure £18,200.

Percentage rates of appropriate national health service allocation

6.—(1) Section 134(4) of the Act(h) (allocation of contributions) shall be amended in accordance with the provisions of this article.

(2) In the definition of “the appropriate national health service allocation”—

(a) See S.I. 1988/675, article 2(2).

(b) See S.I. 1988/675, article 2(3).

(c) See S.I. 1988/675, article 3(a).

(d) See S.I. 1988/675, article 3(b).

(e) See S.I. 1988/675, article 4.

(f) See S.I. 1988/675, article 5(a).

(g) See S.I. 1988/675, article 5(b).

(h) Section 134(4) was amended by the Employment Protection Act 1975, section 40(1), by the Social Security (Contributions) Act 1982 (c.2), section 3(3), and by the Social Security Act 1985 (c.53), section 29(1) and Schedule 5, paragraph 11.

- (a) in paragraph (a) (primary Class 1 contributions) for the words "0.95 per cent."(a) there shall be substituted the words "1.05 per cent.";
- (b) in paragraph (b) (secondary Class 1 contributions) for the words "0.8 per cent." there shall be substituted the words "0.9 per cent."

Appropriate employment protection allocation

- 7. Omitted.

Signed by authority of the Secretary of State for Social Security.

4th January 1989

Skelmersdale
Parliamentary Under-Secretary of State,
Department of Social Security

10th January 1989

D. Lightbown
David Maclean
Two of the Lords Commissioners of
Her Majesty's Treasury

1989 No. 345 (as modified)

SOCIAL SECURITY

The Social Security (Contributions) Amendment Regulations 1989

<i>Made</i>	<i>1st March 1989</i>
<i>Laid before Parliament</i>	<i>13th March 1989</i>
<i>Coming into force</i>	<i>6th April 1989</i>

The Secretary of State for Social Security, in exercise of powers conferred by section 1 of the Social Security Pensions Act 1975(a) and, in conjunction with the Treasury in so far as relates to matters with regard to which the Treasury has so directed(b), in exercise of powers conferred by sections 128(2)(a), 131, 134(6) and 166(2) of, and Schedule 20 to, the Social Security Act 1975(c) and section 123(2)(a) of the Social Security (Northern Ireland) Act 1975(d) and of all other powers enabling him in that behalf, and after agreement by the Social Security Advisory Committee that proposals to make regulation 2(3), (4) and (5) of these Regulations should not be referred to it(e), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Contributions) Amendment Regulations 1989 and shall come into force on 6th April 1989.

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

Amendment to 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 "6th April 1988" there shall be substituted "6th April 1990", and

(b) for "£41" and "£305" there shall be substituted respectively "£46" and "£350".

(a) 1975 c. 60; section 1(1) was amended by the Social Security Act 1985 (c. 53), section 29(1) and Schedule 5, paragraph 15; section 1(2) was amended by the Social Security Act 1986 (c. 50), section 74(6). (b) See Social Security Act 1975 (c. 14), section 166(5). (c) 1975 c. 14; Schedule 20 is cited because of the meanings ascribed to the words "Prescribe" and "Regulations"; see also section 66(2) of the Social Security Pensions Act 1975 (d) 1975 c. 15. (e) See Social Security Act 1986 (c. 50), section 61(1)(b). (f) S.I. 1979/591; relevant amending provisions are the Social Security (Contributions) Act 1982 (c. 2), section 4(3) and Schedule 1, paragraph 3(5); S.I. 1985/1398, 1986/485, 1988/299.

(3) In regulation 115(1) (reduction of rate of Class 1 contributions payable in respect of earnings of serving members of the forces) -

(a) in sub-paragraph (a), for "0.8" in each place where it appears there shall be substituted "0.65";

(b) in sub-paragraph (b), for "0.85" there shall be substituted "0.7"

(4) In regulation 123D (special provisions as to volunteer development workers) -

(a) immediately before the words "In relation to" there shall be inserted the figure "(1)";

(b) in paragraph (b) (weekly rate of any Class 2 contributions payable) for "£6.55" there shall be substituted the words "the amount equal to that percentage of the current lower earnings limit obtained by adding together the relevant primary percentage rate and the relevant secondary percentage rate";

(c) after paragraph (d) there shall be added the following new paragraph -

"(2) In paragraph (1) above -

(a) "relevant primary percentage rate" means the rate which was, at the beginning of the year in which falls the week in respect of which the contribution is paid, the rate specified in section 4(6B) of the Act(a) as the appropriate percentage rate for Bracket 1.

(b) "relevant secondary percentage rate" means the rate which was, at the beginning of the year in which falls the week in respect of which the contribution is paid, the rate specified in section 4(6E) of the Act as the appropriate percentage rate for Bracket 1."

(5) *omitted*

Signed by authority of the Secretary of State for Social Security.

27th February 1989

Skelmersdale
Parliamentary Under-Secretary of State,
Department of Social Security

1st March 1989

Stephen Dorrell
David Lightbown
Two of the Lords Commissioners
of Her Majesty's Treasury

(a) Section 4(6B) and (6E) was inserted by the Social Security Act 1985, section 7(2).