



Statutory Document No. 108/05

THE SOCIAL SECURITY ACT 2000
THE SOCIAL SECURITY LEGISLATION (APPLICATION)
(No. 3) ORDER 2005

Approved by Tynwald *20th April 2005*

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 2000(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. 3) Order 2005 and shall, subject to section 2(1) of the Social Security Act 2000, 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, shall be deemed to have come into force 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 Revaluation of Earnings Factors Order 2005(b); and
- (b) the Social Security Pensions (Low Earnings Threshold) Order 2005(c).

(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;

(a) 2000 c.5; (b) S.I. 2005/216; (c) S.I. 2005/217.

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- (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 2000 or section 1 of the Pension Schemes Act 1995(a), shall be construed as a reference to that legislation as it has effect in the Island.

Application to the Island of the applied legislation

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

(a) 1995 c. 11.

SCHEDULE 1

This Schedule sets out the text of the Social Security Revaluation of Earnings Factors Order 2005 (S.I. 2005/216) 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

2005 No. 216

SOCIAL SECURITY

The Social Security Revaluation of Earnings Factors Order 2005

Citation and commencement

1. This Order may be cited as the Social Security Revaluation of Earnings Factors Order 2005 and shall *be deemed to have* come into force on 6th April 2005.

Revaluation of earnings factors

2. The earnings factors for tax years specified in the Schedule to this Order, in so far as they are relevant -

- (a) to the calculation -
 - (i) of the additional pension in the rate of any long-term benefit; or
 - (ii) of any guaranteed minimum pension; or
- (b) to any other calculation required under Part III of the Pension Schemes Act 1993 (including that Part as modified by or under any other enactment),

are directed to be increased for those tax years by the percentage of their amount shown opposite those tax years in that Schedule.

Rounding of fractional amounts

3. Where any earnings factors relevant to the calculation specified in article 2(a)(i) of this Order, as increased in accordance with this Order, would not but for this article be expressed as a whole number of pounds, it shall be so expressed by the rounding down of any fraction of a pound less than one half and the rounding up of any other fraction of a pound.

SCHEDULE

Article 2

<i>Tax Year</i>	<i>Percentage</i>
1978-79	572.4
1979-80	493.5
1980-81	395.8
1981-82	315.3
1982-83	277.2
1983-84	250.2
1984-85	224.3
1985-86	204.2
1986-87	179.3
1987-88	160.1
1988-89	139.3
1989-90	115.9
1990-91	101.2
1991-92	82.8
1992-93	71.6
1993-94	63.5
1994-95	58.5
1995-96	51.9
1996-97	47.7
1997-98	40.7
1998-99	34.5
1999-2000	29.1
2000-2001	21.4
2001-2002	16.8
2002-2003	11.9
2003-2004	8.1
2004-2005	4.1

SCHEDULE 2

This Schedule sets out the text of the Social Security Pensions (Low Earnings Threshold) Order 2005 (S.I. 2005/217) 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

2005 No. 217

SOCIAL SECURITY

The Social Security Pensions (Low Earnings Threshold) Order 2005

Citation and commencement

1. This Order may be cited as the Social Security Pensions (Low Earnings Threshold) Order 2005 and shall *be deemed to have* come into force on 6th April 2005.

Low earnings threshold

2. It is hereby directed that, for the purposes of the Social Security Contributions and Benefits Act 1992, the low earnings threshold for the tax years following the tax year 2004-2005 shall be £12,100.



Minister for Health and Social Security

EXPLANATORY NOTE

(This note is not part of the Order)

1. Section 1 of the Social Security Act 2000 enables the Department, by Order, to apply to the Island, as part of the law of the Island and incorporating such exceptions, adaptations and modifications as may be specified by the Order, any legislation to which that Act applies.
2. *Inter alia*, the Act applies to the Social Security Administration Act 1992 and the Social Security Contributions and Benefits Act 1992 (both Acts of the United Kingdom Parliament which have effect in the Isle of Man) and to any statutory instrument made or having effect as if made under either of those Acts.
3. This Order applies to the Island the legislation referred to in Article 2(1) of the Order, the provisions of which are summarised in the following paragraphs. The applied legislation is deemed to have come into force on the same day as the corresponding provisions came into force in Great Britain. Where necessary, the provisions have been applied to the Island administratively pending their application by order.
4. **The Social Security Revaluation of Earnings Factors Order 2005 (S.I. 2005/216)**
 - 4.1 The Order directs that the earnings factors relevant to the calculation of the additional pension in the rate of any long-term benefit or guaranteed minimum pension, or any other calculation required under Part III of the Pension Schemes Act 1993 are to be increased for the tax years specified in the Schedule to the Order by the percentage of their amount specified in that Schedule.
 - 4.2 The percentages specified in this Order for the tax years from and including 2000-01 are also relevant for the purposes of revaluing state scheme pension debits and credits in accordance with sections 45B(6), 55A(5) and 55B(6) of the Social Security Contributions and Benefits Act 1992 (pension sharing on divorce).
 - 4.3 The percentage for the tax year 2004-05 is 4.1%. Those for earlier tax years have been increased so that the earnings factors for those years are revalued at 2004-05 earnings levels.

4.4 The Order also provides for the rounding of fractional amounts for earnings factors relevant to the calculation of the additional pension in the rate of any long-term benefit. Rounding for the purpose of calculating guaranteed minimum pensions is not required.

5. **The Social Security Pensions (Low Earnings Threshold) Order 2005 (S.I. 2005/217)**

This Order directs that the low earnings threshold for the tax years following 2004-2005 shall be £12,100. The threshold for the tax year 2003-2004 was £11,600.

