

## SCHEDULES

### SCHEDULE 1

#### STATE PENSION: CONSEQUENTIAL AND RELATED AMENDMENTS

#### PART 7

#### ADDITIONAL PENSION: SIMPLIFIED ACCRUAL RATES

*The Social Security Contributions and Benefits (Northern Ireland) Act 1992 (c. 7)*

**32.** In section 172 of the Contributions and Benefits Act (Assembly, etc. control of regulations and orders)—

- (a) in subsection (2)(c) (orders subject to confirmatory procedure) after “35A(7),” insert “121(8),”;
- (b) in subsection (4A) (certain orders not subject to Assembly procedure) after “second appointed year” insert “or designating the flat rate introduction year”.

*The Pension Schemes (Northern Ireland) Act 1993 (c. 49)*

**33.** In section 8B of the Pension Schemes Act (reference scheme)—

- (a) in subsection (5) (definition of earner’s qualifying earnings) in paragraph (b), for “the upper earnings limit for that year multiplied by fifty-three” substitute “the applicable limit”;
- (b) in subsection (7), before the definition of “normal pension age” insert—
  - ““the applicable limit” means—
  - (a) in relation to a tax year before the flat rate introduction year, the upper earnings limit for the year multiplied by 53;
  - (b) in relation to the flat rate introduction year or any subsequent tax year, the upper accrual point;”.

**34.** In section 37 of that Act (reduced rates of Class 1 contributions)—

- (a) in subsection (1) (earnings relevant for subsections (1A) and (1B) limited by upper earnings limit) for “the current upper earnings limit” substitute “the applicable limit”;
- (b) after that subsection insert—

“(1ZA) In subsection (1)—

(a) “the applicable limit”—

(i) in relation to a tax week falling in a tax year before the flat rate introduction year, means the upper earnings limit for the week in question;

(ii) in relation to a tax week falling in the flat rate introduction year or any subsequent tax year, means the upper accrual point divided by 52; and

(b) “prescribed”—

(i) in relation to the lower or upper earnings limit, means (in accordance with section 5(4) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992) prescribed under that provision;

(ii) in relation to the amount mentioned in paragraph (a)(ii) above, means (in accordance with section 176) prescribed by regulations under this Act.”.

**35.** In section 176(1) of that Act (general interpretation) insert in the appropriate places—

““the flat rate introduction year” has the meaning given by section 121 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;”,

““the upper accrual point” has the meaning given by section 121 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;”.

**36.** In Schedule 3 to that Act (priority in bankruptcy, etc.) in paragraph 2 (employer’s contributions to occupational pension scheme)—

(a) in sub-paragraph (5) in paragraph (b) of the definition of “reckonable earnings”, for “the current upper earnings limit” substitute “the applicable limit”; and

(b) after that sub-paragraph add—

“(6) “The applicable limit” means—

(a) in relation to a payment made in a tax week falling in a tax year before the flat rate introduction year, the upper earnings limit for the week in question;

(b) in relation to a payment made in a tax week falling in the flat rate introduction year or any subsequent tax year, the upper accrual point divided by 52.”.