



# Social Security Contributions (Transfer of Functions, etc.) Act 1999

## 1999 CHAPTER 2

An Act to transfer from the Secretary of State to the Commissioners of Inland Revenue or the Treasury certain functions relating to national insurance contributions, the National Insurance Fund, statutory sick pay, statutory maternity pay or pension schemes and certain associated functions relating to benefits; to enable functions relating to any of those matters in respect of Northern Ireland to be transferred to the Secretary of State, the Commissioners of Inland Revenue or the Treasury; to make further provision, in connection with the functions transferred, as to the powers of the Commissioners of Inland Revenue, the making of decisions and appeals; to provide that rebates payable in respect of members of money purchase contracted-out pension schemes are to be payable out of the National Insurance Fund; and for connected purposes. [25th February 1999]

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### PART I

#### GENERAL

##### *Transfer of functions*

#### **1 Transfer to Board of certain functions relating to contributions, etc**

- (1) Schedule 1 to this Act (which contains amendments transferring to the Board certain functions of the Secretary of State which have been exercised by the Contributions Agency and certain associated functions of the Secretary of State in relation to benefits,

together with other amendments related to the transfer of those functions) shall have effect.

- (2) The functions of the Secretary of State under the provisions of subordinate legislation specified in Schedule 2 to this Act are hereby transferred to the Board.

## **2 Transfer of other functions to Treasury or Board**

Schedule 3 to this Act (which contains amendments transferring to the Treasury or the Board certain other functions of the Secretary of State, together with amendments related to the transfer of those functions) shall have effect.

*Exercise by Board of functions transferred to them*

## **3 General functions of Board**

- (1) Contributions shall be under the care and management of the Board.
- (2) Subject to subsection (3) below, for the purposes of the Inland Revenue Regulation Act 1890 (“the 1890 Act”) the definition of “inland revenue” in section 39 of that Act shall be taken to include contributions.
- (3) The following provisions of the 1890 Act shall not apply in relation to contributions—
- (a) section 13 (duty of Commissioners in relation to collection and the keeping of accounts), so far as relating to the keeping of accounts,
  - (b) sections 21 and 22 (proceedings for fines, etc),
  - (c) section 27 (officers may conduct proceedings before justices),
  - (d) section 32 (power to reward informers),
  - (e) section 34 (expenses of prosecutions), and
  - (f) section 35 (power to mitigate fines and stay proceedings).
- (4) The reference in section 10 of the Exchequer and Audit Departments Act 1866 (gross revenues of Board and of Commissioners of Customs and Excise to be paid into Exchequer) to the gross revenues of the department of the Inland Revenue shall not be taken to include—
- (a) contributions, or
  - (b) any sums (other than contributions) which are payable into the National Insurance Fund or the Northern Ireland National Insurance Fund.
- (5) In any declaration for the purposes of section 6 of the Taxes Management Act 1970 (declarations on taking office), whether made before or after the commencement of this section, the reference to an offence relating to inland revenue shall be taken to include a reference to—
- (a) an offence relating to contributions, statutory sick pay or statutory maternity pay, or
  - (b) an offence under regulations made under Part III of the Pension Schemes Act 1993 or Part III of the Pension Schemes (Northern Ireland) Act 1993.
- (6) In Schedule 2 to the Social Security Contributions and Benefits Act 1992 (levy of Class 4 contributions with income tax) and Schedule 2 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992, paragraph 6(2) (which is superseded by subsection (1) above) shall cease to have effect.

- (7) In this section “contributions” includes contributions under Part I of the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

#### **4 Recovery of contributions where income tax recovery provisions not applicable**

The provisions of Schedule 4 shall have effect with respect to the recovery of—

- (a) those Class 1, Class 1A, Class 1B and Class 2 contributions to which regulations under paragraph 6 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with income tax) do not apply,
- (b) Class 4 contributions payable by virtue of regulations under section 18 of that Act, and
- (c) interest or penalties payable under regulations made under paragraph 7A or 7B of Schedule 1 to that Act.

#### **5 Powers relating to enforcement**

Schedule 5 to this Act (which relates to the enforcement powers of the Board in relation to functions transferred to them by this Act) shall have effect.

#### **6 Disclosure of information**

Schedule 6 to this Act (which contains amendments relating to the supply or disclosure of information) shall have effect.

#### **7 Use of information by Board**

- (1) Information which is held—

- (a) by the Board, or
- (b) by a person providing services to the Board, in connection with the provision of those services,

for the purposes of functions specified in any paragraph of subsection (2) below may be used for the purposes of, or for any purposes connected with, the exercise of functions specified in any other paragraph of that subsection, and may be supplied to any person providing services to the Board for those purposes.

- (2) The functions referred to in subsection (1) above are—

- (a) the functions of the Board in relation to tax,
- (b) their functions in relation to contributions, statutory sick pay and statutory maternity pay, and
- (c) their functions under Part III of the Pension Schemes Act 1993 or Part III of the Pension Schemes (Northern Ireland) Act 1993.

- (3) In subsection (2)(b) above “contributions” includes contributions under Part I of the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

## PART II

### DECISIONS AND APPEALS

#### 8 Decisions by officers of Board

- (1) Subject to the provisions of this Part, it shall be for an officer of the Board—
- (a) to decide whether for the purposes of Parts I to V of the Social Security Contributions and Benefits Act 1992 a person is or was an earner and, if so, the category of earners in which he is or was to be included,
  - (b) to decide whether a person is or was employed in employed earner's employment for the purposes of Part V of the Social Security Contributions and Benefits Act 1992 (industrial injuries),
  - (c) to decide whether a person is or was liable to pay contributions of any particular class and, if so, the amount that he is or was liable to pay,
  - (d) to decide whether a person is or was entitled to pay contributions of any particular class that he is or was not liable to pay and, if so, the amount that he is or was entitled to pay,
  - (e) to decide whether contributions of a particular class have been paid in respect of any period,
  - (f) subject to and in accordance with regulations made for the purposes of this paragraph by the Secretary of State with the concurrence of the Board, to decide any issue arising as to, or in connection with, entitlement to statutory sick pay or statutory maternity pay,
  - (g) to make any other decision that falls to be made under Part XI of the Social Security Contributions and Benefits Act 1992 (statutory sick pay) or Part XII of that Act (statutory maternity pay),
  - (h) to decide any question as to the issue and content of a notice under subsection (2) of section 121C of the Social Security Administration Act 1992 (liability of directors etc. for company's contributions),
  - (i) to decide any issue arising under section 27 of the Jobseekers Act 1995 (employment of long-term unemployed: deductions by employers), or under any provision of regulations under that section, as to—
    - (i) whether a person is or was an employee or employer of another,
    - (ii) whether an employer is or was entitled to make any deduction from his contributions payments in accordance with regulations under section 27 of that Act,
    - (iii) whether a payment falls to be made to an employer in accordance with those regulations,
    - (iv) the amount that falls to be so deducted or paid, or
    - (v) whether two or more employers are, by virtue of regulations under section 27 of that Act, to be treated as one,
  - (j) to decide whether a person is liable to pay interest under paragraph 7B(2)(e) of Schedule 1 to the Social Security Contributions and Benefits Act 1992,
  - (k) to decide whether a person is liable to a penalty under—
    - (i) paragraph 7A(2) or 7B(2)(h) of Schedule 1 to the Social Security Contributions and Benefits Act 1992, or
    - (ii) section 113(1)(a) of the Social Security Administration Act 1992,

- (l) to decide the amount of interest or penalty payable under any of the provisions mentioned in paragraphs (j) and (k) above, and
  - (m) to decide such issues relating to contributions, other than the issues specified in paragraphs (a) to (l) above or in paragraphs 16 and 17 of Schedule 3 to the Social Security Act 1998, as may be prescribed by regulations made by the Board.
- (2) Subsection (1)(c) and (e) above do not include any decision relating to Class 4 contributions other than a decision falling to be made—
- (a) under subsection (1) of section 17 of the Social Security Contributions and Benefits Act 1992 as to whether by regulations under that subsection a person is or was excepted from liability for Class 4 contributions, or his liability is or was deferred, or
  - (b) under regulations made by virtue of subsection (3) or (4) of that section or section 18 of that Act.
- (3) Subsection (1)(g) above does not include—
- (a) any decision as to the making of subordinate legislation, or
  - (b) any decision as to whether the liability to pay statutory sick pay or statutory maternity pay is a liability of the Board rather than the employer.
- (4) Until the commencement of section 2 of this Act, the reference in subsection (1)(m) above to the Board shall have effect as a reference to the Secretary of State.

## **9 Regulations with respect to decisions**

- (1) Subject to the provisions of this Part and of the Social Security Administration Act 1992, provision may be made by the Board by regulations as to the making by their officer of any decision under or in connection with the Social Security Contributions and Benefits Act 1992, the Social Security Administration Act 1992 or the Jobseekers Act 1995 which falls to be made by such an officer.
- (2) Where it appears to an officer of the Board that a matter before him involves a question of fact requiring special expertise, he may direct that in dealing with that matter he shall have the assistance of one or more experts.
- (3) In subsection (2) above “expert” means a person appearing to the officer of the Board to have knowledge or experience which would be relevant in determining the question of fact requiring special expertise.

## **10 Decisions varying or superseding earlier decisions**

- (1) The Board may by regulations make provision—
- (a) for any decision of an officer of the Board under section 8 of this Act (including a decision superseding an earlier decision) to be varied either within the prescribed period or in prescribed cases or circumstances,
  - (b) for any such decision to be superseded, in prescribed circumstances, by a subsequent decision made by an officer of the Board, and
  - (c) for any such decision as confirmed or varied by the tax appeal Commissioners on appeal to be superseded, in the event of a material change of circumstances since the decision was made, by a subsequent decision made by an officer of the Board.

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- (2) The date as from which—
  - (a) any variation of a decision, or
  - (b) any decision superseding an earlier decision,is to take effect shall be determined in accordance with the regulations.
- (3) In this section “prescribed” means prescribed by regulations under this section.

## **11 Appeals against decisions of Board**

- (1) This section applies to any decision of an officer of the Board under section 8 of this Act or under regulations made by virtue of section 10(1)(b) or (c) of this Act (whether as originally made or as varied under regulations made by virtue of section 10(1)(a) of this Act).
- (2) In the case of a decision to which this section applies—
  - (a) if it relates to a person’s entitlement to statutory sick pay or statutory maternity pay, the employee and employer concerned shall each have a right to appeal to the tax appeal Commissioners, and
  - (b) in any other case, the person in respect of whom the decision is made and such other person as may be prescribed shall have a right to appeal to the tax appeal Commissioners.
- (3) In subsection (2)(b) above “prescribed” means prescribed by the Board by regulations.
- (4) This section has effect subject to section 121D of the Social Security Administration Act 1992 (appeals in relation to personal liability notices).

## **12 Exercise of right of appeal**

- (1) Any appeal against a decision must be brought by a notice of appeal in writing given within 30 days after the date on which notice of the decision was issued.
- (2) The notice of appeal shall be given to the officer of the Board by whom notice of the decision was given.
- (3) The notice of appeal shall specify the grounds of appeal, but on the hearing of the appeal the tax appeal Commissioners may allow the appellant to put forward any ground not specified in the notice, and take it into consideration if satisfied that the omission was not wilful or unreasonable.
- (4) Subject to section 121D of the Social Security Administration Act 1992 (which provides for an appeal against a decision under that section to be heard by the Special Commissioners) and to regulations under section 46A of the Taxes Management Act 1970 (regulations about jurisdiction), any appeal under this section shall be heard by the General Commissioners, except that the appellant may elect in accordance with section 46(1) of the Taxes Management Act 1970 to bring the appeal before the Special Commissioners instead of the General Commissioners.
- (5) Subsections (5A) to (5E) of section 31 of the Taxes Management Act 1970 (which relate to an election to bring proceedings before the Special Commissioners) shall have effect in relation to an election under subsection (4) above as they have effect in relation to an election under subsection (4) of that section.

### **13 Regulations with respect to appeals**

- (1) The Board may, by regulations made with the concurrence of the Lord Chancellor and the Lord Advocate, make provision with respect to appeals to the tax appeal Commissioners under this Part.
- (2) Regulations under subsection (1) above may, in particular—
  - (a) make provision with respect to any of the matters dealt with in the following provisions of the Taxes Management Act 1970 —
    - (i) section 44 and Schedule 3 (assigning proceedings to General Commissioners),
    - (ii) sections 48 to 54 (appeals to the tax appeal Commissioners under the Taxes Acts), and
    - (iii) sections 56 and 56A (appeals from their decisions), or
  - (b) provide for any of those provisions of that Act to apply, with such modifications as may be specified in the regulations, in relation to an appeal to the tax appeal Commissioners under this Part.
- (3) In sections 56B and 56C of the Taxes Management Act 1970 (power of Lord Chancellor to make regulations about the practice and procedure to be followed in connection with appeals to the tax appeal Commissioners under the Taxes Acts), any reference to an appeal includes a reference to an appeal to the tax appeal Commissioners under this Part.
- (4) Any regulations under section 56B of the Taxes Management Act 1970 which are in force immediately before the commencement of subsection (3) above shall apply in relation to appeals to the tax appeal Commissioners under this Part, subject to any necessary modifications, as they apply in relation to appeals to those Commissioners under the Taxes Acts.
- (5) In this section “the Taxes Acts” has the same meaning as in the Taxes Management Act 1970.

### **14 Matters arising as respects decisions**

- (1) The Board may by regulations make provision as respects matters arising—
  - (a) pending any decision of an officer of the Board under section 8 of this Act which relates to—
    - (i) statutory sick pay or statutory maternity pay, or
    - (ii) any person’s liability for contributions,
  - (b) pending the determination by the tax appeal Commissioners of an appeal against any such decision,
  - (c) out of the variation, under regulations made under section 10 of this Act or on appeal, of any such decision, or
  - (d) out of the making of a decision which, under regulations made under that section, supersedes an earlier decision.
- (2) Regulations under this section may, in particular—
  - (a) make provision making a person liable to pay contributions pending the determination by the tax appeal Commissioners of an appeal against a decision of an officer of the Board, and

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- (b) make provision as to the repayment in prescribed circumstances of contributions paid by virtue of the regulations.
- (3) Regulations under this section must be made with the concurrence of the Secretary of State in so far as they relate to statutory sick pay or statutory maternity pay.

**15 Power to make provision for period before commencement of new social security appeal provisions**

- (1) The Secretary of State may by regulations modify any of the enactments to which this subsection applies during any period in which section 8 of this Act is in force but Chapter II of Part I of the Social Security Act 1998 (social security decisions and appeals) is not yet wholly in force.
- (2) Subsection (1) above applies to—
  - (a) Part II of the Social Security Administration Act 1992 (adjudication), and
  - (b) the Acts amended by section 16 of, and Schedule 7 to, this Act.

**16 Decisions under Pension Schemes Act 1993**

- (1) The function of determining the questions referred to in subsection (1) of section 170 of the Pension Schemes Act 1993, as that section has effect before the commencement of paragraph 131 of Schedule 7 to the Social Security Act 1998, is hereby transferred to an officer of the Board.
- (2) In section 170 of the Pension Schemes Act 1993 (decisions and appeals), as substituted by paragraph 131 of Schedule 7 to the Social Security Act 1998, for subsections (2) to (4) there is substituted—
  - “(2) It shall be for an officer of the Inland Revenue—
    - (a) to make any decision that falls to be made under or by virtue of Part III of this Act, other than a decision which under or by virtue of that Part falls to be made by the Secretary of State;
    - (b) to decide any issue arising in connection with payments under section 7 of the Social Security Act 1986 (occupational pension schemes becoming contracted-out between 1986 and 1993); and
    - (c) to decide any issue arising by virtue of regulations made under paragraph 15 of Schedule 3 to the Social Security (Consequential Provisions) Act 1992 (continuing in force of certain enactments repealed by the Social Security Act 1993).
  - (3) In the following provisions of this section a “relevant decision” means any decision which under subsection (2) falls to be made by an officer of the Inland Revenue, other than a decision under section 53 or 54.
  - (4) Sections 9 and 10 of the 1998 Act (revision of decisions and decisions superseding earlier decisions) apply as if—
    - (a) any reference in those sections to a decision of the Secretary of State under section 8 of that Act included a reference to a relevant decision; and
    - (b) any other reference in those sections to the Secretary of State were, in relation to a relevant decision, a reference to an officer of the Inland Revenue.



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- (5) Regulations may make provision—
- (a) with respect to the procedure to be adopted on any application made under section 9 or 10 of the 1998 Act by virtue of subsection (4); and
  - (b) generally with respect to such applications, revisions under section 9 and decisions under section 10;
- but may not prevent such a revision or decision being made without such an application.
- (6) Section 12 of the 1998 Act (appeal to appeal tribunal) applies as if, for the purposes of subsection (1)(b) of that section, a relevant decision were a decision of the Secretary of State falling within Schedule 3 to the 1998 Act.
- (7) The following provisions of the 1998 Act (which relate to decisions and appeals)—
- sections 13 to 18,
  - sections 25 and 26,
  - section 28, and
  - Schedules 4 and 5,
- shall apply in relation to any appeal under section 12 of the 1998 Act by virtue of subsection (6) above as if any reference to the Secretary of State were a reference to an officer of the Inland Revenue.”

## **17 Arrangements for discharge of decision-making functions**

- (1) The Secretary of State may make arrangements with the Board for any of his functions under Chapter II of Part I of the Social Security Act 1998 in relation to—
- (a) a decision whether a person was (within the meaning of regulations) precluded from regular employment by responsibilities at home, or
  - (b) a decision whether a person is entitled to be credited with earnings or contributions in accordance with regulations made under section 22(5) of the Social Security Contributions and Benefits Act 1992,
- to be discharged by the Board or by officers of the Board.
- (2) No such arrangements shall affect the responsibility of the Secretary of State or the application of Chapter II of Part I of the Social Security Act 1998 in relation to any decision.
- (3) Until the commencement of Chapter II of Part I of the Social Security Act 1998, the references to that Chapter in subsections (1) and (2) above shall have effect as references to Part II of the Social Security Administration Act 1992.

## **18 Amendments relating to decisions and appeals**

Schedule 7 to this Act (which contains amendments relating to decisions and appeals) shall have effect.

## **19 Interpretation of Part II**

In this Part—

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“the General Commissioners” means the Commissioners for the general purposes of the income tax appointed under section 2 of the Taxes Management Act 1970;

“the Special Commissioners” means the Commissioners for the special purposes of the Income Tax Acts appointed under section 4 of the Taxes Management Act 1970;

“the tax appeal Commissioners” means the General Commissioners or the Special Commissioners.

### PART III

#### MISCELLANEOUS AND SUPPLEMENTAL

#### **20 Payments in respect of money purchase contracted-out pension schemes to be made out of National Insurance Fund**

- (1) In section 177 of the Pension Schemes Act 1993 (general financial arrangements)—
  - (a) in subsection (2) (sums payable out of National Insurance Fund), before paragraph (a) there is inserted—
 

“(za) payments by the Inland Revenue under section 42A(3);”, and
  - (b) in subsection (7) (sums payable into National Insurance Fund), in paragraph (a), after “section” there is inserted “42A(5) or”.
- (2) In section 172 of the Pension Schemes (Northern Ireland) Act 1993 (general financial arrangements)—
  - (a) in subsection (1) (sums payable out of Northern Ireland National Insurance Fund), before paragraph (a) there is inserted—
 

“(za) payments by the Department under section 38A(3);”, and
  - (b) in subsection (7) (sums payable into Northern Ireland National Insurance Fund), in paragraph (a), after “section” there is inserted “38A(5) or”.
- (3) There shall be paid out of the National Insurance Fund into the Consolidated Fund such sum as the Secretary of State may estimate to be the amount of any payments made by the Secretary of State under subsection (3) of section 42A of the Pension Schemes Act 1993 during the period beginning with 1st April 1998 and ending with the passing of this Act, after deduction of the amount of any payments recovered by him under subsection (5) of that section during that period.
- (4) There shall be paid out of the Northern Ireland National Insurance Fund into the Consolidated Fund of Northern Ireland such sum as the Department of Health and Social Services for Northern Ireland may estimate to be the amount of any payments made by the Department under subsection (3) of section 38A of the Pension Schemes (Northern Ireland) Act 1993 during the period beginning with 1st April 1998 and ending with the passing of this Act, after deduction of the amount of any payments recovered by it under subsection (5) of that section during that period.
- (5) Until the coming into force of paragraph 46(2) of Schedule 1 to this Act (which amends section 42A(3) of the Pension Schemes Act 1993), the reference to the Inland Revenue in section 177(2)(za) of the Pension Schemes Act 1993 (as inserted by subsection (1) (a) above) shall have effect as a reference to the Secretary of State.

## **21 Property, rights and liabilities**

- (1) In this section a “transfer provision” means any of the following provisions of this Act—
  - (a) section 1 and Schedules 1 and 2,
  - (b) section 2 and Schedule 3,
  - (c) section 8, and
  - (d) section 16(1).
- (2) Any property, rights and liabilities to which the Secretary of State is entitled or subject immediately before the commencement of a transfer provision in connection with functions transferred to the Board or the Treasury by virtue of that provision are hereby transferred to the Board or, as the case may be, the Treasury on the commencement of that provision.
- (3) A certificate issued by the Board or the Treasury that any property vested in the Secretary of State immediately before the commencement of a transfer provision has been transferred by virtue of this Act to the Board or, as the case may be, the Treasury shall be conclusive evidence of the transfer.

## **22 Special provision for certain contracts**

- (1) This section applies to—
  - (a) any contract for the supply of goods or services to the Secretary of State which relates partly to functions transferred by virtue of this Act to the Board (in this section referred to as “transferred functions”) and partly to functions retained by the Secretary of State (in this section referred to as “retained functions”), and
  - (b) any contract for the supply of goods or services to the Secretary of State which relates only to transferred functions or only to retained functions, but whose terms are wholly or partly determined in accordance with a contract falling within paragraph (a) above.
- (2) Section 21 of this Act shall not apply in relation to any contract to which this section applies.
- (3) Subject to subsections (4) and (5) below, in any contract to which this section applies any term restricting the provision of goods or services under the contract to the Secretary of State or the Department of Social Security shall be treated as referring also to the Board, in connection with transferred functions.
- (4) If the Secretary of State so provides by order in relation to any specified contract or class of contracts to which this section applies, the provisions of subsection (5) below shall have effect in relation to that contract, or contracts falling within that class, in place of subsection (3) above.
- (5) Where this subsection applies, all rights and liabilities of the Secretary of State under the contract are by virtue of this subsection transferred to the Board on the commencement of this subsection, but any term restricting the provision of goods or services under the contract to the Secretary of State or the Department of Social Security shall be treated as referring both to the Board, in connection with transferred functions, and to the Secretary of State or that department.

## **23 Power to transfer functions by Order in Council**

- (1) Her Majesty may by Order in Council—
- (a) provide for the transfer from the Secretary of State to the Board, or from the Board to the Secretary of State, of any transferable function,
  - (b) provide that any transferable function of the Secretary of State is to be exercisable only with the concurrence of the Board or the Treasury, or is to cease to be exercisable only with that concurrence,
  - (c) provide that any transferable function of the Board is to be exercisable only with the concurrence of the Secretary of State, or is to cease to be exercisable only with that concurrence, and
  - (d) provide that any decision to which this paragraph applies—
    - (i) is to be made by the Secretary of State rather than the Board, or by the Board rather than the Secretary of State, and
    - (ii) is to be made subject to the provisions of Chapter II of Part I of the Social Security Act 1998, or subject to the provisions of Part II of this Act rather than the provisions of that Chapter.
- (2) In subsection (1) above “transferable function” means—
- (a) any function relating to contributions or the National Insurance Fund, other than functions under section 1(1) of the Social Security Contributions and Benefits Act 1992 (receipt of contributions) or section 161(1) of the Social Security Administration Act 1992 (control and management of National Insurance Fund),
  - (b) any function relating to statutory sick pay or statutory maternity pay,
  - (c) any function under section 7 of the Social Security Act 1986 (occupational pension schemes becoming contracted-out between 1986 and 1993), so far as that section remains in force by virtue of paragraph 22 of Schedule 6 to the Pension Schemes Act 1993, or
  - (d) any function under Part III of the Pension Schemes Act 1993.
- (3) The decisions to which subsection (1)(d) above applies are—
- (a) any decision which is or has been specified—
    - (i) in section 8(1) of this Act,
    - (ii) in section 170(2) of the Pension Schemes Act 1993 (as amended by section 16(2) of this Act), or
    - (iii) in paragraph 16 or 17 of Schedule 3 to the Social Security Act 1998, and
  - (b) any other decision relating to contributions, the National Insurance Fund, statutory sick pay, statutory maternity pay or the subject-matter of Part III of the Pension Schemes Act 1993.
- (4) An Order in Council under this section may contain such supplemental, consequential or transitional provision as appears to Her Majesty to be expedient, including provision—
- (a) for the transfer of any property, rights and liabilities held, enjoyed or incurred by the Secretary of State or the Board in connection with any functions transferred,
  - (b) for the carrying on and completion by or under the authority of the person to whom any functions are transferred of anything commenced by or under the

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- authority of the person from whom they are transferred before the date when the Order takes effect,
- (c) as to the effect of any provision made by virtue of subsection (1)(d) above on decisions or proceedings made or commenced before the date when the Order takes effect,
  - (d) making such amendments of any enactment, including any enactment contained in this Act, as may be necessary for the purposes of the Order, and
  - (e) for the substitution of the person to whom any functions are transferred for the person from whom they are transferred in any instrument, contract or legal proceedings made or commenced before the date when the Order takes effect.
- (5) A certificate issued by a relevant authority that any property vested in the other relevant authority immediately before an Order under this section takes effect has been transferred by virtue of the Order to the relevant authority issuing the certificate shall be conclusive evidence of the transfer; and in this subsection “relevant authority” means the Secretary of State or the Board.
- (6) In the application of this section to Northern Ireland—
- (a) references to the Secretary of State include references to the Department of Health and Social Services for Northern Ireland,
  - (b) “contributions” means contributions under Part I of the Social Security Contributions and Benefits (Northern Ireland) Act 1992,
  - (c) references to Chapter II of Part I of, and paragraphs 16 and 17 of Schedule 3 to, the Social Security Act 1998 have effect as references to Chapter II of Part II of, and paragraphs 16 and 17 of Schedule 3 to, the Social Security (Northern Ireland) Order 1998,
  - (d) the reference to the National Insurance Fund has effect as a reference to the Northern Ireland National Insurance Fund,
  - (e) references to section 1(1) of the Social Security Contributions and Benefits Act 1992 and section 161(1) of the Social Security Administration Act 1992 have effect as references to section 1(1) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 and section 141(1) of the Social Security Administration (Northern Ireland) Act 1992,
  - (f) references to section 7 of the Social Security Act 1986 and paragraph 22 of Schedule 6 to the Pension Schemes Act 1993 have effect as references to Article 9 of the Social Security (Northern Ireland) Order 1986 and paragraph 21 of Schedule 5 to the Pension Schemes (Northern Ireland) Act 1993, and
  - (g) the reference to Part III of the Pension Schemes Act 1993 has effect as a reference to Part III of the Pension Schemes (Northern Ireland) Act 1993;
- and for the purposes of this section in its application to Northern Ireland any reference in section 8(1) of this Act or section 170(2) of the Pension Schemes Act 1993 to a decision is to be taken to be a reference to the corresponding decision under Northern Ireland legislation.

## **24 Provision for Northern Ireland**

- (1) Her Majesty may by Order in Council do any of the following—
- (a) make provision for transferring from the relevant Northern Ireland authority to the Board any function in relation to Northern Ireland corresponding to a function transferred to the Board by virtue of section 1 of this Act,

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- (b) make provision for transferring from the relevant Northern Ireland authority to the Secretary of State any other function in relation to Northern Ireland which relates to any of the matters specified in paragraph 10 of Schedule 2 to the Northern Ireland Act 1998 (excepted matters),
  - (c) make provision for transferring from the relevant Northern Ireland authority to the Board or the Treasury any function in relation to Northern Ireland corresponding to a function transferred to the Board or, as the case may be, the Treasury by virtue of section 2 of this Act, and
  - (d) make other provision for Northern Ireland for purposes corresponding to any or all of the purposes of those provisions of this Act which do not extend to Northern Ireland.
- (2) If an Order in Council made under this section by virtue of subsection (1)(b) above has transferred to the Secretary of State any function in relation to Northern Ireland which corresponds to a function transferred to the Board or the Treasury by virtue of section 2 of this Act, Her Majesty may by a further Order in Council under this section make provision for transferring that function from the Secretary of State to the Board or, as the case may be, the Treasury.
- (3) An Order in Council under this section may, for the purposes of the Order—
- (a) amend any enactment, including any enactment contained in this Act,
  - (b) confer, extend or modify any power to legislate by means of an order or regulations, and
  - (c) contain such incidental, supplemental, consequential or transitional provision as appears to Her Majesty to be expedient, including—
    - (i) provision modifying references in any enactment to the Northern Ireland Assembly, to statutory rules for the purposes of the Statutory Rules (Northern Ireland) Order 1979 or to the Comptroller and Auditor General for Northern Ireland,
    - (ii) provision for the transfer of property, rights and liabilities, and
    - (iii) provision for the transfer to Her Majesty's Home Civil Service of persons employed in the Northern Ireland Civil Service.
- (4) A certificate issued by the Board, the Secretary of State or the Treasury that any property vested in a Northern Ireland department immediately before an Order under this section takes effect has been transferred by virtue of the Order to the Board, the Secretary of State or the Treasury, as the case may be, shall be conclusive evidence of the transfer.
- (5) A certificate issued by the Board or the Treasury that any property vested in the Secretary of State immediately before an Order under this section takes effect has been transferred by virtue of the Order to the Board or the Treasury, as the case may be, shall be conclusive evidence of the transfer.
- (6) Subsection (2) above does not limit the powers conferred by section 23 of this Act in relation to Northern Ireland.
- (7) In this section “the relevant Northern Ireland authority”, in relation to any function, means the Northern Ireland department by which the function is exercisable.

## **25 Orders and regulations**

- (1) Any power of the Secretary of State or the Board to make an order or regulations under this Act shall be exercisable by statutory instrument.
- (2) Any statutory instrument containing—
  - (a) an Order in Council under section 23 or 24 of this Act, or
  - (b) regulations under any provision of this Act,shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (3) Any power conferred by this Act to make regulations may be exercised—
  - (a) either in relation to all cases to which the power extends, or in relation to those cases subject to specified exceptions, or in relation to any specified cases or classes of case;
  - (b) so as to make, as respects the cases in relation to which it is exercised—
    - (i) the full provision to which the power extends or any less provision (whether by way of exception or otherwise);
    - (ii) the same provision for all cases in relation to which the power is exercised, or different provision for different cases or different classes of case or different provision as respects the same case or class of case for different purposes of this Act;
    - (iii) any such provision either unconditionally or subject to any specified condition;and where such a power is expressed to be exercisable for alternative purposes it may be exercised in relation to the same case for any or all of those purposes.
- (4) Powers to make regulations for the purposes of any one provision of this Act are without prejudice to powers to make regulations for the purposes of any other provision.
- (5) A power conferred by this Act to make regulations includes power to make thereby such incidental, supplementary, consequential or transitional provision as appears to the authority making the regulations to be expedient for the purposes of those regulations.
- (6) A power conferred by this Act to make regulations includes power to provide for a person to exercise a discretion in dealing with any matter.

## **26 Savings, transitional provisions, consequential amendments, repeals and revocations**

- (1) The provisions of this Act shall have effect subject to the savings and transitional provisions in Schedule 8 to this Act.
- (2) Schedule 9 to this Act (further consequential amendments) shall have effect.
- (3) Schedule 10 to this Act (repeals and revocations) shall have effect.

## **27 Interpretation**

In this Act, unless a contrary intention appears—

“the Board” means the Commissioners of Inland Revenue;

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“contributions” means contributions under Part I of the Social Security Contributions and Benefits Act 1992.

## **28 Short title, commencement and extent**

- (1) This Act may be cited as the Social Security Contributions (Transfer of Functions, etc.) Act 1999.
- (2) The following provisions of this Act—
  - (a) section 1(1) (with Schedule 1), so far as enabling the Secretary of State to make subordinate legislation conferring functions on the Board,
  - (b) sections 8 to 15, so far as conferring any power to make subordinate legislation,
  - (c) section 17,
  - (d) section 20,
  - (e) section 22(4), so far as conferring the power to make an order,
  - (f) sections 24 and 25,
  - (g) section 26(1) (with Schedule 8), and
  - (h) section 27 and this section,shall come into force on the passing of this Act.
- (3) Except as provided by subsection (2) above, the provisions of this Act shall come into force on such day as the Secretary of State may by order appoint; and different days may be appointed for different purposes.
- (4) An order under subsection (3) above may make such savings, or such transitional or consequential provision, as the Secretary of State considers necessary or expedient—
  - (a) in preparation for or in connection with the coming into force of any provision of this Act, or
  - (b) in connection with the operation of any enactment repealed or amended by a provision of this Act during any period when the repeal or amendment is not wholly in force.
- (5) The following provisions of this Act extend to Northern Ireland—
  - (a) section 1 and Schedule 1, so far as they amend the Income and Corporation Taxes Act 1988,
  - (b) section 2 and Schedule 3, so far as they amend section 177 of the Social Security Administration Act 1992 or section 88 of the Northern Ireland Act 1998,
  - (c) section 3,
  - (d) section 4 and Schedule 4,
  - (e) section 5 and Schedule 5, so far as they amend the Taxes Management Act 1970,
  - (f) section 18 and Schedule 7, so far as they amend the Taxes Management Act 1970, Schedule 2 to the Social Security Contributions and Benefits Act 1992 or Schedule 2 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992,
  - (g) section 6 and Schedule 6, so far as they amend the Finance Act 1989 or the Finance Act 1997,
  - (h) section 7,



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- (i) sections 23 to 25,
  - (j) section 26(3) and Schedule 10, so far as they relate to any enactment which extends to Northern Ireland, and
  - (k) section 27 and this section.
- (6) Section 20(2) and (4) of this Act extends to Northern Ireland only.
- (7) Except as provided by subsections (5) and (6) above, this Act does not extend to Northern Ireland.

## SCHEDULES

### SCHEDULE 1

Section 1(1).

#### TRANSFER OF CONTRIBUTIONS AGENCY FUNCTIONS AND ASSOCIATED FUNCTIONS

##### *Social Security Act 1986 (c. 50)*

- 1 Section 7 of the Social Security Act 1986 (occupational pension schemes becoming contracted-out between 1986 and 1993), so far as it remains in force by virtue of paragraph 22 of Schedule 6 to the Pension Schemes Act 1993, shall have effect as if—
- (a) in subsection (1), for “Secretary of State” there were substituted “Commissioners of Inland Revenue”,
  - (b) in subsection (2), for “Secretary of State” and “he” there were substituted respectively “Commissioners of Inland Revenue” and “the Commissioners”,
  - (c) in subsection (8), for “Secretary of State makes”, “he is”, “he may” and “he paid”, in both places where it occurs, there were substituted respectively “Commissioners of Inland Revenue make”, “they are”, “they may” and “they paid”, and
  - (d) in subsection (9), for “he makes”, “he is”, in both places where it occurs, “does”, “he may” and “he paid” there were substituted respectively “the Commissioners of Inland Revenue make”, “they are”, “do”, “they may” and “they paid”.
- 2 In section 85 of the Social Security Act 1986 (financial provision)—
- (a) subsection (3)(b), so far as it remains in force as mentioned in paragraph 1 above, shall have effect as if the reference to the Secretary of State were a reference to the Board, and
  - (b) subsections (5) and (6) shall have effect in relation to sums recovered by the Board under section 7 of that Act as if the reference in subsection (5) to the Secretary of State included a reference to the Board.

##### *Income and Corporation Taxes Act 1988 (c. 1)*

- 3 In section 638 of the Income and Corporation Taxes Act 1988 (other restrictions on approval of personal pension schemes), in subsection (6)(c) for “Secretary of State” there is substituted “Board”.
- 4 (1) Section 649 of the Income and Corporation Taxes Act 1988 (minimum contributions under section 43 of the Pension Schemes Act 1993) is amended as follows.
- (2) In subsection (1), for “Secretary of State pays” there is substituted “Board pay”.
  - (3) In subsection (3), for “Secretary of State” there is substituted “Board”.
  - (4) In subsection (4), paragraphs (a) and (b) are omitted.

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(5) For subsection (5) there is substituted—

“(5) The Board shall pay into the National Insurance Fund out of money provided by Parliament the amount of any increase attributable to this section in the sums paid out of that Fund under the Pension Schemes Act 1993.”

(6) In subsection (6)(a), for “references to the Secretary of State” there is substituted “in subsections (1) and (3) references to the Board”.

*Social Security Contributions and Benefits Act 1992 (c. 4)*

5 (1) Section 1 of the Social Security Contributions and Benefits Act 1992 (outline of contributory system) is amended as follows.

(2) In subsection (1), for “Secretary of State” there is substituted “Inland Revenue”.

(3) In subsection (4)(b), the words from “where under that section” to the end are omitted.

6 In section 17 of the Social Security Contributions and Benefits Act 1992 (exceptions, deferment and incidental matters relating to Class 4 contributions), the following provisions are omitted—

(a) in subsection (1), the words from “and may certify” to the end, and

(b) in subsection (4), the words “the Secretary of State and”.

7 In section 18 of the Social Security Contributions and Benefits Act 1992 (Class 4 contributions recoverable under regulations), in subsection (2), for the words from the beginning to “so payable” there is substituted “In relation to Class 4 contributions payable by virtue of regulations under this section”.

8 In section 61A of the Social Security Contributions and Benefits Act 1992 (contributions paid in error), in subsections (2)(b) and (4)(b), for “Secretary of State is” there is substituted “Inland Revenue are”.

9 In section 151 of the Social Security Contributions and Benefits Act 1992 (employer’s liability for statutory sick pay), in subsection (6), for “Secretary of State” there is substituted “Commissioners of Inland Revenue” and after that subsection there is inserted—

“(7) Regulations under subsection (6) above must be made with the concurrence of the Commissioners of Inland Revenue.”

10 In section 161(3) of the Social Security Contributions and Benefits Act 1992 (application of Part XI to Crown employment), after “prescribed” there is inserted “by regulations made by the Secretary of State with the concurrence of the Treasury”.

11 In section 162(1) of the Social Security Contributions and Benefits Act 1992 (application of Part XI to special classes of person), after “may” there is inserted “with the concurrence of the Treasury”.

12 (1) Section 164 of the Social Security Contributions and Benefits Act 1992 (statutory maternity pay: entitlement and liability to pay) is amended as follows.

(2) In subsection (9)(b), for “of his” there is substituted “of the Commissioners of Inland Revenue”.

(3) After subsection (10) there is inserted—

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- “(11) Any regulations under subsection (9) above which are made by virtue of paragraph (b) of that subsection must be made with the concurrence of the Commissioners of Inland Revenue.”
- 13 (1) Section 167 of the Social Security Contributions and Benefits Act 1992 (recovery of amounts paid by way of statutory maternity pay) is amended as follows.
- (2) In subsection (1)(b) and (e), for “by the Secretary of State or by the Commissioners of Inland Revenue on behalf of the Secretary of State” there is substituted “by the Commissioners of Inland Revenue”.
- (3) In subsection (4)(b), for “Secretary of State” there is substituted “Commissioners of Inland Revenue”.
- 14 In section 170(1) of the Social Security Contributions and Benefits Act 1992 (application of Part XII to special classes of person), after “may” there is inserted “with the concurrence of the Treasury”.
- 15 (1) Section 171 of the Social Security Contributions and Benefits Act 1992 (interpretation of Part XII and supplementary provisions) is amended as follows.
- (2) In subsection (1), in the definition of “employee”, after “regulations” there is inserted “made with the concurrence of the Inland Revenue”.
- (3) After subsection (6) there is inserted—
- “(7) Regulations under any of subsections (2) to (6) above must be made with the concurrence of the Commissioners of Inland Revenue.”
- 16 In paragraph 4 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (general provisions as to Class 1 contributions)—
- (a) in paragraph (a), for “Secretary of State” there is substituted “Inland Revenue”, and
- (b) in paragraph (d)—
- (i) for “Secretary of State” there is substituted “Inland Revenue”, and
- (ii) for “he is” there is substituted “they are”.
- 17 In paragraph 6 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with tax)—
- (a) in sub-paragraph (5), for “The power to make regulations under this paragraph includes power to” there is substituted “The Secretary of State may by regulations made with the concurrence of the Inland Revenue”,
- (b) in sub-paragraph (6), for the words from the beginning to “may” there is substituted “Provision made in regulations under sub-paragraph (5) above may”, and
- (c) in sub-paragraphs (7) and (8)(a), for “by virtue of this paragraph” there is substituted “under sub-paragraph (1) or (5)”.
- 18 (1) Paragraph 7 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (special penalties in the case of certain returns) is amended as follows.
- (2) In sub-paragraph (1), for “paragraph 6” there is substituted “sub-paragraph (1) of paragraph 6” and for “that paragraph” there is substituted “that sub-paragraph”.
- (3) In sub-paragraph (2), for “paragraph 6” there is substituted “paragraph 6(1)”.

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- 19 (1) Paragraph 8 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (general regulation-making powers) is amended as follows.
- (2) In sub-paragraph (1)(i), for “Secretary of State is” and “him” there are substituted respectively “Inland Revenue are” and “them”.
- (3) In sub-paragraph (2), for “payment to the Secretary of State” and “recovery by the Secretary of State” there are substituted respectively “payment to the Inland Revenue” and “recovery by the Inland Revenue”.
- (4) In sub-paragraph (3), for “Secretary of State” there is substituted “Inland Revenue”.
- 20 In Schedule 11 to the Social Security Contributions and Benefits Act 1992 (circumstances in which periods of entitlement to statutory sick pay do not arise), after paragraph 1 there is inserted—
- “1A Regulations under paragraph 1 above must be made with the concurrence of the Treasury.”

*Social Security Administration Act 1992 (c. 5)*

- 21 (1) Section 116 of the Social Security Administration Act 1992 (legal proceedings) is amended as follows.
- (2) In subsection (1), for “under this Act or” there is substituted “under any provision of this Act other than section 114 or under any provision of”.
- (3) After subsection (5) there is inserted—
- “(5A) Any person authorised by the Inland Revenue may conduct any proceedings under section 114 above before a magistrates' court although not a barrister or solicitor; and in relation to proceedings for an offence under that section, the references in subsections (2)(a) and (3)(a) to the Secretary of State shall have effect as references to the Inland Revenue.”
- (4) In subsection (7), for “to (5)” there is substituted “to (5A)”.
- 22 In section 119 of the Social Security Administration Act 1992 (recovery of unpaid contributions on prosecution), for “Secretary of State” there is substituted “Inland Revenue”.
- 23 In section 120(6) of the Social Security Administration Act 1992 (recovery on proof of previous offences), for “Secretary of State” there is substituted “Inland Revenue”.
- 24 In section 121(5) of the Social Security Administration Act 1992 (recovery of unpaid contributions as a penalty), for “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- 25 In section 125(1) of the Social Security Administration Act 1992 (regulations as to notification of deaths)—
- (a) after “Regulations” there is inserted “made with the concurrence of the Inland Revenue”, and
- (b) for “for the purposes of his functions” there is substituted “or the Inland Revenue, for the purposes of their respective functions”.
- 26 In section 130(4) of the Social Security Administration Act 1992 (records and information relating to statutory sick pay)—

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- (a) after “Regulations” there is inserted “made with the concurrence of the Inland Revenue”, and
  - (b) in paragraphs (b) and (c), after “Secretary of State” there is inserted “or the Inland Revenue (as the regulations may require)”.
- 27 In section 132(3) of the Social Security Administration Act 1992 (records and information relating to statutory maternity pay)—
- (a) after “Regulations” there is inserted “made with the concurrence of the Inland Revenue”, and
  - (b) in paragraphs (b) and (c), after “Secretary of State” there is inserted “or the Inland Revenue (as the regulations may require)”.
- 28 (1) Section 162 of the Social Security Administration Act 1992 (payment of contributions into National Insurance Fund, etc.) is amended as follows.
- (2) For subsection (4) there is substituted—
- “(4) There shall be paid into the National Insurance Fund—
- (a) so much of any interest recovered by the Inland Revenue by virtue of paragraph 6 of Schedule 1 to the Contributions and Benefits Act or paragraph 6 of Schedule 2 to that Act as remains after the deduction by them of any administrative costs attributable to its recovery,
  - (b) the amounts apportioned to the Secretary of State under subparagraph (6) of paragraph 7 of Schedule 1 to the Contributions and Benefits Act in respect of the penalties mentioned in that subparagraph, and
  - (c) so much of any penalty otherwise imposed by virtue of that paragraph and recovered by the Inland Revenue as remains after the deduction by them of any administrative costs attributable to its recovery.”
- (3) In subsection (4A), for “Secretary of State” there is substituted “Inland Revenue”.
- 29 In section 163 of the Social Security Administration Act 1992 (general financial arrangements)—
- (a) in subsection (1)(d), for “Secretary of State” there is substituted “Inland Revenue”, and
  - (b) in subsection (2)(h), after “Secretary of State” there is inserted “or the Inland Revenue”.
- 30 (1) Section 165 of the Social Security Administration Act 1992 (adjustments between National Insurance Fund and Consolidated Fund) is amended as follows.
- (2) For subsection (1) there is substituted—
- “(1) There shall be made out of the National Insurance Fund into the Consolidated Fund, or out of money provided by Parliament into the National Insurance Fund—
- (a) such payments by way of adjustment as the Secretary of State determines (in accordance with any directions of the Treasury) to be appropriate in consequence of the operation of any enactment or regulations relating to—
    - (i) family credit;
    - (ii) disability working allowance; and

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- (iii) the repayment or offsetting of benefit as defined in section 122 of the Contributions and Benefits Act or other payments; and
  - (b) such payments by way of adjustment as the Inland Revenue determine to be appropriate in consequence of the operation of any enactment or regulations relating to—
    - (i) statutory sick pay; and
    - (ii) statutory maternity pay.”
- (3) In subsection (2), for “by the Secretary of State in accordance with any directions given by the Treasury” there is substituted “by the appropriate authority”.
- (4) After subsection (2) there is inserted—
  - “(2A) In subsection (2) above “the appropriate authority” means—
    - (a) the Secretary of State, in relation to payments falling to be made by him, or
    - (b) the Inland Revenue, in relation to payments falling to be made by them;and any determination by the Secretary of State under that subsection must be made in accordance with any directions given by the Treasury.”
- (5) In subsection (3)(a), for “subsection (1)(a) to (d)” there is substituted “subsection (1) (a) and (b)”.
- (6) For subsection (5) there is substituted—
  - “(5) There shall be paid out of the National Insurance Fund into the Consolidated Fund, at such times and in such manner as the Treasury may direct—
    - (a) such sums as the Inland Revenue may estimate to be the amount of the administrative expenses incurred by them as mentioned in section 163(2)(a) above, excluding any expenses which the Treasury may direct, or any enactment may require, to be excluded from the Inland Revenue’s estimate under this subsection, and
    - (b) such sums as the Secretary of State may estimate (in accordance with any directions given by the Treasury) to be the amount of the administrative expenses incurred as mentioned in section 163(2) (a) above by any government department other than the Inland Revenue, excluding the expenses specified in subsection (6) below.
  - (6) The expenses excluded from the estimate under subsection (5)(b) above are—
    - (a) expenses attributable to the carrying into effect of provisions of the Contributions and Benefits Act or this Act relating to the benefits which by virtue of section 163(2) above are payable out of money provided by Parliament; and
    - (b) any other category of expenses which the Treasury may direct, or any enactment may require, to be excluded from the Secretary of State’s estimate under subsection (5)(b) above;but none of the administrative expenses of the Christmas bonus shall be excluded from that estimate by virtue of paragraph (a) or (b) above.”

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31 In section 182C of the Social Security Administration Act 1992 (requirement to apply for national insurance number), after subsection (1) there is inserted—  
 “(1A) Regulations under subsection (1) above may require the application to be made to the Secretary of State or to the Inland Revenue.”

32 In section 191 of the Social Security Administration Act 1992 (general interpretation), after the definition of “industrial injuries benefit” there is inserted—  
 ““Inland Revenue” means the Commissioners of Inland Revenue;”.

*Pension Schemes Act 1993 (c. 48)*

33 In section 7 of the Pension Schemes Act 1993 (issue of contracting-out and appropriate scheme certificates), in subsections (1) and (6), for “Secretary of State” there is substituted “Inland Revenue”.

34 In section 8 of the Pension Schemes Act 1993 (meaning of “contracted-out employment”, “guaranteed minimum pension” and “minimum payment”)—  
 (a) in subsection (1)(b), for “Secretary of State” there is substituted “Inland Revenue”, and  
 (b) in subsection (3)(f), for “Secretary of State” and “he is” there are substituted respectively “Inland Revenue” and “they are”.

35 (1) Section 9 of the Pension Schemes Act 1993 (requirements for certification of occupational pension schemes and personal pension schemes) is amended as follows.  
 (2) In subsection (2B)—  
 (a) for “Secretary of State” there is substituted “Inland Revenue”, and  
 (b) for “is satisfied”, in both places where it occurs, there is substituted “are satisfied”.

(3) In subsection (3)(aa), for “Secretary of State is” there is substituted “Inland Revenue are”.

(4) In subsection (4), for “Secretary of State may, if he thinks” there is substituted “Inland Revenue may, if they think”.

36 In section 10(2)(a) of the Pension Schemes Act 1993 (protected rights under occupational pension scheme), for “Secretary of State” there is substituted “Inland Revenue”.

37 (1) Section 11 of the Pension Schemes Act 1993 (election by employer as to employment covered by contracting-out certificate) is amended as follows.

(2) In subsection (4)—  
 (a) for “Secretary of State considers” there is substituted “Inland Revenue consider”, and  
 (b) for “he” there is substituted “they”.

(3) In subsection (5)(d), for “Secretary of State” and “he is” there are substituted respectively “Inland Revenue” and “they are”.

38 In section 14(4) of the Pension Schemes Act 1993 (computation of earner’s guaranteed minimum)—  
 (a) for “Secretary of State is” there is substituted “Inland Revenue are”,  
 (b) for “he”, in each place where it occurs, there is substituted “they”, and



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- (c) in paragraph (a), for “thinks” there is substituted “think”.
- 39 In section 17(7) of the Pension Schemes Act 1993 (supply of information on pensions for widows and widowers), for “Secretary of State” there is substituted “Inland Revenue” and for “he” there is substituted “the Inland Revenue”.
- 40 In section 25(2) of the Pension Schemes Act 1993 (security of minimum pensions and resources of scheme)—
- (a) in paragraph (a), for “Secretary of State is” there is substituted “Inland Revenue are”, and
- (b) in paragraph (b), for “Secretary of State” there is substituted “Inland Revenue”.
- 41 In section 28B(1) of the Pension Schemes Act 1993 (information about interim arrangements of personal pension scheme), for “Secretary of State” there is substituted “Inland Revenue”.
- 42 In section 30(1) of the Pension Schemes Act 1993 (securing liability of scheme for protected rights), for “Secretary of State” there is substituted “Inland Revenue”.
- 43 In section 31(3)(a) of the Pension Schemes Act 1993 (application of resources of pension scheme), for “Secretary of State” there is substituted “Inland Revenue”.
- 44 In section 33A(1) of the Pension Schemes Act 1993 (auditor or actuary to report contravention)—
- (a) for “Secretary of State”, in both places where it occurs, there is substituted “Inland Revenue”, and
- (b) for “his” there is substituted “their”.
- 45 (1) Section 34 of the Pension Schemes Act 1993 (cancellation, variation, surrender and refusal of certificates) is amended as follows.
- (2) For “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- (3) In subsection (2)(a), for “he has” there is substituted “they have”.
- (4) In subsections (4) and (5), for “he considers” and “he” there are substituted respectively “they consider” and “they”.
- 46 (1) Section 42A of the Pension Schemes Act 1993 (reduced rates of Class 1 contributions and rebates for members of money purchase contracted-out schemes) is amended as follows.
- (2) In subsection (3), for “Secretary of State” there is substituted “Inland Revenue”.
- (3) In subsection (5)—
- (a) for “Secretary of State” there is substituted “Inland Revenue”, and
- (b) for “pays”, “he” and “is”, in each place where they occur, there are substituted respectively “pay”, “they” and “are”.
- 47 (1) Section 43 of the Pension Schemes Act 1993 (payment of minimum contributions to personal pension schemes) is amended as follows.
- (2) For “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- (3) In subsection (4), for “is” there is substituted “are”.

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- (4) In subsection (5)—
- (a) for “pays” and “is” there are substituted respectively “pay” and “are”, and
  - (b) for “he”, in each place where it occurs, there is substituted “they”.
- (5) In subsection (6)—
- (a) for “pays”, “is” and “does” there are substituted respectively “pay”, “are” and “do”, and
  - (b) for “he”, in each place where it occurs, there is substituted “they”.
- 48 (1) Section 44 of the Pension Schemes Act 1993 (earner’s chosen scheme for purposes of section 43) is amended as follows.
- (2) For “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- (3) In subsection (1), for “rejects” there is substituted “reject”.
- (4) In subsection (1A), for “is” there is substituted “are”.
- 49 In section 45(1) of the Pension Schemes Act 1993 (amount of minimum contributions), for “Secretary of State is” there is substituted “Inland Revenue are”.
- 50 In section 45B(2) of the Pension Schemes Act 1993 (money purchase and personal pension schemes: verification of ages), after “Secretary of State”, in both places where it occurs, there is inserted “or the Inland Revenue”.
- 51 (1) Section 50 of the Pension Schemes Act 1993 (powers to approve arrangements for scheme ceasing to be certified) is amended as follows.
- (2) For “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- (3) In subsection (2), for “has”, in both places where it occurs, and “his” there are substituted respectively “have” and “their”.
- (4) In subsection (3), for “he subsequently approves” there is substituted “they subsequently approve”.
- (5) In subsection (4), for “has” there is substituted “have”.
- 52 In section 53 of the Pension Schemes Act 1993 (supervision of former contracted-out schemes), for “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- 53 In section 54 of the Pension Schemes Act 1993 (supervision of former appropriate personal pension schemes), for “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- 54 In section 56(2) of the Pension Schemes Act 1993 (payment of contributions equivalent premiums on termination of certified status: supplementary provisions), for “Secretary of State” there is substituted “Inland Revenue”.
- 55 In section 57(4) of the Pension Schemes Act 1993 (elections to pay contributions equivalent premiums), for “the Secretary of State considers” and “he” there are substituted respectively “the Inland Revenue consider” and “they”.
- 56 (1) Section 63 of the Pension Schemes Act 1993 (further provisions concerning calculations relating to premiums) is amended as follows.

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- (2) For “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- (3) In subsection (3), for “is satisfied”, “he may”, in both places where it occurs, and “he thinks” there are substituted respectively “are satisfied”, “they may” and “they think”.
- (4) In subsection (5), for “he thinks” there is substituted “they think”.
- 57 In section 67(2) of the Pension Schemes Act 1993 (non-payment of contributions equivalent premiums), for “Secretary of State” there is substituted “Inland Revenue”.
- 58 In section 68(5) of the Pension Schemes Act 1993 (treatment of unpaid contributions equivalent premiums), for “Secretary of State”, in both places where it occurs, there is substituted “Inland Revenue”.
- 59 In section 155 of the Pension Schemes Act 1993 (requirement to give information)—
- (a) after “Secretary of State” there is inserted “or the Inland Revenue”, and
  - (b) after “requires” there is inserted “or they require”.
- 60 In section 156 of the Pension Schemes Act 1993 (information as to guaranteed minimum pensions)—
- (a) after “Secretary of State” there is inserted “or the Inland Revenue”, and
  - (b) after “him” there is inserted “or, as the case may be, to the Inland Revenue”.
- 61 (1) Section 177 of the Pension Schemes Act 1993 (general financial arrangements) is amended as follows.
- (2) In subsection (1), after “Secretary of State” there is inserted “or the Inland Revenue”.
- (3) In subsection (2)—
- (a) in paragraph (a), for “Secretary of State” there is substituted “Inland Revenue”, and
  - (b) in paragraph (b), for “him” there is substituted “the Secretary of State”.
- (4) In subsection (3), after paragraph (b) there is inserted—
- “(c) such sums as the Inland Revenue may estimate to be the amount of their administrative expenses in exercising their functions under Part III.”
- (5) In subsection (5)(a), after “Secretary of State” there is inserted “or the Inland Revenue”.
- (6) In subsection (7)(d), for “him” there is substituted “the Inland Revenue”.
- 62 (1) Schedule 2 to the Pension Schemes Act 1993 (certification regulations) is amended as follows.
- (2) In paragraph 2(1) (determination of date of employment), for “Secretary of State” there is substituted “Inland Revenue”.
- (3) In paragraph 3 (notice by employer), for “Secretary of State” there is substituted “Inland Revenue”.
- (4) In paragraph 5 (contributions equivalent premiums)—

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- (a) in sub-paragraph (1), for “Secretary of State” and “he” there are substituted respectively “Inland Revenue” and “they”,
  - (b) in sub-paragraph (3)—
    - (i) in paragraph (e), for “Secretary of State is” there is substituted “Inland Revenue are”, and
    - (ii) in paragraph (f), for “Secretary of State” there is substituted “Inland Revenue”, and
  - (c) in sub-paragraphs (3A), (3B)(b), (3C)(c) and (4), for “Secretary of State” there is substituted “Inland Revenue”.
- (5) In paragraph 7(4) (regulations relating to certain public service pension schemes)—
- (a) in paragraph (a), for “by him” there is substituted “by the Inland Revenue”, and
  - (b) in paragraphs (b) and (d), for “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- 63 In Schedule 6 to the Pension Schemes Act 1993 (transitional provisions and savings), in paragraph 14(3)—
- (a) for “Secretary of State has” there is substituted “Inland Revenue have”,
  - (b) for “he subsequently ascertains” there is substituted “they subsequently ascertain”,
  - (c) in paragraph (a), for “him” and “he”, in both places where it occurs, there are substituted respectively “them” and “they”, and
  - (d) in paragraph (b), for “Secretary of State”, “he” and “him” there are substituted respectively “Inland Revenue”, “they” and “them”.
- Statutory Sick Pay Act 1994 (c. 2)*
- 64 In section 5(3) of the Statutory Sick Pay Act 1994 (financial provisions), after “Minister of the Crown” there is inserted “or the Commissioners of Inland Revenue”.
- Jobseekers Act 1995 (c. 18)*
- 65 (1) Section 27 of the Jobseekers Act 1995 (employment of long-term unemployed: deductions by employers) is amended as follows.
- (2) In subsection (5)(b), for “Secretary of State” there is substituted “Commissioners of Inland Revenue”.
- (3) In subsection (6)—
- (a) in paragraph (d), for “Secretary of State or by the Commissioners of Inland Revenue on behalf of the Secretary of State” there is substituted “Commissioners of Inland Revenue”, and
  - (b) in paragraph (f), for “Secretary of State” there is substituted “Commissioners of Inland Revenue”.
- (4) In subsection (7)(b), for “Secretary of State” there is substituted “Commissioners of Inland Revenue”.
- 66 (1) Section 38 of the Jobseekers Act 1995 (general financial arrangements) is amended as follows.

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- (2) In subsection (1)(b), after “Secretary of State” there is inserted “or the Commissioners of Inland Revenue”.
- (3) In subsection (5), for “him” there is substituted “the Commissioners of Inland Revenue”.
- (4) In subsection (7)—
- (a) for “Secretary of State” there is substituted “relevant authority”, and
  - (b) for “he considers”, in both places where it occurs, there is substituted “the authority consider”.
- (5) In subsection (8), for “Secretary of State” there is substituted “relevant authority”.
- (6) After subsection (8) there is inserted—
- “(9) In subsections (7) and (8) “the relevant authority” means—
- (a) the Secretary of State, in relation to any estimate or payment to be made by him, or
  - (b) the Commissioners of Inland Revenue, in relation to any estimate or payment to be made by them.”

*Pensions Act 1995 (c. 26)*

- 67 In section 107(1) of the Pensions Act 1995 (disclosure for facilitating discharge of functions by other supervisory authorities), in the Table, in the entry relating to the Commissioners of Inland Revenue or their officers, in the second column at the end there is inserted “or Part III of the Pension Schemes Act 1993”.
- 68 In section 108(1) of the Pensions Act 1995 (other permitted disclosures), after “Secretary of State” there is inserted—
- “(aa) the Commissioners of Inland Revenue or their officers,”.

SCHEDULE 2

Section 1(2).

TRANSFER OF FUNCTIONS UNDER SUBORDINATE LEGISLATION

<i>Number</i>	<i>Title</i>	<i>Provisions conferring functions transferred</i>
<a href="#">S.I. 1979/591.</a>	The Social Security (Contributions) Regulations 1979.	All the regulations except regulations 36 to 39, 41 to 42 and 44.
<a href="#">S.I. 1982/894.</a>	The Statutory Sick Pay (General) Regulations 1982.	Regulations 9A to 9C, 10 and 14.
<a href="#">S.I. 1983/376.</a>	The Statutory Sick Pay (Compensation of Employers) and Miscellaneous Provisions Regulations 1983.	Regulation 3 (so far as remaining in force).

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<i>Number</i>	<i>Title</i>	<i>Provisions conferring functions transferred</i>
S.I. 1986/1960.	The Statutory Maternity Pay (General) Regulations 1986.	Regulations 7, 25, 30 and 31.
S.I. 1987/1115.	The Personal and Occupational Pension Schemes (Incentive Payments) Regulations 1987.	All the regulations (so far as remaining in force).
S.I. 1990/536.	The Social Security (Refunds) (Repayment of Contractual Maternity Pay) Regulations 1990.	Regulations 2 and 3.
S.I. 1992/796.	The State Scheme Premiums (Actuarial Tables) Regulations 1992.	All the regulations.
S.I. 1994/1882.	The Statutory Maternity Pay (Compensation of Employers) and Miscellaneous Amendment Regulations 1994.	Regulations 3 and 6.
S.I. 1995/512.	The Statutory Sick Pay Percentage Threshold Order 1995.	Article 4.
S.I. 1996/195.	The Employer's Contributions Reimbursement Regulations 1996.	Regulations 7, 8 and 9.
S.I. 1996/1172.	The Occupational Pension Schemes (Contracting-out) Regulations 1996.	All the regulations except regulations 23 and 61.
S.I. 1996/1245.	The Social Security (Additional Pension) (Contributions Paid in Error) Regulations 1996.	All the regulations.
S.I. 1996/1537.	The Personal and Occupational Pension Schemes (Protected Rights) Regulations 1996.	All the regulations except regulation 4(3).
S.I. 1996/1977.	The Occupational Pension Schemes (Mixed Benefit Contracted-out Schemes) Regulations 1996.	Regulation 3.
S.I. 1997/38.	The Occupational Pension Schemes (Contracting-out) Transitional Regulations 1997.	All the regulations.

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<i>Number</i>	<i>Title</i>	<i>Provisions conferring functions transferred</i>
S.I. 1997/358.	The Occupational and Personal Pension Schemes (Contracting-out etc: Review of Determinations) Regulations 1997.	All the regulations.
S.I. 1997/470.	The Personal Pension Schemes (Appropriate Schemes) Regulations 1997.	All the regulations.
S.I. 1997/664 (C. 23).	The Pensions Act 1995 (Commencement No. 10) Order 1997.	Articles 4 and 13.
S.I. 1998/1397.	The Occupational Pension Schemes (Contracting-out) (Amount Required for Restoring State Scheme Rights and Miscellaneous Amendment) Regulations 1998.	All the regulations.
S.I. 1998/1846.	The Occupational Pension Schemes (Validation of Rule Alterations) Regulations 1998.	Regulation 2.

### SCHEDULE 3

Section 2.

#### TRANSFER OF OTHER FUNCTIONS TO TREASURY OR BOARD

##### *Social Security Contributions and Benefits Act 1992 (c. 4)*

- 1 (1) Section 1 of the Social Security Contributions and Benefits Act 1992 (outline of contributory system) is amended as follows.
  - (2) In subsection (3)(b), for “Secretary of State” there is substituted “Treasury”.
  - (3) After subsection (6) there is inserted—
    - “(7) Regulations under subsection (6) above shall be made by the Treasury.”
- 2 In section 2 of the Social Security Contributions and Benefits Act 1992 (categories of earners), after subsection (2) there is inserted—
  - “(2A) Regulations under subsection (2)(a) above shall be made by the Treasury with the concurrence of the Secretary of State.”
- 3 In section 3 of the Social Security Contributions and Benefits Act 1992 (“earnings” and “earner”), at the end of subsection (2) there is inserted “by regulations made by the Treasury with the concurrence of the Secretary of State”.

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- 4 In section 4 of the Social Security Contributions and Benefits Act 1992 (payments treated as remuneration and earnings), after subsection (6) there is inserted—
- “(7) Regulations under this section shall be made by the Treasury with the concurrence of the Secretary of State.”
- 5 In section 5 of the Social Security Contributions and Benefits Act 1992 (earnings limits for Class 1 contributions), after subsection (3) there is inserted—
- “(4) Regulations under this section shall be made by the Treasury.”
- 6 In section 6 of the Social Security Contributions and Benefits Act 1992 (liability for Class 1 contributions), after subsection (6) there is inserted—
- “(7) Regulations under any provision of this section shall be made by the Treasury.”
- 7 (1) Section 7 of the Social Security Contributions and Benefits Act 1992 (definition of “secondary contributor”) is amended as follows.
- (2) In subsection (2), for “Secretary of State” there is substituted “Treasury”.
- (3) After that subsection there is inserted—
- “(3) Regulations under any provision of this section shall be made by the Treasury.”
- 8 In section 8 of the Social Security Contributions and Benefits Act 1992 (calculation of primary Class 1 contributions), after subsection (4) there is inserted—
- “(5) Regulations under subsection (3) above shall be made by the Treasury.”
- 9 In section 9 of the Social Security Contributions and Benefits Act 1992 (calculation of secondary Class 1 contributions), as substituted by section 51(4) of the Social Security Act 1998, at the end there is inserted—
- “(4) Regulations under subsection (1) above shall be made by the Treasury.”
- 10 (1) Section 10 of the Social Security Contributions and Benefits Act 1992 (Class 1A contributions) is amended as follows.
- (2) In subsection (7)—
- (a) for “Regulations may” there is substituted “The Treasury may by regulations”, and
- (b) for “Secretary of State” there is substituted “Treasury”.
- (3) In subsection (9), for “Regulations may” there is substituted “The Treasury may by regulations”.
- 11 In section 10A(7) of the Social Security Contributions and Benefits Act 1992 (Class 1B contributions), for “Regulations may” there is substituted “The Treasury may by regulations”.
- 12 In section 11 of the Social Security Contributions and Benefits Act 1992 (liability for Class 2 contributions), in subsections (3) and (4), for “Regulations may” there is substituted “The Treasury may by regulations”.
- 13 In section 12 of the Social Security Contributions and Benefits Act 1992 (late paid Class 2 contributions), in subsections (4) and (6), for “Secretary of State” there is substituted “Treasury”.



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- 14 (1) Section 13 of the Social Security Contributions and Benefits Act 1992 (Class 3 contributions) is amended as follows.
- (2) In subsection (1), for “Regulations shall” there is substituted “The Treasury shall by regulations”.
- (3) In subsection (3), for “Regulations may” there is substituted “The Secretary of State may by regulations”.
- (4) In subsection (7), for “Secretary of State” there is substituted “Treasury”.
- 15 In section 14 of the Social Security Contributions and Benefits Act 1992 (restriction on right to pay Class 3 contributions), after subsection (4) there is inserted—
- “(5) Regulations under subsection (1) or (2) above shall be made by the Treasury.”
- 16 In section 16 of the Social Security Contributions and Benefits Act 1992 (application of Income Tax Acts and destination of Class 4 contributions), subsection (4) is omitted and for subsection (5) there is substituted—
- “(5) The Inland Revenue shall pay over to the Northern Ireland Department—
- (a) the sums estimated by the Inland Revenue to have been collected by them from persons in Northern Ireland as Class 4 contributions under section 15 above and section 15 of the Northern Ireland Contributions and Benefits Act, and
- (b) so much of any interest recovered by the Inland Revenue by virtue of paragraph 6 of Schedule 2 to this Act as is estimated by them to represent interest in respect of such contributions recovered from persons in Northern Ireland, after deduction of any administrative costs attributable to its recovery.”
- 17 (1) Section 17 of the Social Security Contributions and Benefits Act 1992 (exceptions, deferment and incidental matters relating to Class 4 contributions) is amended as follows.
- (2) In subsection (1), for the words from the beginning to “Inland Revenue” there is substituted “The Inland Revenue may by regulations”.
- (3) In subsections (3) and (4), for “Regulations may” there is substituted “The Inland Revenue may by regulations”.
- (4) Subsection (6) shall cease to have effect.
- 18 (1) Section 18 of the Social Security Contributions and Benefits Act 1992 (Class 4 contributions recoverable under regulations) is amended as follows.
- (2) In subsection (1), for “Provision may be made by regulations” there is substituted “The Inland Revenue may by regulations make provision”.
- (3) In subsection (2), for “regulations may” there is substituted “regulations made by the Inland Revenue may”.
- 19 (1) Section 19 of the Social Security Contributions and Benefits Act 1992 (general power to regulate liability for contributions) is amended as follows.
- (2) After subsection (5) there is inserted—

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- “(5A) Regulations under any of subsections (1) to (5) above shall be made by the Treasury.”
- (3) In subsection (6), for “Regulations may” there is substituted “The Secretary of State may by regulations”.
- 20 In section 19A of the Social Security Contributions and Benefits Act 1992 (Class 1, 1A or 1B contributions paid in error), after subsection (2) there is inserted—
- “(3) Regulations under subsection (2) above shall be made by the Treasury.”
- 21 (1) Section 112 of the Social Security Contributions and Benefits Act 1992 (certain sums to be earnings) is amended as follows.
- (2) In subsection (1), for “Regulations may” there is substituted “The Treasury may by regulations made with the concurrence of the Secretary of State”.
- (3) After subsection (2) there is inserted—
- “(2A) Regulations under subsection (2) above shall be made by the Treasury with the concurrence of the Secretary of State.”
- 22 (1) Section 116 of the Social Security Contributions and Benefits Act 1992 (application of that Act and the Social Security Administration Act 1992 to Her Majesty’s forces) is amended as follows.
- (2) In subsection (2)—
- (a) for “The Secretary of State may” there is substituted “The Treasury may with the concurrence of the Secretary of State”, and
- (b) for “he thinks” there is substituted “the Treasury think”.
- (3) In subsection (3), after “prescribed” there is inserted “by regulations made by the Treasury with the concurrence of the Secretary of State”.
- 23 In section 117(1) of the Social Security Contributions and Benefits Act 1992 (application of that Act and the Social Security Administration Act 1992 to mariners, airmen, etc.)—
- (a) for “The Secretary of State may” there is substituted “The Treasury may with the concurrence of the Secretary of State”, and
- (b) for “he thinks” there is substituted “the Treasury think”.
- 24 In section 118 of the Social Security Contributions and Benefits Act 1992 (married women and widows)—
- (a) for “The Secretary of State may” there is substituted “The Treasury may with the concurrence of the Secretary of State”, and
- (b) for “he thinks” there is substituted “the Treasury think”.
- 25 In section 119 of the Social Security Contributions and Benefits Act 1992 (persons outside Great Britain)—
- (a) for “The Secretary of State may” there is substituted “The Treasury may with the concurrence of the Secretary of State”, and
- (b) for “he thinks” there is substituted “the Treasury think”.
- 26 In section 120(1) of the Social Security Contributions and Benefits Act 1992 (continental shelf operations)—

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- (a) for “The Secretary of State may” there is substituted “The Treasury may with the concurrence of the Secretary of State”, and
  - (b) for “he thinks” there is substituted “the Treasury think”.
- 27 In section 121(1) of the Social Security Contributions and Benefits Act 1992 (treatment of voidable marriages, etc.), after “Regulations”, in the first place where it occurs, there is inserted “made by the Treasury with the concurrence of the Secretary of State”.
- 28 In section 122 of the Social Security Contributions and Benefits Act 1992 (interpretation of Parts I to VI and supplementary provisions)—
  - (a) in subsection (2), after “Regulations” there is inserted “made by the Treasury with the concurrence of the Secretary of State”, and
  - (b) in subsection (3), for “by regulations” there is substituted “by the Treasury by regulations made with the concurrence of the Secretary of State”.
- 29 (1) Section 175 of the Social Security Contributions and Benefits Act 1992 (regulations, orders and schemes) is amended as follows.
  - (2) In subsection (1), for “section 145(5) above” there is substituted “subsection (1A) below”.
  - (3) After subsection (1) there is inserted—
    - “(1A) Subsection (1) above has effect subject to—
      - (a) any provision of Part I or VI of this Act providing for regulations or an order to be made by the Treasury or by the Commissioners of Inland Revenue, and
      - (b) section 145(5) above.”
  - (4) In subsection (4), for “Secretary of State” there is substituted “person making the regulations or order”.
- 30 In section 176(3)(a) of the Social Security Contributions and Benefits Act 1992 (statutory instruments subject to affirmative procedure), after “Secretary of State,” there is inserted “the Treasury or the Commissioners of Inland Revenue,”.
- 31 In paragraph 1 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (Class 1 contributions where earner employed in more than one employment), after sub-paragraph (8) there is inserted—
  - “(8A) Regulations under any provision of this paragraph shall be made by the Inland Revenue.”
- 32 In paragraph 2 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (earnings not paid at normal intervals), after “Regulations” there is inserted “made by the Inland Revenue”.
- 33 In paragraph 3 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (method of paying Class 1 contributions), after sub-paragraph (5) there is inserted—
  - “(6) Regulations under any provision of this paragraph shall be made by the Inland Revenue.”
- 34 In paragraphs 4, 5 and 5A of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (supplementary provisions relating to contributions of Classes 1, 1A and 1B), after “Regulations” there is inserted “made by the Inland Revenue”.

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- 35 (1) Paragraph 6 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with tax) is amended as follows.
- (2) In sub-paragraph (1), for “with the concurrence of” there is substituted “by”.
- (3) Sub-paragraph (8) is omitted.
- 36 (1) Paragraph 7 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (special penalties in the case of certain returns) is amended as follows.
- (2) In sub-paragraph (6), for “be apportioned between the Inland Revenue and the Secretary of State” there is substituted “for the purposes of making any payment into the National Insurance Fund be apportioned between income tax and contributions”.
- (3) Sub-paragraph (7) is omitted.
- (4) In sub-paragraph (8), for “Sub-paragraphs (6) and (7)” there is substituted “Sub-paragraph (6)”.
- 37 In paragraph 7A(2) of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (penalties for fraud or negligence in making contributions return), after “regulations” there is inserted “made by the Treasury”.
- 38 In paragraph 7B(1) of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (collection of contributions by Secretary of State), for “Regulations may” there is substituted “The Treasury may by regulations”.
- 39 (1) Paragraph 8 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (general regulation-making powers) is amended as follows.
- (2) In sub-paragraph (1), for “Regulations may” there is substituted “The appropriate authority may by regulations”.
- (3) After sub-paragraph (1) there is inserted—
- “(1A) In sub-paragraph (1), “the appropriate authority” means the Treasury, except that, in relation to—
- (a) provision made by virtue of paragraph (d) of that sub-paragraph, and
- (b) provision made by virtue of paragraph (q) of that sub-paragraph in relation to the matters referred to in paragraph (d),
- it means the Secretary of State.”
- (4) In sub-paragraph (2), for “made by the Secretary of State” there is substituted “made by the Inland Revenue”.
- 40 In paragraph 9 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (determination of person’s age for purposes of contributions), for “Regulations may” there is substituted “The Treasury may by regulations”.
- 41 In paragraph 11(1) of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (sickness payments counting as remuneration), for “Regulations may” there is substituted “The Treasury may by regulations”.

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*Status: This is the original version (as it was originally enacted).*

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*Social Security Administration Act 1992 (c. 5)*

- 42 In section 14(2) of the Social Security Administration Act 1992 (provision of medical information in relation to statutory sick pay), after “regulations” there is inserted “made with the concurrence of the Inland Revenue”.
- 43 In section 15 of the Social Security Administration Act 1992 (provision of information in relation to statutory maternity pay), after subsection (1) there is inserted—
- “(1A) Any regulations for the purposes of subsection (1) above must be made with the concurrence of the Inland Revenue.”
- 44 (1) Section 141 of the Social Security Administration Act 1992 (annual review of contributions) is amended as follows.
- (2) In subsection (1), for “Secretary of State” and “his” there are substituted respectively “Treasury” and “their”.
- (3) In subsection (2)—
- (a) for “Secretary of State” there is substituted “Treasury”,
- (b) in paragraph (a), for “he thinks fit” there is substituted “they think fit”, and
- (c) in paragraph (b), for “him” and “his” there are substituted respectively “them” and “their”.
- (4) In subsection (3)—
- (a) for “Secretary of State determines” there is substituted “Treasury determine”, and
- (b) for “he” and “his” there are substituted respectively “they” and “their”.
- (5) In subsection (6)—
- (a) for “Secretary of State determines” there is substituted “Treasury determine”,
- (b) for “his”, in both places where it occurs, and “he” there are substituted respectively “their” and “they”, and
- (c) for “determines”, in the second place where it occurs, there is substituted “determine”.
- 45 (1) Section 142 of the Social Security Administration Act 1992 (annual review: report of Government Actuary, etc.) is amended as follows.
- (2) In subsection (1)—
- (a) for “Secretary of State lays” there is substituted “Treasury lay”,
- (b) for “he shall”, in both places where it occurs, there is substituted, “they shall”, and
- (c) for “he determines” there is substituted “the Treasury determine”.
- (3) In subsection (2)—
- (a) for “Secretary of State”, in both places where it occurs, there is substituted “Treasury”, and
- (b) for “lays” there is substituted “lay”.
- 46 (1) Section 143 of the Social Security Administration Act 1992 (alteration of contributions with a view to adjusting level of National Insurance Fund) is amended as follows.

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- (2) In subsection (1)—
- (a) for “Secretary of State” there is substituted “Treasury”, and
  - (b) for “he thinks” there is substituted “they think”.
- (3) In subsection (3), for “Secretary of State thinks” there is substituted “Treasury think”.
- 47 In section 143A(1) of the Social Security Administration Act 1992 (alteration of Class 1B contributions with a view to adjusting level of National Insurance Fund)—
- (a) for “Secretary of State” there is substituted “Treasury”, and
  - (b) for “he thinks” there is substituted “they think”.
- 48 In section 144(1) of the Social Security Administration Act 1992 (alteration of contributions: report of Government Actuary, etc.)—
- (a) for “Secretary of State lays” there is substituted “Treasury lay”, and
  - (b) for “he” there is substituted “they”.
- 49 In section 145 of the Social Security Administration Act 1992 (alteration of primary and secondary contributions)—
- (a) for “Secretary of State”, in each place where it occurs, there is substituted “Treasury”, and
  - (b) in subsection (4), for “he thinks” there is substituted “the Treasury think”.
- 50 In section 147 of the Social Security Administration Act 1992 (alteration of primary and secondary contributions: supplementary)—
- (a) for “Secretary of State”, in both places where it occurs, there is substituted “Treasury”, and
  - (b) in subsection (2), for “lays” and “he” there are substituted respectively “lay” and “they”.
- 51 (1) Section 161 of the Social Security Administration Act 1992 (conduct of National Insurance Fund) is amended as follows.
- (2) For subsection (1) there is substituted—
- “(1) The National Insurance Fund shall be maintained under the control and management of the Inland Revenue.”
- (3) In subsection (2), after “prepared” there is inserted “by the Inland Revenue”.
- (4) In subsection (3), the words from “, in accordance” to “by the Treasury,” are omitted.
- 52 (1) Section 162 of the Social Security Administration Act 1992 (payment of contributions into National Insurance Fund, etc.) is amended as follows.
- (2) In subsection (1), for “Secretary of State” and “him” there are substituted respectively “Inland Revenue” and “them”.
- (3) In subsection (2), for the words from the beginning to “16(5) of that” there is substituted “Subsection (1) above is subject to section 16(5) of the Contributions and Benefits”.
- (4) In subsection (4), as substituted by paragraph 28(2) of Schedule 1 to this Act, in paragraph (b), for “the Secretary of State” there is substituted “contributions”.
- (5) In subsection (4A), for “, 7B or 7C” there is substituted “or 7B”.
- (6) In subsection (6)—

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- (a) for “Secretary of State” there is substituted “Inland Revenue”, and
  - (b) for “he considers” there is substituted “the Inland Revenue consider”.
- (7) In subsection (7), for “The Secretary of State may, with the consent of the Treasury,” there is substituted “The Treasury may”.
- (8) In subsection (9)—
  - (a) for “Secretary of State”, in the first place where it occurs, there is substituted “Inland Revenue”,
  - (b) for “him” there is substituted “them”, and
  - (c) for the words from “the remainder shall” to “towards” there is substituted “the remainder shall be paid by the Inland Revenue to the Secretary of State towards”.
- (9) In subsection (10), for “Secretary of State” there is substituted “Inland Revenue”.
- (10) Subsection (11) shall cease to have effect.
- (11) In subsection (12)—
  - (a) for “Secretary of State” there is substituted “Inland Revenue”, and
  - (b) for “he thinks” there is substituted “they think”.
- 53 In section 163(3) of the Social Security Administration Act 1992 (administrative expenses to include statistical inquiries), for the words from “undertaken” to the end there is substituted “undertaken—
  - (a) on behalf of the Inland Revenue with a view to obtaining statistics relating to the operation of Part I of the Contributions and Benefits Act, and
  - (b) on behalf of the Secretary of State with a view to obtaining statistics relating to the operation of Parts II to VI and XI of that Act.”
- 54 (1) Section 165 of the Social Security Administration Act 1992 (adjustments between National Insurance Fund and Consolidated Fund) is amended as follows.
  - (2) In subsection (1), as substituted by paragraph 30(2) of Schedule 1 to this Act, for “out of money provided by Parliament into the National Insurance Fund” there is substituted “by the Secretary of State out of money provided by Parliament to the Inland Revenue for payment into the National Insurance Fund”.
  - (3) In subsection (4), for the words from “specified” to the end there is substituted “specified—
    - (a) in relation to payments falling to be made by the Secretary of State, by the Secretary of State by order made with the concurrence of the Inland Revenue, or
    - (b) in relation to payments falling to be made by the Inland Revenue, by the Inland Revenue by order.”
- 55 (1) Section 166 of the Social Security Administration Act 1992 (five-yearly financial review and report) is amended as follows.
  - (2) In subsection (3)(b), for “Secretary of State” there is substituted “Treasury”.
  - (3) In subsection (5)—
    - (a) after “Secretary of State”, in the first place where it occurs, there is inserted “and the Treasury”, and

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- (b) for “Secretary of State”, in the second place where it occurs, there is substituted “Treasury”.
- 56 (1) In section 177 of the Social Security Administration Act 1992 (co-ordination with Northern Ireland), in subsection (3)(a), for “to make” there is substituted “to require the making by the Inland Revenue of”.
- (2) This paragraph shall cease to have effect on the commencement of the repeal by the Northern Ireland Act 1998 of section 177 of the Social Security Administration Act 1992.
- 57 (1) Section 189 of the Social Security Administration Act 1992 (general provision on regulations and orders) is amended as follows.
- (2) In subsection (1), after “and to” there is inserted “any provision providing for an order or regulations to be made by the Treasury or the Inland Revenue and to”.
- (3) In subsection (8), for “165(4)” there is substituted “165(4)(a)”.
- 58 In section 190(3)(a) of the Social Security Administration Act 1992 (statutory instruments subject to negative procedure), after “State” there is inserted “, the Treasury or the Inland Revenue”.
- 59 (1) Schedule 7 to the Social Security Administration Act 1992 (regulations not requiring prior submission to Social Security Advisory Committee) is amended as follows.
- (2) For paragraph 4 there is substituted—
- “4 Regulations contained in a statutory instrument which states that it contains only regulations to make provision consequential on regulations under section 5 of the Contributions and Benefits Act.”
- (3) Paragraph 5 is omitted.

*Social Security Act 1993 (c. 3)*

- 60 (1) Section 2 of the Social Security Act 1993 (payments into National Insurance Fund out of money provided by Parliament) is amended as follows.
- (2) In subsection (2)—
- (a) for “the Secretary of State with the consent of the Treasury by order provides” there is substituted “the Treasury by order provide”, and
- (b) for “Secretary of State”, in the second place where it occurs, there is substituted “Treasury”.
- (3) In subsection (5), for “Secretary of State”, “his” and “he thinks” there are substituted respectively “Treasury”, “their” and “they think”.
- (4) Subsections (6) and (7) are omitted.

*Jobseekers Act 1995 (c. 18)*

- 61 In section 27(8) of the Jobseekers Act 1995 (employment of long-term unemployed: deductions by employers), the word “and” immediately following the definition of “deductions” is omitted and at the end of the subsection there is inserted—
- ““prescribed” means specified in or determined in accordance with regulations; and



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“regulations” means regulations made by the Treasury.”

- 62 In section 35(1) of the Jobseekers Act 1995 (interpretation), in the definition of “prescribed” and the definition of “regulations”, before “means” there is inserted “, except in section 27 (and in section 36 so far as relating to regulations under section 27).”.
- 63 In section 36(4)(a) of the Jobseekers Act 1995 (regulations and orders), after “Secretary of State” there is inserted “, or (in the case of regulations made by the Treasury) to the Treasury.”.
- 64 (1) Section 38 of the Jobseekers Act 1995 (general financial arrangements) is amended as follows.
- (2) In subsection (2), after “Secretary of State” there is inserted “or the Commissioners of Inland Revenue”.
- (3) In subsection (5), for “Secretary of State” and “him” there are substituted respectively “Commissioners of Inland Revenue” and “them”.

*Northern Ireland Act 1998 (c. 47)*

- 65 In section 88 of the Northern Ireland Act 1998 (the Joint Authority), in subsection (3), for the words from “power” onwards there is substituted “power—
- (a) to require the making by the Commissioners of Inland Revenue of any necessary adjustments between the National Insurance Fund and the Northern Ireland National Insurance Fund, and
- (b) to make any other necessary financial adjustments.”

SCHEDULE 4

Section 4.

RECOVERY OF CONTRIBUTIONS WHERE INCOME  
TAX RECOVERY PROVISIONS NOT APPLICABLE

*Interpretation*

- 1 In any provision of this Schedule “authorised officer” means an officer of the Board authorised by them for the purposes of that provision.

*Magistrates' courts*

- 2 (1) Any amount which—
- (a) is due by way of contributions or by way of interest or penalty in respect of contributions, and
- (b) does not exceed the prescribed sum,
- shall, without prejudice to any other remedy, be recoverable summarily as a civil debt in proceedings commenced in the name of an authorised officer.
- (2) All or any of the sums due from any one person in respect of contributions, or interest or penalties in respect of contributions, (being sums which are by law recoverable summarily) may be included in the same complaint, summons, order, warrant or other document required by law to be laid before justices or to be issued by justices, and

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every such document shall, as respects each such sum, be construed as a separate document and its invalidity as respects any one such sum shall not affect its validity as respects any other such sum.

- (3) Proceedings under this paragraph in England and Wales may be brought—
- (a) in the case of Class 2 contributions or interest or penalties in respect of such contributions, at any time before the end of the year following the tax year in which the contributor becomes liable to pay the contributions, and
  - (b) in any other case, not later than the first anniversary of the day on which the contributions became due.
- (4) In sub-paragraph (1) above, the expression “recoverable summarily as a civil debt” in respect of proceedings in Northern Ireland means recoverable in proceedings under Article 62 of the Magistrates' Courts (Northern Ireland) Order 1981.
- (5) In this paragraph—
- “the prescribed sum” means the sum for the time being specified in section 65(1) of the Taxes Management Act 1970 (recovery of income tax, etc. in magistrates' courts);
- “tax year” means the twelve months beginning with 6th April in any year.

#### *County courts*

- 3 (1) Without prejudice to any other remedy, any sum which is due by way of contributions or by way of interest or penalty in respect of contributions may—
- (a) in England and Wales, and
  - (b) in Northern Ireland, where the amount does not exceed the limit specified in Article 10(1) of the County Courts (Northern Ireland) Order 1980,
- be sued for and recovered from the person liable as a debt due to the Crown by proceedings in a county court commenced in the name of an authorised officer.
- (2) An authorised officer may conduct any proceedings under this paragraph before a county court in England and Wales, although not a barrister or solicitor.
- (3) In this paragraph as it applies in Northern Ireland, “county court” means a county court held for a division under the County Courts (Northern Ireland) Order 1980.
- (4) Sections 21 and 42(2) of the Interpretation Act (Northern Ireland) 1954 shall apply as if any reference in those provisions to any enactment included a reference to this paragraph, and Part III of the County Courts (Northern Ireland) Order 1980 (general civil jurisdiction) shall apply for the purposes of this paragraph in Northern Ireland.

#### *Sheriff courts in Scotland*

- 4 (1) In Scotland, any sum which is due by way of contributions or by way of interest or penalty in respect of contributions may, without prejudice to any other remedy, be sued for and recovered from the person liable as a debt due to the Crown by proceedings commenced in the sheriff court in the name of an authorised officer.
- (2) An authorised officer may conduct any proceedings under this paragraph, although not an advocate or solicitor.
- (3) Paragraphs 2 and 3 above shall not apply in Scotland.

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### General

- 5 (1) Proceedings may be brought for the recovery of the total amount of Class 1 or Class 1A contributions which an employer has become liable to pay on a particular date and any sum due by way of interest or penalty in respect of those contributions without distinguishing the amounts which the employer is liable to pay in respect of each employee and without specifying the employees in question; and for the purposes of proceedings under any of paragraphs 2 to 4 above that total amount shall be one cause of action or one matter of complaint.
- (2) Nothing in sub-paragraph (1) above shall prevent the bringing of separate proceedings for the recovery of each of the several amounts of Class 1 or Class 1A contributions which the employer is liable to pay.

## SCHEDULE 5

Section 5.

### ENFORCEMENT

- 1 In the Table in section 98 of the Taxes Management Act 1970 (penalties for failure to produce documents etc.), at the end of the second column there is inserted—

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“Section 110ZA of the Social Security Administration Act 1992.”

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- 2 (1) Section 110 of the Social Security Administration Act 1992 is amended as follows.  
(2) For subsection (5) there is substituted—

“(5) Where any premises—

(a) are liable to be inspected—

(i) by an officer of the Inland Revenue under section 110ZA below, or

(ii) by an inspector or officer appointed or employed by some other government department, or

(b) are under the control of the Inland Revenue or some other government department,

the Secretary of State may make arrangements with the Inland Revenue or that other department for any of the powers or duties of inspectors under this section to be carried out by an inspector or officer employed by the Inland Revenue or that other department.”

- (3) In subsection (8)—

(a) at the end of paragraph (b) there is inserted “except so far as relating to contributions, statutory sick pay or statutory maternity pay”, and

(b) at the end of paragraph (e) there is inserted “except Part III of that Act”.

- (4) Subsections (2)(c)(i) and (ii), (6)(a)(i) and (ii) and (7)(e)(i) shall cease to have effect.

- 3 After section 110 of the Social Security Administration Act 1992 there is inserted—

**“110ZA Powers exercisable by officers of Inland Revenue**

- (1) For the purposes of the enactments to which this section applies, the Inland Revenue may authorise any of their officers to exercise the powers conferred by this section.
- (2) An officer authorised under this section shall, for the purposes of the execution of those enactments, have the following powers—
  - (a) to enter at all reasonable times any premises liable to inspection under this section;
  - (b) to make such examination and inquiry as may be necessary for ascertaining whether the provisions of the enactments are being, or have been, complied with in any such premises;
  - (c) to examine, either alone or in the presence of any other person, as he thinks fit, in relation to any matters under the enactments on which he may reasonably require information, every person whom he finds in any such premises or whom he has reasonable cause to believe to be or to have been a person liable to pay—
    - (i) contributions; or
    - (ii) a contributions equivalent premium,
 and to require every such person to be so examined.
- (3) Premises are liable to inspection under this section if an officer has reasonable grounds for believing that—
  - (a) any persons are employed there;
  - (b) a trade or business is being carried on from there;
  - (c) any records relating to a trade or business are kept there; or
  - (d) a personal or occupational pension scheme is being administered there;

but a private dwelling-house is not liable to inspection under this section unless an officer has reasonable grounds for believing that a trade or business is being carried on from the dwelling-house and that the trade or business is not also being carried on from premises other than a dwelling-house.
- (4) Every officer authorised under this section shall be furnished with a certificate of his authorisation, and on applying for admission to any premises for the purpose of the enactments shall, if so required, produce the authorisation.
- (5) In accordance with this section, persons shall furnish to an officer all such information, and produce for his inspection all such documents, as he may reasonably require for the purpose of ascertaining—
  - (a) whether—
    - (i) any contribution; or
    - (ii) contributions equivalent premium,
 is or has been payable, or has been duly paid, by or in respect of any person; or
  - (b) whether statutory sick pay or statutory maternity pay is or was payable to or in respect of any person.
- (6) The following persons are under the duty imposed by subsection (5) above—

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- (a) any person who is or has been an employer or an employee within the meaning of any provision of the Contributions and Benefits Act;
  - (b) any person carrying on an agency or other business for the introduction or supply to persons requiring them of persons available to do work or to perform services;
  - (c) any person who is or has at any time been a trustee or manager of a personal or occupational pension scheme;
  - (d) the servants or agents of any such person as is specified in any of the preceding paragraphs.
- (7) This section applies to the following enactments—
  - (a) the Contributions and Benefits Act so far as relating to contributions, statutory sick pay or statutory maternity pay;
  - (b) this Act; and
  - (c) Part III of the Pensions Act.
- (8) Any reference in this section to a contributions equivalent premium includes a reference to state scheme premiums payable before 6th April 1997 (the day on which section 141 of the Pensions Act 1995 came into force).”
- 4 (1) Section 111 of the Social Security Administration Act 1992 (delay, obstruction etc. of inspector) is amended as follows.
  - (2) In subsection (1)—
    - (a) in paragraph (a), after “this Act” there is inserted “other than an Inland Revenue power”, and
    - (b) in paragraph (b), after “this Act” there is inserted “otherwise than in the exercise of an Inland Revenue power”.
  - (3) After subsection (2) there is inserted—
    - “(3) In subsection (1) “Inland Revenue power” means any power conferred on an officer of the Inland Revenue by section 110ZA above or by virtue of section 110(5) above.
    - (4) Where by virtue of section 110(5) above any power conferred by section 110 above is exercised by an officer of the Inland Revenue, section 98 of the Taxes Management Act 1970 shall apply as if the reference in that section to section 110ZA above included a reference to section 110 above.”
- 5 In section 113 of the Social Security Administration Act 1992 (breach of regulations), in subsection (2)—
  - (a) for “Secretary of State”, in both places where it occurs, there is substituted “Inland Revenue”, and
  - (b) in paragraph (e), for “his” there is substituted “their”.
- 6 Section 114A of the Social Security Administration Act 1992 (which imposes penalties relating to contributions but is not yet in force) shall cease to have effect.
- 7 (1) Section 118 of the Social Security Administration Act 1992 (evidence of non-payment) is amended as follows.
  - (2) In subsection (1), for “Secretary of State” there is substituted “Inland Revenue”.
  - (3) Subsections (1A) and (2) shall cease to have effect.

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- (4) In subsection (3), the words “as is mentioned in subsection (1) or (2) above” are omitted.
- (5) In subsection (4), for “Secretary of State” there is substituted “Inland Revenue”.
- (6) For subsection (7) there is substituted—
- “(7) In this section “authorised officer” means any officer of the Inland Revenue authorised by them for the purposes of this section.”
- 8 In section 121A of the Social Security Administration Act 1992 (recovery of contributions etc. in England and Wales), in subsection (9), for “Secretary of State” and “him” there are substituted respectively “Inland Revenue” and “them”.
- 9 In section 121B of the Social Security Administration Act 1992 (recovery of contributions etc. in Scotland)—
- (a) in subsection (5), for “Secretary of State,” there is substituted “Inland Revenue”, and
- (b) in subsection (6), for “Secretary of State” and “him” there are substituted respectively “Inland Revenue” and “them”.
- 10 In section 121C of the Social Security Administration Act 1992 (liability of directors etc. for company’s contributions), for “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”.
- 11 (1) Section 121D of the Social Security Administration Act 1992 (appeals in relation to personal liability notices) is amended as follows.
- (2) For any reference to the Secretary of State there is substituted a reference to the Inland Revenue.
- (3) In subsection (2), for “an appeal tribunal” there is substituted “the Special Commissioners”.
- (4) In subsection (5), for the words from “appeal tribunal” to “his” there is substituted “Special Commissioners shall either dismiss the appeal or remit the case to the Inland Revenue, with any recommendations the Special Commissioners see fit to make, for the Inland Revenue to consider whether to vary their”.
- (5) In subsection (6), the definitions of “appeal tribunal” and “revise” are omitted and at the end there is inserted—
- ““the Special Commissioners” means the Commissioners for the special purposes of the Income Tax Acts;
- “vary” means vary under regulations made under section 10 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999.”
- 12 In section 162 of the Social Security Administration Act 1992 (destination of contributions), after subsection (4) there is inserted—
- “(4ZA) There shall be paid into the National Insurance Fund so much of any penalty imposed under section 98 of the Taxes Management Act 1970 in a case relating to section 110ZA of this Act (including any penalty imposed by virtue of section 111(4) of this Act) as remains after deduction by the Inland Revenue of the administrative expenses attributable to its recovery.

(4ZB) Subsections (4)(b) and (c) and (4ZA) above shall have effect notwithstanding any provision which treats a penalty under section 98 or 98A of the Taxes Management Act 1970 as if it were tax charged in an assessment and due and payable.”

## SCHEDULE 6

Section 6.

### INFORMATION

#### *Supply of information*

1 In Part VII of the Social Security Administration Act 1992, before section 122 (and the italic heading “Information held by tax authorities” preceding it) there is inserted—

*“Information relating to, or required for purposes of,  
contributions, statutory sick pay or statutory maternity pay*

#### **121E Supply of contributions etc. information held by Inland Revenue**

- (1) This section applies to information which is held for the purposes of functions relating to contributions, statutory sick pay or statutory maternity pay—
  - (a) by the Inland Revenue, or
  - (b) by a person providing services to them, in connection with the provision of those services.
- (2) Information to which this section applies may, and must if an authorised officer so requires, be supplied—
  - (a) to the Secretary of State or the Northern Ireland Department, or
  - (b) to a person providing services to the Secretary of State or the Northern Ireland Department,for use for the purposes of functions relating to social security, child support or war pensions.
- (3) In subsection (2) “authorised officer” means an officer of the Secretary of State or the Northern Ireland Department authorised for the purposes of this section by the Secretary of State or the Northern Ireland Department.

#### **121F Supply to Inland Revenue for purposes of contributions etc. of information held by Secretary of State**

- (1) This section applies to information which is held for the purposes of functions relating to social security, child support or war pensions—
  - (a) by the Secretary of State or the Northern Ireland Department, or
  - (b) by a person providing services to the Secretary of State or the Northern Ireland Department, in connection with the provision of those services.

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- (2) Information to which this section applies may, and must if an officer of the Inland Revenue authorised by the Inland Revenue for the purposes of this section so requires, be supplied—
- (a) to the Inland Revenue, or
  - (b) to a person providing services to the Inland Revenue, for use for the purposes of functions relating to contributions, statutory sick pay or statutory maternity pay.”
- 2 (1) Section 122 of the Social Security Administration Act 1992 (supply of information held by tax authorities for fraud prevention and verification) is amended as follows.
- (2) For subsection (1) there is substituted—
- “(1) This section applies—
- (a) to information which is held—
    - (i) by the Inland Revenue, or
    - (ii) by a person providing services to the Inland Revenue, in connection with the provision of those services, but is not information to which section 121E above applies, and
  - (b) to information which is held—
    - (i) by the Commissioners of Customs and Excise, or
    - (ii) by a person providing services to the Commissioners of Customs and Excise, in connection with the provision of those services.”
- (3) In subsection (2)(b), the word “contributions” is omitted.
- 3 After section 122 of the Social Security Administration Act 1992 there is inserted—
- “122AA Disclosure of contributions etc. information by Inland Revenue**
- (1) No obligation as to secrecy imposed by statute or otherwise on persons employed in relation to the Inland Revenue shall prevent information held for the purposes of the functions of the Inland Revenue in relation to contributions, statutory sick pay or statutory maternity pay from being disclosed—
    - (a) to any of the authorities to which this paragraph applies, or any person authorised to exercise any function of that authority, for the purposes of the functions of that authority, or
    - (b) in a case where the disclosure is necessary for the purpose of giving effect to any agreement to which an order under section 179(1) below relates.
  - (2) The authorities to which subsection (1)(a) above applies are—
    - (a) the Health and Safety Executive,
    - (b) the Government Actuary’s Department,
    - (c) the Office for National Statistics, and
    - (d) the Occupational Pensions Regulatory Authority.”
- 4 Section 122A of the Social Security Administration Act 1992 (supply of information by Inland Revenue for purposes of contributions) shall cease to have effect.



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- 5 In section 122B(2)(b) of the Social Security Administration Act 1992 (supply of other government information for fraud prevention and verification), the word “contributions” is omitted.
- 6 In Schedule 4 to the Social Security Administration Act 1992, the following provisions shall cease to have effect—
- (a) in Part I, the entry “A member or officer of the Commissioners of Inland Revenue”, and
  - (b) in Part II, paragraph 4.
- 7 (1) Section 158 of the Pension Schemes Act 1993 (disclosure of information between government departments) is amended as follows.
- (2) After subsection (1) there is inserted—
- “(1A) No obligation as to secrecy imposed by statute or otherwise on persons employed in relation to the Inland Revenue shall prevent information obtained or held for the purposes of Part III of this Act from being disclosed—
- (a) to the Secretary of State,
  - (b) to the Department of Health and Social Services for Northern Ireland, or
  - (c) to an officer of either of them authorised to receive such information, in connection with the operation of this Act or of any corresponding enactment of Northern Ireland legislation.”
- (3) In subsection (5), for “Subsections (1) to (3)” there is substituted “Subsections (1) and (1A)”.
- (4) In subsection (6)—
- (a) after “subsection (1)” there is inserted “or (1A)”, and
  - (b) after paragraph (c) there is inserted “or
  - (ca) for the purposes of Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 or any corresponding provisions of Northern Ireland legislation.”
- 8 In section 158A of the Pension Schemes Act 1993 (disclosure of information to other persons or bodies), after subsection (1) there is inserted—
- “(1A) The Inland Revenue may, in spite of any obligation as to secrecy or confidentiality imposed by statute or otherwise on them or on their officers, disclose any information received by them in connection with their functions under Part III of this Act to any person specified in the first column of the Table in subsection (1) if they consider that the disclosure would enable or assist the person to discharge the functions specified in relation to the person in the second column of the Table.”

*Unauthorised disclosure of information*

- 9 (1) Section 182 of the Finance Act 1989 (disclosure of information) is amended as follows.
- (2) In subsection (1)—
- (a) after “tax functions” there is inserted “or social security functions”, and

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(b) for the words from “those functions” to the end there is substituted—

“any of those functions—

- (a) to tax or duty in the case of any identifiable person,
- (b) to contributions payable by or in respect of any identifiable person, or
- (c) to statutory sick pay or statutory maternity pay in respect of any identifiable person.”

(3) After subsection (2) there is inserted—

“(2A) In this section “social security functions” means—

- (a) the functions relating to contributions, statutory sick pay or statutory maternity pay—
  - (i) of the Board and their officers,
  - (ii) of any person carrying out the administrative work of the General Commissioners or the Special Commissioners, and
  - (iii) of any other person providing, or employed in the provision of, services to any person mentioned in sub-paragraph (i) or (ii) above, and
- (b) the functions under Part III of the Pension Schemes Act 1993 or Part III of the Pension Schemes (Northern Ireland) Act 1993 of the Board and their officers and any other person providing, or employed in the provision of, services to the Board or their officers.”

(4) In subsection (4)—

- (a) in paragraph (b), after the words “tax functions” there is inserted “or social security functions”, and
- (b) in paragraph (c), for the words from “tax functions” to the end there is substituted—

“tax functions or social security functions—

- (i) to tax or duty in the case of any identifiable person,
- (ii) to contributions payable by or in respect of any identifiable person, or
- (iii) to statutory sick pay or statutory maternity pay in respect of any identifiable person.”

(5) In subsection (5)(b), after “tax or duty” there is inserted “or to contributions, statutory sick pay or statutory maternity pay”.

(6) In subsection (10), after the definition of “the Commissioners” there is inserted—

““contributions” means contributions under Part I of the Social Security Contributions and Benefits Act 1992 or Part I of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;”.

*Obtaining information for tax purposes from social security authorities*

- 10 (1) Section 110 of the Finance Act 1997 (obtaining by Inland Revenue and Commissioners of Customs and Excise of information from social security authorities) is amended as follows.

(2) In subsection (5)(a), the words “social security contributions” are omitted.

(3) After subsection (5) there is inserted—

“(5A) Nothing in this section affects any disclosure authorised by section 121F of the Social Security Administration Act 1992 (supply to Inland Revenue of information for purposes of contributions, statutory sick pay or statutory maternity pay of information held by Secretary of State).”

## SCHEDULE 7

Section 18.

### DECISIONS AND APPEALS

#### *Taxes Management Act 1970 (c. 9)*

1 In section 2(1) of the Taxes Management Act 1970 (appointment of General Commissioners), after “the Taxes Acts”, in the first place where it occurs, there is inserted “or by Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

2 In section 46(1) of the Taxes Management Act 1970 (General and Special Commissioners), after “the Taxes Acts” there is inserted “or Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

3 In section 46A of the Taxes Management Act 1970 (regulations about jurisdiction), after subsection (1) there is inserted—

“(1A) In subsection (1) above “the Taxes Acts” includes Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999.”

#### *Social Security Contributions and Benefits Act 1992 (c. 4)*

4 In section 95(5)(c) of the Social Security Contributions and Benefits Act 1992 (relevant employments), for “or Chapter II of Part I of the Social Security Act 1998” there is substituted “, Chapter II of Part I of the Social Security Act 1998 or Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

5 In section 116(2) of the Social Security Contributions and Benefits Act 1992 (Her Majesty’s forces), after “this Act” there is inserted “and Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

6 In section 117(1) of the Social Security Contributions and Benefits Act 1992 (mariners, airmen, etc), after “this Act” there is inserted “and Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

7 In section 119 of the Social Security Contributions and Benefits Act 1992 (persons outside Great Britain), after “this Act” there is inserted “and Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

8 In section 120(1) of the Social Security Contributions and Benefits Act 1992 (continental shelf operations), after “this Act” there is inserted “and Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.

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- 9 In paragraph 6 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with tax), for sub-paragraph (4) there is substituted—

“(4) Where—

(a) a decision relating to contributions falls to be made under or by virtue of section 8, 10 or 11 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999; and

(b) the decision will affect a person’s liability for, or the amount of, any interest due in respect of those contributions,

regulations under sub-paragraph (1) above shall not require any such interest to be paid until the decision has been made.”

- 10 In paragraph 7 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (special penalties in the case of certain returns), for sub-paragraph (12) there is substituted—

“(12) A penalty under section 98A of that Act as it applies by virtue of this paragraph shall not be imposed where—

(a) a decision relating to contributions falls to be made under or by virtue of section 8, 10 or 11 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999, and has not yet been made; and

(b) the decision will affect a person’s liability for the penalty, or the amount of it.”

- 11 In paragraph 8 of Schedule 2 to the Social Security Contributions and Benefits Act 1992 (application of Part V of Taxes Management Act 1970 in relation to Class 4 contributions), for the words from “but nothing” to “arising—” there is substituted “but nothing in this Schedule affects the extent to which the Income Tax Acts apply with respect to any decision falling to be made—”.

*Social Security Administration Act 1992 (c. 5)*

- 12 In section 117 of the Social Security Administration Act 1992 (issues arising in proceedings), as substituted by paragraph 84 of Schedule 7 to the Social Security Act 1998, in subsection (1)(c), after “Secretary of State” there is inserted “, the Inland Revenue”.

- 13 After section 117 of the Social Security Administration Act 1992 there is inserted—

**“117A Issues arising in proceedings: contributions, etc**

(1) This section applies to proceedings before a court—

(a) for an offence under this Act or the Jobseekers Act 1995; or

(b) involving any question as to the payment of contributions (other than a Class 4 contribution recoverable in accordance with section 15 of the Contributions and Benefits Act); or

(c) for the recovery of any sums due to the Inland Revenue or the National Insurance Fund.

(2) A decision of an officer of the Inland Revenue which—

(a) falls within section 8(1) of the Social Security Contributions (Transfer of Functions, etc.) Act 1999; and

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- (b) relates to or affects an issue arising in the proceedings,  
shall be conclusive for the purposes of the proceedings.
- (3) If—
- (a) any such decision is necessary for the determination of the proceedings, and
- (b) the decision of an officer of the Inland Revenue has not been obtained under section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999,  
the decision shall be referred to such an officer to be made in accordance (subject to any necessary modifications) with Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999.
- (4) Subsection (2) above does not apply where, in relation to the decision—
- (a) an appeal has been brought but not determined;
- (b) an appeal has not been brought (or, as the case may be, an application for leave to appeal has not been made) but the time for doing so has not yet expired; or
- (c) an application for variation of the decision has been made under regulations made under section 10 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999.
- (5) In a case falling within subsection (4) above the court shall adjourn the proceedings until such time as the final decision is known; and that decision shall be conclusive for the purposes of the proceedings.”
- 14 (1) Section 166 of the Social Security Administration Act 1992 (financial review and report) is amended as follows.
- (2) In subsection (1)(d), for “and Chapter II of Part I of the Social Security Act 1998” there is substituted “, Chapter II of Part I of the Social Security Act 1998 and Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.
- (3) In subsection (2)(c), for “and Chapter II of Part I of the Social Security Act 1998” there is substituted “, Chapter II of Part I of the Social Security Act 1998 and Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.
- 15 (1) Section 179 of the Social Security Administration Act 1992 (reciprocal agreements with countries outside the United Kingdom) is amended as follows.
- (2) In subsection (3)(a), before the words “and the Contributions” there is inserted “, Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999”.
- (3) In subsection (4), before paragraph (b) there is inserted—
- “(ac) to Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999; and”.
- 16 After section 180 of the Social Security Administration Act 1992 there is inserted—
- “180A Payment of travelling expenses by the Commissioners of Inland Revenue**
- The Inland Revenue may pay such travelling expenses as they may determine—

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- (a) to persons required by them to attend any interview in connection with the operation of the Contributions and Benefits Act, this Act, or Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999;
- (b) to persons attending local offices in connection with the operation of the Contributions and Benefits Act, this Act, or Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999.”

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

- 17 In paragraph 8 of Schedule 2 to the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (application of Part V of Taxes Management Act 1970 in relation to Class 4 contributions), for the words from “but nothing” to “arising —” there is substituted “but nothing in this Schedule affects the extent to which the Income Tax Acts apply with respect to any decision falling to be made—”.

*Pension Schemes Act 1993 (c. 48)*

- 18 (1) Section 167 of the Pension Schemes Act 1993 (application of general provisions relating to administration of social security) is amended as follows.
- (2) In subsection (2), at the end there is inserted—
- “section 180A (payment of travelling expenses by Inland Revenue).”
- (3) Subsection (3) is omitted.
- 19 (1) Section 171 of the Pension Schemes Act 1993 (questions arising in proceedings) is amended as follows.
- (2) In subsection (1), for the words from “any such question” to “Secretary of State” there is substituted “any relevant decision as defined by section 170(3) is made by the Inland Revenue, the decision”.
- (3) For subsections (2) and (3) there is substituted—
- “(2) If—
- (a) any such decision is necessary for the determination of the proceedings, and
  - (b) the decision of the Inland Revenue has not been obtained or an application with respect to the decision has been made under section 9 or 10 of the Social Security Act 1998,
- the decision shall be referred to the Inland Revenue to be made in accordance (subject to any necessary modifications) with Chapter II of Part I of that Act.
- (3) Subsection (1) does not apply where, in relation to the decision—
- (a) an appeal has been brought but not determined,
  - (b) an application for leave to appeal has been made but not determined,
  - (c) an appeal has not been brought (or, as the case may be, an application for leave to appeal has not been made) but the time for doing so has not yet expired, or
  - (d) an application has been made under section 9 or 10 of that Act.

- (4) In a case falling within subsection (3) the court shall adjourn the proceedings until such time as the final decision is known and that decision shall be conclusive for the purposes of the proceedings.”

20 After section 171 of the Pension Schemes Act 1993 there is inserted—

**“171A Reports by Inland Revenue**

- (1) The Inland Revenue shall prepare, either annually or at such times or intervals as may be prescribed, a report on the standards achieved by their officers in the making of decisions against which, by virtue of section 170(6), an appeal lies to an appeal tribunal constituted under Chapter I of Part I of the Social Security Act 1998.
- (2) Any report under this section—
- (a) may be included in any annual report by the Inland Revenue of which a copy is laid before each House of Parliament, or
  - (b) may be annexed to any report of the Secretary of State under section 81 of the Social Security Act 1998.
- (3) A copy of every report under this section shall be laid before each House of Parliament, unless the report is included in, or annexed to, a report of which a copy is so laid.”

*Employment Rights Act 1996 (c. 18)*

- 21 (1) Section 215 of the Employment Rights Act 1996 (employment abroad etc.) is amended as follows.
- (2) In subsection (4), for “the Secretary of State” there is substituted “an officer of the Commissioners of Inland Revenue”.
- (3) For subsection (5) there is substituted—
- “(5) Part II of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (decisions and appeals) shall apply in relation to the determination of any issue by the Inland Revenue under subsection (4) as if it were a decision falling within section 8(1) of that Act.”

*Social Security Act 1998 (c. 14)*

- 22 (1) Section 8 of the Social Security Act 1998 (decisions by Secretary of State) is amended as follows.
- (2) In subsection (1)—
- (a) at the end of paragraph (b) there is inserted “and”, and
  - (b) paragraph (d) and the word “and” immediately preceding it are omitted.
- (3) For subsection (5) there is substituted—
- “(5) Subsection (1)(c) above does not include any decision which under section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 falls to be made by an officer of the Inland Revenue.”

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- 23 In section 10 of the Social Security Act 1998 (decisions superseding earlier decisions)—
- (a) in subsection (1), for “subsections (3) and (4)” there is substituted “subsection (3)”, and
  - (b) subsection (4) shall cease to have effect.
- 24 After section 10 of the Social Security Act 1998 there is inserted—

*“Reference of issues by Secretary of State to Inland Revenue*

#### **10A Reference of issues by Secretary of State to Inland Revenue**

- (1) Regulations may make provision requiring the Secretary of State, where on consideration of any claim or other matter he is of the opinion that there arises any issue which under section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 falls to be decided by an officer of the Inland Revenue, to refer the issue to the Inland Revenue.
  - (2) Regulations under this section may—
    - (a) provide for the Inland Revenue to give the Secretary of State a preliminary opinion on any issue referred to them,
    - (b) specify the circumstances in which an officer of the Inland Revenue is to make a decision under section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 on a reference by the Secretary of State,
    - (c) enable or require the Secretary of State, in specified circumstances, to deal with any other issue arising on consideration of the claim or other matter pending the decision on the referred issue, and
    - (d) require the Secretary of State to decide the claim or other matter in accordance with the decision of an officer of the Inland Revenue on the issue referred to them, or in accordance with any determination of the tax appeal Commissioners made on appeal from their decision.”
- 25 (1) Section 12 of the Social Security Act 1998 (appeal to appeal tribunal) is amended as follows.
- (2) In subsection (1)—
    - (a) at the end of paragraph (a) there is inserted “or”, and
    - (b) paragraph (c) and the word “or” immediately preceding it are omitted.
  - (3) For subsection (2) there is substituted—
 

*“(2) In the case of a decision to which this section applies, the claimant and such other person as may be prescribed shall have a right to appeal to an appeal tribunal, but nothing in this subsection shall confer a right of appeal in relation to a prescribed decision, or a prescribed determination embodied in or necessary to a decision.”*
- 26 In section 13 of the Social Security Act 1998 (redetermination etc. of appeals by tribunal), for subsection (4) there is substituted—
- “(4) In this section and section 14 below “the principal parties” means—*



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- (a) the persons mentioned in subsection (3)(a) and (b) of that section, and
  - (b) where applicable, the person mentioned in subsection (3)(d) and such a person as is first mentioned in subsection (4) of that section.”
- 27 In section 14 of the Social Security Act 1998 (appeal from tribunal to Commissioner), the following provisions are omitted—
- (a) subsection (2), and
  - (b) in subsection (3), the words “In any other case”.
- 28 In section 16 of the Social Security Act 1998 (procedure), subsections (4) and (5) shall cease to have effect.
- 29 In section 18 of the Social Security Act 1998 (matters arising as respects decisions), in subsection (1)(a)—
- (a) at the end of each of sub-paragraphs (i) and (ii) there is inserted “or”, and
  - (b) sub-paragraphs (iii) and (iv) are omitted.
- 30 In section 19(1) of the Social Security Act 1998 (medical examination required by Secretary of State), the words “or to statutory sick pay or statutory maternity pay” are omitted.
- 31 In section 20(1) of the Social Security Act 1998 (medical examination required by appeal tribunal), the words “or to statutory sick pay or statutory maternity pay” are omitted.
- 32 In section 21 of the Social Security Act 1998 (suspension in prescribed circumstances), subsection (4) shall cease to have effect.
- 33 After section 24 of the Social Security Act 1998 there is inserted—

*“Appeals dependent on issues falling to be decided by Inland Revenue*

#### **24A Appeals dependent on issues falling to be decided by Inland Revenue**

- (1) Regulations may make provision for an appeal tribunal or Commissioner, where on any appeal there arises any issue which under section 8 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 falls to be decided by the Inland Revenue, to require the Secretary of State to refer the issue to the Inland Revenue.
- (2) Regulations under this section may—
  - (a) provide for the appeal to be referred to the Secretary of State pending the decision by an officer of the Inland Revenue,
  - (b) enable or require the Secretary of State, in specified circumstances, to deal with any other issue arising on the appeal pending the decision on the referred issue, and
  - (c) enable the Secretary of State, on receiving the decision of an officer of the Inland Revenue, or any determination of the tax appeal Commissioners made on an appeal from his decision—
    - (i) to revise his decision,
    - (ii) to make a decision superseding his decision, or
    - (iii) to refer the appeal to the appeal tribunal or Commissioner for determination.”

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- 34 In section 28 of the Social Security Act 1998 (correction of errors and setting aside of decisions), after subsection (1) there is inserted—
- “(1A) In subsection (1) “decision” does not include any decision made by an officer of the Inland Revenue, other than a decision under or by virtue of Part III of the Pension Schemes Act 1993.”
- 35 In section 39(1) of the Social Security Act 1998 (interpretation of Chapter II of Part I)—
- (a) in the definition of “Commissioner”, after ““Commissioner”” there is inserted “(except in the expression “tax appeal Commissioners”)”, and
- (b) at the end of subsection (1) there is inserted—
- ““tax appeal Commissioners” means the Commissioners for the general purposes of the income tax appointed under section 2 of the Taxes Management Act 1970 or the Commissioners for the special purposes of the Income Tax Acts appointed under section 4 of that Act;”.
- 36 In Schedule 3 to the Social Security Act 1998 (decisions against which an appeal lies), paragraphs 10 to 15 and 18 to 29 shall cease to have effect.

## SCHEDULE 8

Section 26(1).

### SAVINGS AND TRANSITIONAL PROVISIONS

#### *General savings*

- 1 (1) In this paragraph—
- “transfer provision” has the meaning given by section 21(1) of this Act;
- “instrument” includes in particular Royal Charters, Orders in Council, Letters Patent, judgments, decrees, orders, rules, regulations, schemes, bye-laws, awards, contracts and other agreements, memoranda and articles of association, warrants, certificates and other documents.
- (2) A transfer provision shall not affect the validity of anything done by or in relation to the Secretary of State before the commencement of the transfer provision; and anything which at that date is in the process of being done by or in relation to the Secretary of State may—
- (a) if it relates to functions transferred by virtue of the transfer provision to the Board, be continued by or in relation to the Board, and
- (b) if it relates to functions transferred by virtue of the transfer provision to the Treasury, be continued by or in relation to the Treasury.
- (3) Any authority, appointment, determination, approval, consent or direction given or made or other thing done, or having effect as if given, made or done, by the Secretary of State in connection with functions transferred by virtue of a transfer provision shall have effect as if given, made or done by the Board or, as the case requires, the Treasury in so far as that is required for continuing its effect after the commencement of the transfer provision.

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- (4) Any instrument made before the commencement of a transfer provision shall have effect, so far as may be necessary for the purposes of or in consequence of that provision or section 21 or 22 of this Act, as if—
- (a) any reference to the Secretary of State were or included a reference to the Board or the Treasury, as the case requires; and
  - (b) any reference to the Department of Social Security or any officer of that Department were or included a reference to the Board or any officer of theirs.

#### *Documents and forms*

- 2 Documents or forms produced for use in connection with any function transferred by virtue of this Act to the Board may be used even though they contain references to the Secretary of State or to the Department of Social Security or to any officer of that Department; and those references shall be construed as far as necessary as references to the Board or to any officer of the Board.

#### *Payment of contributions etc. to Secretary of State during transitional period*

- 3 (1) This paragraph has effect if section 1(1) of, and Schedule 1 to, this Act come into force before paragraph 51 of Schedule 3 to this Act.
- (2) During the period beginning with the commencement of section 1(1) and Schedule 1 and ending with the commencement of paragraph 51 of Schedule 3, the Board shall account to the Secretary of State for, and pay to him—
- (a) those Class 1, Class 1A, Class 1B and Class 2 contributions to which regulations under paragraph 6 of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with income tax) do not apply,
  - (b) Class 3 contributions,
  - (c) Class 4 contributions payable by virtue of regulations under section 18 of that Act, and
  - (d) sums recovered under regulations made under paragraph 7A or 7B of Schedule 1 to that Act in respect of interest or penalties;

and those sums shall be regarded for the purposes of the Social Security Administration Act 1992 as having been received by the Secretary of State under Part I of the Social Security Contributions and Benefits Act 1992.

#### *Section 51 of Social Security Act 1998*

- 4 If paragraph 9 of Schedule 3 to this Act comes into force before the commencement of section 51(4) of the Social Security Act 1998, that paragraph shall until that commencement be regarded as requiring regulations under section 9(2) of the Social Security Contributions and Benefits Act 1992 to be made by the Treasury.

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## SCHEDULE 9

Section 26(2).

### FURTHER CONSEQUENTIAL AMENDMENTS

#### *Debtors (Scotland) Act 1987 (c. 18)*

- 1 In section 1(5)(f)(iv) (competence of time to pay direction) and section 5(4)(f)(iv) (competence of time to pay order) of the Debtors (Scotland) Act 1987, as amended by paragraph 12 of Schedule 7 to the Social Security Act 1998, for “Secretary of State” there is substituted “Commissioners of Inland Revenue”.
- 2 In paragraph 35(dd) of Schedule 5 to the Debtors (Scotland) Act 1987 (interpretation), as inserted by paragraph 14 of Schedule 7 to the Social Security Act 1998, for “Secretary of State” there is substituted “Commissioners of Inland Revenue”.

#### *Social Security Contributions and Benefits Act 1992 (c. 4)*

- 3 In section 12 of the Social Security Contributions and Benefits Act 1992 (late paid Class 2 contributions), in subsection (7), after “commences;” there is inserted—  
“aa) civil proceedings in a magistrates' court commence when a complaint is made;”.
- 4 In section 19A(1)(c) of the Social Security Contributions and Benefits Act 1992 (Class 1, 1A or 1B contributions paid in error), for “Secretary of State” there is substituted “Inland Revenue”.
- 5 In paragraph 6(4A) of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with tax), for “this paragraph” there is substituted “sub-paragraph (1) above”.
- 6 (1) Paragraph 7A of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (power to combine collection of contributions with tax) is amended as follows.
- (2) In sub-paragraph (2)—
- (a) after “or to the” there is inserted “other”, and
- (b) for “Secretary of State” there is substituted “Inland Revenue”.
- (3) In sub-paragraph (3)—
- (a) in paragraph (b) for “Secretary of State” there is substituted “Inland Revenue”, and
- (b) in paragraph (e), for “Secretary of State, in his” there is substituted “Inland Revenue, in their”.
- 7 (1) Paragraph 7B of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (collection of contributions) is amended as follows.
- (2) In the italic heading immediately preceding the paragraph, for “by Secretary of State” there is substituted “otherwise than through PAYE system”.
- (3) In sub-paragraph (1), for the words from “prescribed” to the end there is substituted “prescribed, Class 1, Class 1A, Class 1B or Class 2 contributions shall be paid to the Inland Revenue in a manner different from that in which income tax in relation to which regulations under section 203 of the Income and Corporation Taxes Act 1988 (PAYE) apply is payable.”

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- (4) In sub-paragraph (2)—
- (a) for “Secretary of State”, in each place where it occurs, there is substituted “Inland Revenue”, and
  - (b) in paragraph (e), the words “subject to sub-paragraph (4) below,” are omitted.
- (5) Sub-paragraphs (4) and (6) are omitted.
- (6) In sub-paragraph (5)—
- (a) in paragraph (b), the words “subject to sub-paragraph (6) below,” are omitted and for “Secretary of State” there is substituted “Inland Revenue”, and
  - (b) in paragraph (e), for “Secretary of State, in his” there is substituted “Inland Revenue, in their”.
- (7) In sub-paragraph (7), for “Secretary of State”, “charges” and “imposes” there are substituted respectively “Inland Revenue”, “charge” and “impose”.
- 8 Paragraph 7C of Schedule 1 to the Social Security Contributions and Benefits Act 1992 (interest and penalties chargeable concurrently with Inland Revenue) shall cease to have effect.

## SCHEDULE 10

Section 26(3).

### REPEALS AND REVOCATIONS

#### PART I

#### REPEALS

<i>Chapter</i>	<i>Short title</i>	<i>Extent of repeal</i>
1988 c. 1.	The Income and Corporation Taxes Act 1988.	Section 649(4)(a) and (b).
1992 c. 4.	The Social Security Contributions and Benefits Act 1992.	In section 1(4)(b), the words from “where under that section” to the end. Section 16(4). In section 17, in subsection (1), the words from “and may certify” to the end, in subsection (4), the words “the Secretary of State and” and subsection (6). In Schedule 1, paragraphs 6(8) and 7(7), in paragraph 7B, in sub-paragraph (2) (e), the words “subject to sub-paragraph (4) below,”

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<i>Chapter</i>	<i>Short title</i>	<i>Extent of repeal</i>
1992 c. 5.	The Social Security Administration Act 1992.	<p>sub-paragraph (4), in sub-paragraph (5)(b), the words “subject to sub-paragraph (6) below,” and sub-paragraph (6) and paragraph 7C.</p> <p>In Schedule 2, paragraph 6(2).</p> <p>In section 110, subsections (2)(c)(i) and (ii), (6)(a)(i) and (ii) and (7)(e)(i).</p> <p>Section 114A.</p> <p>In section 118, subsections (1A) and (2) and, in subsection (3), the words “as is mentioned in subsection (1) or (2) above”.</p> <p>In section 121D(6), the definitions of “appeal tribunal” and “revise”.</p> <p>In section 122(2)(b), the word “contributions”.</p> <p>Section 122A.</p> <p>In section 122B(2)(b), the word “contributions”.</p> <p>Section 123(7)(a).</p> <p>In section 161, in subsection (3), the words from “, in accordance” to “by the Treasury,”.</p> <p>Section 162(11).</p> <p>In Schedule 4, in Part I, the entry “A member or officer of the Commissioners of Inland Revenue” and, in Part II, paragraph 4.</p> <p>In Schedule 7, paragraph 5.</p>
1992 c. 7.	The Social Security Contributions and Benefits (Northern Ireland) Act 1992.	In Schedule 2, paragraph 6(2).
1993 c. 3.	The Social Security Act 1993.	Section 2(6) and (7).

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<i>Chapter</i>	<i>Short title</i>	<i>Extent of repeal</i>
1993 c. 48.	The Pension Schemes Act 1993.	Section 167(3).
1995 c. 18.	The Jobseekers Act 1995.	In section 27(8), at the end of the definition of “deductions”, the word “and”.
1995 c. 26.	The Pensions Act 1995.	In Schedule 5, in paragraph 21, all the entries in the Table except that relating to section 163 of the Pension Schemes Act 1993, and paragraph 22.
1997 c. 16.	The Finance Act 1997.	In section 110(5)(a), the words “social security contributions”.
1998 c. 14.	The Social Security Act 1998.	In section 8(1), paragraph (d) and the word “and” immediately preceding it. Section 10(4). In section 12(1), paragraph (c) and the word “or” immediately preceding it. In section 14, subsection (2), in subsection (3) the words “In any other case” and in subsection (6) the word “(2),”. Section 16(4) and (5). Section 18(1)(a)(iii) and (iv). In sections 19(1) and 20(1), the words “or to statutory sick pay or statutory maternity pay”. Section 21(4). Section 58. Section 59(6). Section 61, so far as relating to section 114A of the Social Security Administration Act 1992. Section 62(2) and (4).

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<i>Chapter</i>	<i>Short title</i>	<i>Extent of repeal</i>
		In Schedule 3, paragraphs 10 to 15 and 18 to 29.
		In Schedule 7, paragraphs 77(10) and (13), 130, 132 and 148.

## PART II

### REVOCATIONS

<i>Number</i>	<i>Title</i>	<i>Extent of revocation</i>
<a href="#">S.I. 1988/1012.</a>	The Personal Pension Schemes (Minimum Contributions under the Social Security Act 1986) Regulations 1988.	Regulations 3 to 5.
<a href="#">S.I. 1996/195.</a>	The Employer's Contributions Reimbursement Regulations 1996.	Regulation 1(4).