

SCHEDULES

SCHEDULE 15

OPTION TO BOOST OLD RETIREMENT PENSIONS

PART 2

NORTHERN IRELAND

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

- 15 The Social Security Contributions and Benefits (Northern Ireland) Act 1992 is amended as follows.
- 16 (1) Section 1 (outline of contributory system) is amended as follows.
- (2) In subsection (2)—
- (a) omit “six”;
- (b) in paragraph (d), after “making up entitlement;” insert—
- “(da) Class 3A, payable by eligible people voluntarily under section 14A with a view to obtaining units of additional pension;”.
- (3) In subsection (4)(a), for “and 3” substitute “, 3 and 3A”.
- 17 After section 14 insert—

“Class 3A contributions

14A Class 3A contributions in return for units of additional pension

- (1) An eligible person is entitled to pay a Class 3A contribution in return for a unit of additional pension.
- (2) A person is eligible to pay a Class 3A contribution if the person—
- (a) is entitled to a Category A, Category B or Category D retirement pension or graduated retirement benefit, or
- (b) has deferred entitlement to a Category A or Category B retirement pension or graduated retirement benefit.
- (3) The amount of a Class 3A contribution needed to obtain a unit of additional pension is to be determined in accordance with regulations made by the Treasury.
- (4) Before making those regulations the Treasury must consult the Government Actuary or the Deputy Government Actuary.

Status: This is the original version (as it was originally enacted).

- (5) A person—
 - (a) may pay Class 3A contributions on more than one occasion, but
 - (b) may not obtain more than the maximum number of units of additional pension.
- (6) The maximum number of units of additional pension that a person may obtain is to be specified by the Treasury in regulations.
- (7) In this section “deferred”, in relation to graduated retirement benefit, has the meaning given by section 35(4A) of the National Insurance Act (Northern Ireland) 1966.
- (8) For the meaning of “deferred” in relation to a Category A or Category B retirement pension, see section 55(3) of this Act.

14B Class 3A contributions: repayment

- (1) The Treasury may by regulations provide for a Class 3A contribution to be repaid in specified circumstances.
- (2) Regulations under subsection (1) may, in particular, make provision about applications for repayments and other procedural matters.
- (3) A person is to be treated as never having had a unit of additional pension if the Class 3A contribution paid in respect of it is repaid.
- (4) Regulations under subsection (1) may provide for benefits paid to a person because of the unit of additional pension to be recovered by deducting them from the repayment.

14C Class 3A contributions: power to change eligibility or remove the option to pay

- (1) The Treasury may by regulations change who is eligible to pay Class 3A contributions.
 - (2) The Treasury may by regulations remove the option for people to pay Class 3A contributions.
 - (3) Regulations under this section may, in particular, amend an Act.”
- 18 (1) If paragraph 17 comes into force before the new state pension commencement date for Northern Ireland, section 14A(2) as inserted by that paragraph has effect as if the reference to entitlement included the prospective entitlement of a person who—
- (a) has not yet reached pensionable age, but
 - (b) will reach pensionable age before that day (assuming that the person lives until pensionable age).
- (2) In this paragraph “the new state pension commencement date for Northern Ireland” means the date on which legislation in Northern Ireland corresponding to section 2 of this Act comes fully into force.
- 19 In section 121 (interpretation), in subsection (1), at the appropriate place insert—
- ““unit of additional pension” means a unit of additional pension for which a person has paid a Class 3A contribution under section 14A;”.

- 20 In section 172 (procedure for regulations etc), in subsection (11A), after “11(3)” insert “, 14A”.
- 21 In the heading to Schedule 1, for “and 3” substitute “, 3 and 3A”.

Social Security Administration (Northern Ireland) Act 1992 (c. 8)

- 22 (1) Section 142 of the Social Security Administration (Northern Ireland) Act 1992 (destination of contributions) is amended as follows.
- (2) In subsection (5)(e), after “those contributions;” insert—
- “*(ea)* in the case of Class 3A contributions, 15.5 per cent of the amount estimated to be the total of those contributions;”.
- (3) In subsection (8)(c), for “or (e)” substitute “, (e) or (ea)”.