
STATUTORY INSTRUMENTS

2001 No. 1004

The Social Security (Contributions) Regulations 2001

PART 7

**COLLECTION OF CONTRIBUTIONS (OTHER THAN
CLASS 4 CONTRIBUTIONS) AND RELATED MATTERS**

Notification of national insurance numbers to secondary contributors

66. Every employed earner, in respect of whom any person is liable to pay an earnings-related contribution, shall, on request, supply his national insurance number to that person.

Collection and recovery of earnings-related contributions, and Class 1B contributions

67.—(1) Subject to the provisions of regulations 68 and 70, earnings-related contributions and Class 1B contributions shall be paid, accounted for and recovered in like manner as income tax deducted from the emoluments of an office or employment by virtue of regulations under section 203 of the Taxes Act (PAYE).

(2) In any case to which this regulation applies, the provisions contained in Schedule 4, (which contains provisions derived from the Income Tax Acts and the Income Tax (Employments) Regulations 1993(1) with extensions and modifications) shall apply to and for the purposes of earnings-related contributions and Class 1B contributions.

Other methods of collection and recovery of earnings-related contributions

68.—(1) The Board may authorise arrangements under which earnings-related contributions are to be paid in a different manner from that prescribed by regulation 67.

(2) The provisions of regulation 67 shall be in addition to any remedy otherwise available for the recovery of earnings-related contributions.

Transfer of liability from secondary contributor to employed earner: share option gains

69. Schedule 5 contains provisions which have effect with respect to elections made jointly by a secondary contributor and an employed earner that the liability of the secondary contributor in respect of share option gains shall be transferred to the employed earner.

Payment of Class 1A contributions

70.—(1) In the cases prescribed by paragraph (2), contributions shall be paid to the Board in accordance with regulations 71 to 83.

(2) The cases prescribed by this paragraph are cases where an employer is liable to pay a Class 1A contribution to the Board.

- (3) For the purposes of this regulation and regulations 71 to 83 where—
- (a) any payment to the Board is made by cheque; and
 - (b) the cheque is paid on its first presentation to the banker on whom it is drawn,
- the payment shall be treated as made on the day on which the cheque was received by the Board, and related expressions shall be construed accordingly.
- (4) In this regulation, and in regulations 71 to 83, “employer” includes the person liable to pay a Class 1A contribution in accordance with section 10ZA(2) of the Act (liability of third party provider of benefits in kind).

Due date for payment of a Class 1A contribution

- 71.**—(1) Subject to regulation 72(2) or 73(2), as the case may be, an employer who is liable to pay a Class 1A contribution to the Board shall pay that contribution to them not later than 19th July in the year immediately following the end of the year in respect of which it is payable.
- (2) A Class 1A contribution paid to the Board in accordance with paragraph (1) shall be shown in a return made to them in accordance with regulation 80(1).

Provisions relating to a Class 1A contribution due on succession to business

- 72.**—(1) Paragraphs (2) and (3) apply in relation to the payment of a Class 1A contribution if—
- (a) there is a change in the employer who is liable to pay emoluments to or for the benefit of all the persons who are employed in a business in respect of their employment in that business; and
 - (b) the employees in question are those who ceased to be employed in that business before the change of employer occurred.
- (2) Not later than 14 days after the end of the relevant final income tax month, the employer shall pay to the Board—
- (a) any Class 1A contribution referred to in paragraph (1) in respect of the relevant final year; and
 - (b) where the relevant final income tax month is the month beginning on 6th April, 6th May or 6th June, any Class 1A contribution referred to in paragraph (1) in respect of the year immediately preceding the relevant final year.
- (3) The employer shall include the amount of any Class 1A contribution which is payable in accordance with paragraph (2)(a) in the return required by regulation 80(1) for the relevant final year.
- (4) In this regulation—
- “business” includes any trade, concern or undertaking;
- “employer” means the employer before the change referred to in paragraph (1)(a);
- “relevant final income tax month” means the income tax month in which the employer has made any payments of emoluments which were, by reason of the change of employer referred to in paragraph (1)(a) in respect of the employment of all those persons who were employed by him in that income tax month, the final payments of emoluments to be made by him in the year in which those payments were made; and for these purposes
- “emoluments” means so much of a person’s remuneration or profits derived from employed earner’s employment as constitutes earnings for the purposes of the Act; and
- “relevant final year” means the year in which the relevant final income tax month occurs.

(2) Section 10ZA was inserted by section 75 of the Child Support, Pensions and Social Security Act 2000 (c. 19).

Provisions relating to a Class 1A contribution due on cessation of business

- 73.**—(1) Paragraphs (2) and (3) apply in relation to the payment of a Class 1A contribution if—
- (a) an employer ceases to carry on business and upon that cessation no other person becomes liable to pay emoluments to or for the benefit of any employee in respect of his employment in that business; and
 - (b) the employees are all those who were employed in that business at any time in the relevant final year or the year immediately preceding the relevant final year.
- (2) Not later than 14 days after the end of the relevant final income tax month, the employer shall pay to the Board—
- (a) any Class 1A contribution referred to in paragraph (1) in respect of the relevant final year; and
 - (b) where the relevant final income tax month is the month beginning on 6th April, 6th May or 6th June any Class 1A contribution referred to in paragraph (1) in respect of the year immediately preceding the relevant final year.
- (3) The employer shall include the amount of any Class 1A contribution which is payable in accordance with paragraph (2)(a) in the return required by regulation 80 for the relevant final year.
- (4) In this regulation—
- “business” includes any trade, concern or undertaking;
 - “employer” means the employer before the cessation of business referred to in paragraph (1) (a);
 - “relevant final income tax month” means the income tax month in which the employer has made any payments of emoluments which were, by reason of the cessation of business referred to in paragraph (1)(a) in respect of the employment of all those persons who were employed by him in that income tax month, the final payments of emoluments to be made by him in the year in which those payments were made; and for these purposes
 - “emoluments” means so much of a person’s remuneration or profits derived from employed earner’s employment as constitutes earnings for the purposes of the Act;
 - “relevant final year” means the year in which the relevant final income tax month occurs.

Employer failing to pay a Class 1A contribution

- 74.**—(1) If—
- (a) the employer has paid no amount of a Class 1A contribution to the Board by the date which applies to him under regulation 71(1), 72(2) or 73(2) (as the case may be); and
 - (b) the Board are unaware of the amount, if any, which the employer is liable so to pay, they may give notice to the employer requiring him to render, within 14 days, a return in the prescribed form showing the amount of a Class 1A contribution which the employer is liable to pay to them under that regulation in respect of the year in question.
- (2) A notice may be given by the Board under paragraph (1) notwithstanding that an amount of a Class 1A contribution has been paid to them by the employer under regulation 71(1), 72(2) or 73(2), in respect of the year in question, if they are not satisfied that the amount so paid is the full amount which the employer is liable to pay to them for that year and the provisions of this regulation shall have effect accordingly.
- (3) Upon receipt of a return made by an employer under paragraph (1) the Board may prepare a certificate showing the amount of a Class 1A contribution which the employer is liable to pay to them for the year in question.

(4) The production of the return made by the employer under paragraph (1) and of the certificate of the Board under paragraph (3) shall be sufficient evidence that the amount shown in the certificate is the amount of a Class 1A contribution which the employer is liable to pay to the Board in respect of the year in question.

(5) Any document purporting to be a certificate under paragraph (3) shall be presumed to be such a certificate until the contrary is proved.

Specified amount of a Class 1A contribution

75.—(1) If, following the date which applies to him under regulation 71(1), 72(2) or 73(2) (as the case may be), the employer has paid no amount of a Class 1A contribution to the Board in respect of the year in question and there is reason to believe that the employer is liable so to pay, the Board—

(a) in the case of the first year in which the employer is liable to pay such a contribution, upon consideration of any information which has been provided to them by the employer relating to his liability to pay such contributions; or

(b) in the case of any later year, upon consideration of the employer's record of past payments; may to the best of their judgment specify the amount of a Class 1A contribution which they consider the employer is liable to pay and give notice to him of that amount.

(2) If, on the expiration of the period of 7 days allowed in the notice, the specified amount of a Class 1A contribution or any part of that amount is unpaid, the amount so unpaid—

(a) shall be treated for the purposes of these Regulations to be an amount of a Class 1A contribution which the employer was liable to pay in respect of the year in question in accordance with regulation 71(1), 72(2) or 73(2); and

(b) may be certified by the Board.

(3) Paragraph (2) does not apply if, during the period allowed in the notice—

(a) the employer pays to the Board the full amount of a Class 1A contribution which he is liable to pay under regulation 71(1), 72(2) or 73(2), in respect of the year in question; or

(b) the employer satisfies the Board that no amount of such a contribution is due.

(4) The production of a certificate such as is mentioned in paragraph (2)(b) shall, until the contrary is established, be sufficient evidence that the employer is liable to pay to the Board the amount shown in the certificate, and any document purporting to be such a certificate shall be deemed to be such a certificate until the contrary is proved.

(5) A notice may be given by the Board under paragraph (1) notwithstanding that an amount of a Class 1A contribution has been paid to them by the employer under regulation 71(1), 72(2) or 73(2) in respect of the year in question, if, after seeking the employer's explanation as to the amount of a Class 1A contribution paid, they are not satisfied that the amount so paid is the full amount which the employer is liable to pay to them in respect of that year, and this regulation shall have effect accordingly, but paragraph (2) shall not apply if, during the period allowed in the notice, the employer satisfies the Board that no further amount of a Class 1A contribution is due in respect of that year.

(6) Where, during the period allowed in a notice given by the Board under paragraph (1), the employer claims, but does not satisfy the Board, that the payment of a Class 1A contribution made in respect of the year specified in the notice is the full amount of a Class 1A contribution which he is liable to pay to the Board in respect of that year, the employer may require the Board to inspect his documents and records as if they had called upon him to produce those documents and records in accordance with paragraph 26(1) of Schedule 4.

(7) If the employer does require the Board to inspect his documents and records in accordance with paragraph (6), the provisions of paragraph 26 of Schedule 4 shall apply in relation to that inspection and the notice given by the Board under paragraph (1) shall be disregarded.

Interest on an overdue Class 1A contribution

76.—(1) Where an employer has not paid a Class 1A contribution, which he is liable to pay, by the date which applies to him under regulation 71(1), 72(2) or 73(2) (as the case may be), any contribution not so paid shall carry interest at the rate applicable under paragraph 6(3) of Schedule 1 to the Act from the reckonable date until payment.

(2) Interest payable under this regulation shall be recoverable as if it were a Class 1A contribution which an employer is liable to pay to the Board under regulation 71(1), 72(2) or 73(2), as the case may be).

(3) A contribution to which paragraph (1) applies shall carry interest from the reckonable date even if that date is a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882(3).

(4) A certificate of the Board that any amount of interest payable under this regulation has not been paid to the Board or, to the best of the Board's knowledge and belief, to any person acting on their behalf, shall be sufficient evidence that the employer is liable to pay to the Board the amount of interest shown on the certificate and that the sum is unpaid and due to be paid, and any document purporting to be such a certificate shall be deemed to be a certificate until the contrary is proved.

(5) For the purposes of this regulation, "the reckonable date" means the 19th July in the year immediately following the end of the year in respect of which the Class 1A contribution is payable to the Board.

Payment of interest on a repaid Class 1A contribution

77.—(1) Where—

- (a) a Class 1A contribution paid by an employer to the Board in respect of the year ended 5th April 1999 or any subsequent year is repaid to him; and
- (b) that repayment is made after the relevant date,

any such repaid contribution shall carry interest at the rate applicable under paragraph 6(3) of Schedule 1 to the Act from the relevant date until the order for the repayment is issued.

(2) For the purposes of this regulation, "the relevant date" means—

- (a) the 14th day after the end of the year in respect of which the Class 1A contribution was paid; or
- (b) if later than that day, the date on which the contribution was paid.

Repayment of interest paid on a Class 1A contribution

78. If an employer has paid interest on a Class 1A contribution, that interest shall be repaid to him where—

- (a) the interest paid is found not to have been due to be paid, although the contribution in respect of which it was paid was due to be paid;
- (b) the Class 1A contribution in respect of which interest was paid is returned or repaid to the employer in accordance with the provisions of regulation 52 or 55.

(3) 1882 c. 61: section 92 was amended by sections 3(1) and 4(4) of the Banking and Financial Dealings Act 1971 (c. 80).

Remission of interest on a Class 1A contribution

79.—(1) Where interest is payable in accordance with regulation 76 it shall be remitted for the period commencing on the first relevant date and ending on the second relevant date in the circumstances specified in paragraph (2).

(2) For the purposes of paragraph (1), the circumstances are that the liability, or a greater liability, to pay interest in respect of a Class 1A contribution arises as the result of an official error being made.

(3) For the purposes of this regulation—

“official error” means a mistake made, or something omitted to be done, by an officer of, or person employed in relation to, the Board acting as such, where the employer or any person acting on his behalf has not caused, or materially contributed to, that mistake or omission;

“the first relevant date” means the date defined in regulation 76(5) or, if later, the date on which the official error occurs; and

“the second relevant date” means the date 14 days after the date on which the official error is rectified and the employer is advised of its rectification.

Return by employer

80.—(1) Where a Class 1A contribution is payable to the Board in accordance with regulation 71(1), 72(2) or 73(2), the employer shall render to them a return, not later than 6th July following the end of the year, showing—

- (a) such particulars as they may require for the identification of the employer;
- (b) the year to which the return relates;
- (c) the amounts which are emoluments in respect of which a Class 1A contribution is payable; and
- (d) the amount of any Class 1A contribution payable in respect of that year.

(2) The return shall include a declaration by the person making the return to the effect that the return is, to the best of his knowledge, correct and complete.

(3) Where the employer is a body corporate, the return referred to in this regulation shall be signed by the secretary or by a director of the body corporate.

(4) If, by the date which applies to him under regulation 71(1), 72(2) or 73(2) (as the case may be), an employer has failed to pay a Class 1A contribution which he is liable to pay, the Board may prepare a certificate showing the total amount of a Class 1A contribution remaining unpaid in respect of the year in question and regulation 76(1) and (2) shall, with any necessary modifications, apply to the amount shown in that certificate.

Penalties for failure to make a return and incorrect returns

81.—(1) Where a person fraudulently or negligently makes an incorrect return of contributions referred to in regulation 80(1) the Board may, within 6 years after the date of making such a return or at any later time within 3 years of the final determination of the amount of a Class 1A contribution by reference to which the amount of the penalty is to be ascertained, impose a penalty not exceeding the difference between—

- (a) the amount payable by him in accordance with the regulations for the year to which the return relates; and
- (b) the amount which would have been so payable if the return had been correct.

(2) Any person who fails to make a return referred to in paragraph (1) by the date which applies to him under regulation 71(1), 72(2) or 73(2), may be liable—

- (a) within 6 years after the date of that failure, to a penalty of the relevant monthly amount for each month (or part of a month) during which the failure continues but excluding any month after the twelfth, or for which a penalty under this paragraph has already been imposed; and
 - (b) if the failure continues beyond 12 months, to a penalty not exceeding so much of the amount payable by him in accordance with the regulations for the year to which the return relates as remains unpaid at the end of 19th July after the end of that year.
- (3) The penalty referred to in paragraph (2)(b) is without prejudice to any penalty which may be imposed under paragraph (2)(a) and may be imposed within six years after the date of the failure referred to in paragraph (2) or at any later time within three years of the final determination of the amount of a Class 1A contribution by reference to which the amount of that penalty is to be ascertained.
- (4) For the purposes of paragraph (2), “the relevant monthly amount” in the case of a failure to make a return is—
- (a) where the number of earners in respect of whom particulars of the amount of any Class 1A contribution payable should be included in the return is 50 or less, £100; or
 - (b) where that number is greater than 50, £100 for each 50 such earners and an additional £100 where that number is not a multiple of 50.
- (5) The total penalty payable under paragraph (2)(a) shall not exceed the total amount of Class 1A contributions payable in respect of the year to which the return in question relates.
- (6) Any penalty imposed in accordance with this regulation shall be recoverable as if it were a Class 1A contribution which the employer is liable to pay to the Board under regulation 71.
- (7) A penalty imposed in accordance with this regulation shall be due and payable at the end of 30 days beginning with the date on which notice of the decision to impose it was issued.
- (8) The Board may, in their discretion, mitigate any penalty, or stay or compound any proceedings for any penalty, imposed in accordance with the provisions of this regulation, and may also, after judgment, further mitigate or entirely remit such a penalty.
- (9) For the purposes of this regulation a person shall be deemed not to have failed to have done anything required to be done within a limited time if he—
- (a) did it within such further time as the Board allowed; or
 - (b) had a reasonable excuse for the failure and if that excuse ceased, did it without unreasonable delay after that excuse ceased.

Application of the Management Act to penalties for failure to make a return and incorrect returns

82.—(1) Section 100 of the Management Act⁽⁴⁾ (determination of penalties by an officer of the Board) shall apply with any necessary modifications in relation to the determination of any penalty under regulation 81 as it applies to the determination of a penalty under the Taxes Acts.

(2) Section 100D⁽⁵⁾ of the Management Act (penalty proceedings before court) shall apply with any necessary modifications in relation to any proceedings for a penalty under regulation 81 as it applies to proceedings for a penalty under the Taxes Acts.

(4) Sections 100 to 100D were substituted for section 100 by section 167 of the Finance Act 1989. Section 100 was amended by paragraph 3(2) of Schedule 11 to the Finance Act 1990 (c. 29), paragraph 14 of Schedule 1 and Part I of Schedule 2 to S.I. 1994/1813, and paragraph 38 of Schedule 19 to the Finance Act 1998 (c. 36).

(5) Section 100D was amended by Article 2 of, and the Schedule to S.I. 1999/679.

(3) Section 104 of the Management Act (saving for criminal proceedings) shall apply with any necessary modifications in relation to the provisions of regulation 81 as it applies to the provisions of the Taxes Acts.

(4) Section 105 of the Management Act (evidence in cases of fraudulent conduct)(6) shall apply with any necessary modifications in respect of any proceedings for a penalty under regulation 81, or on appeal against the determination of such a penalty, as it applies in relation to any proceedings for a penalty, or on appeal against the determination of a penalty, under the Management Act.

(5) In this regulation—

“the Management Act” means the Taxes Management Act 1970(7); and

“the Taxes Acts” has the same meaning as in section 118(1) of the Management Act (interpretation)(8).

Set-off of Class 1A contributions falling to be repaid against earnings-related contributions

83.—(1) In the circumstance prescribed by paragraph (2), an amount in respect of a Class 1A contribution that falls to be repaid in accordance with these Regulations may be set off against liabilities under them to the extent prescribed in paragraph (3).

(2) The circumstance is that an employer has paid to the Board in accordance with regulations 70 to 82 an amount, in respect of Class 1A contributions, which he was not liable to pay.

(3) The extent of the set-off is that the employer shall be entitled to deduct the amount which he was not liable to pay in respect of Class 1A contributions from any payment in respect of secondary earnings-related contributions which he is subsequently liable to pay to a Collector under paragraph 10 or 11 of Schedule 4 for any income tax period in the same year.

(4) In this regulation “Collector”, “income tax period” and “year” have the meanings given in paragraph 1(2) of Schedule 4.

Special provisions relating to primary Class 1 contributions

84.—(1) Where by virtue of an arrangement authorised under regulation 68 an earner has agreed that, notwithstanding the provisions of paragraph 3(1) of Schedule 1 to the Act (method of paying Class 1 contributions), he himself will pay any primary Class 1 contribution payable in respect of earnings paid to or for his benefit in respect of an employed earner’s employment, the Board shall notify the secondary contributor in writing of the arrangement and of the period to which the arrangement relates (“the relevant period”).

(2) During the relevant period, paragraph 3(1) of Schedule 1 to the Act shall not apply to the secondary contributor unless and until the arrangement has been cancelled before the end of the period and the secondary contributor has been notified in writing of the cancellation.

Exception in relation to earnings to which regulation 84 applies

85.—(1) Where in any year an earner has earnings from more than one employed earner’s employment and the provisions of regulation 84—

(a) apply to the earnings paid in respect of at least one of those employments; and

(b) do not apply to the earnings paid in respect of at least one of those employments;

this regulation also applies.

(6) Section 105 was amended by sections 149(5) and 168(5) of the Finance Act 1989.

(7) 1970 c. 9.

(8) The definition was amended by paragraph 32(d) of Schedule 8 to the Development Land Tax Act 1976 (c. 24), Schedule 31 to the Taxes Act 1988 and paragraph 2(1) of Schedule 10 to the Taxation of Chargeable Gains Act 1992 (c. 12).

(2) If, in respect of any payment made in that year of earnings to which regulation 84 does not apply, the earner has paid by way of contributions a sum equal to at least the smaller of the two amounts specified in paragraph (3), he shall be excepted from liability to pay contributions in respect of any payment made in that year of earnings to which that regulation applies.

(3) The amounts referred to in paragraph (2) are—

- (a) 52 primary Class 1 contributions at the primary percentage payable on earnings at the upper earnings limit for that year; and
- (b) 12 primary Class 1 contributions at the primary percentage payable on earnings at the upper earnings limit for that year for persons paid monthly.

Special provisions relating to culpable employed earners and to secondary contributors or employers exempted by treaty etc., from enforcement of the Act or liability under it

86.—(1) As respects any employed earner’s employment—

- (a) where there has been a failure to pay any primary contribution which a secondary contributor is, or but for the provisions of this regulation would be, liable to pay on behalf of the earner and the failure was due to an act or default of the earner and not to any negligence on the part of the secondary contributor; or
- (b) where the secondary contributor is a person against whom, by reason of any international treaty or convention as mentioned in paragraph 30 of Schedule 4, the provisions of the Act are not enforceable and who is not willing to pay on behalf of the earner any contribution due in respect of earnings paid to or for the benefit of the earner in respect of that employment,

the provisions of paragraph 3(1) of Schedule 1 to the Act (method of paying Class 1 contributions) shall not apply in relation to that contribution.

(2) Where, as respects any employed earner’s employment the employer is a person who by reason of any such international treaty or convention is exempt from the provisions of the Act, he may, if he so wishes, pay contributions in respect of any earnings paid to or for the benefit of the earner in respect of the employment, or contributions under section 10 of the Act in respect of any car made available to the earner or to a member of his family or household by reason of the employment, in either case to the same extent to which he could have paid such contributions if he had not been so exempt.

(3) In this regulation “employer” has the same meaning as it has in paragraph 30 of Schedule 4.

Notification of commencement or cessation of payment of Class 2 or Class 3 contributions

87.—(1) Every person to whom paragraph (2) applies shall immediately notify the relevant date to the Board in writing or by such means of electronic communications as may be approved.

(2) This paragraph applies to a person who—

- (a) becomes, or ceases to be, liable to pay a Class 2 contribution;
- (b) becomes, or ceases to be, entitled to pay a Class 2 contribution although not liable to do so; or
- (c) is entitled to pay a Class 3 contribution and wishes either to do so or to cease doing so.

(3) If a person becomes liable to pay a Class 2 contribution and fails immediately to notify the Board in accordance with paragraph (1), he shall be liable to a penalty of £100.

This is subject to the qualification that a person shall be treated as having immediately notified the Board in accordance with paragraph (1) if he—

- (a) notifies the Board within such further time, if any, as the Board may allow;

- (b) has a reasonable excuse for not notifying the Board, and if that excuse ceases, notifies the Board without unreasonable delay after it ceases; or
 - (c) shows to the Board's satisfaction that his earnings met the conditions set out in regulation 45(1) for the purposes of section 11(4) of the Act⁽⁹⁾ throughout the period beginning on the date on which he became liable to pay a Class 2 contribution and ending on the date on which he notified the Board.
- (4) The penalty referred to in paragraph (3) shall be incurred—
- (a) in the case of a failure which first occurs on or after 30th April 2001 and continues throughout the period of three calendar months beginning with the first day of the calendar month following that in which he becomes liable to pay a Class 2 contribution, the date after the day on which that period ends; or
 - (b) in the case of a failure which first occurs on or after 6th April 2001 but before 30th April 2001 and continues throughout the period ending on 31st July 2001, 1st August 2001.
- (5) The penalty referred to in paragraph (3) may be imposed by a notice of decision by an officer of the Board under section 8(1)(k)(ii) of the Transfer Act within six years after the date on which the penalty is incurred in accordance with paragraph (4).
- (6) The penalty referred to in paragraph (3)—
- (a) shall be due and payable at the end of the period of 30 days beginning with the date of the issue of the notice of decision referred to in paragraph (5); and
 - (b) shall be recoverable as if it were a Class 2 contribution due and payable.
- (7) The Board may, in their discretion, mitigate or remit any penalty imposed under this regulation, or stay or compound any proceedings for the penalty.
- (8) In paragraph (1) “the relevant date” means, in relation to a person to whom—
- (a) paragraph (2)(a) applies, the date on which he commences or ceases to be a self-employed earner;
 - (b) paragraph (2)(b) or (c) applies, the date on which he wishes to commence or cease paying either Class 2 or Class 3 contributions, as the case may be.

Notification of change of address

88. A person liable to pay Class 2 contributions; or paying Class 2 contributions (although not liable to do so) or Class 3 contributions, shall immediately notify the Board of any change of his address in writing or by such means of electronic communications as may be approved.

Method of, and time for, payment of Class 2 and Class 3 contributions etc.

89.—(1) Where Class 2 or Class 3 contributions are payable by a person other than in accordance with arrangements approved under regulation 90, such contributions shall be paid in accordance with paragraph (2), (3) or (4), as the case may be.

(2) Where—

- (a) a person who is liable to pay a Class 2 contribution in respect of any contribution week in a contribution quarter has notified the Board of his liability in accordance with the provisions of regulation 87; and
- (b) the Board, within 14 days after the end of the contribution quarter in question, have issued him with written notice of the number of contribution weeks in that quarter, of the weekly rate at which the contribution is payable and of the date specified as the date of notification;

(9) Section 11(4) was amended by paragraph 12 of Schedule 3 to the Transfer Act and article 3 of [S.I. 2001/477](#).

that person shall pay to the Board the amount of contributions for which he is liable not later than 28 days after the specified date of notification.

(3) Where—

- (a) a person who is entitled although not liable to pay a Class 2 contribution, or who is entitled to pay a Class 3 contribution, in any year, has notified the Board of his entitlement in accordance with the provisions of regulation 87; and
- (b) the Board, within 14 days after the end of a contribution quarter which commences in that year, have issued him with written notice of the amount he may pay in respect of his entitlement in that quarter;

that person may, if he so wishes, pay to the Board a sum not exceeding that amount.

(4) Where—

- (a) paragraph (5) or (6) applies to a person; and
- (b) the Board have then, in respect of that person's liability for Class 2 contributions or entitlement to pay Class 2 or Class 3 contributions, issued or re-issued him, as the case may be, with written notice of the number of contribution weeks in respect of which the liability arises together with the weekly rate, and of the date specified as the date of notification, or, where he is entitled to pay contributions, of the amount of his entitlement;

that person shall, if he is liable to pay a contribution, pay the amount of contributions for which he is liable not later than 28 days after the specified date of notification and, if he is entitled to pay a contribution, he may pay a sum not exceeding the amount of his entitlement, to the Board.

(5) This paragraph applies to a person who—

- (a) has notified the Board in accordance with the provisions of regulation 87 that—
 - (i) he is liable to pay a Class 2 contribution in respect of one or more weeks in a contribution quarter, or
 - (ii) he is entitled although not liable to pay a Class 2 contribution, or is entitled to pay a Class 3 contribution, in a contribution quarter; and
- (b) has—
 - (i) not had written notice issued to him of the kind referred to in paragraph (2) in respect of that week or weeks, or of the kind referred to in paragraph (3) in respect of the amount of that contribution, and more than 14 days have elapsed since the end of the contribution quarter in question, or
 - (ii) notified the Board in accordance with regulation 87 that he has ceased to be liable to pay Class 2 contributions or ceased to be entitled to pay Class 2 or Class 3 contributions, as the case may be.

(6) This paragraph applies to a person—

- (a) to whom a written notice of the kind referred to in paragraph (2), (3) or (4) has been issued and who has informed the Board immediately—
 - (i) that the notice he received has since been lost, destroyed or defaced, or
 - (ii) that he disputes the amount of contributions which he is liable or entitled to pay in the contribution quarter in question; or
- (b) who has notified the Board not later than 28 days after the end of the contribution quarter in question that he has not received such a notice.

(7) In this regulation “contribution quarter” means one of the four periods of not less than 13 contribution weeks commencing on the first day of the first, fourteenth, twenty-seventh or fortieth contribution week, as the case may be, in any year.

Arrangements approved by the Board for method of, and time for, payment of Class 2 and Class 3 contributions

90.—(1) The Board may from time to time approve arrangements under which contributions are paid at times or in a manner different from those prescribed by regulation 89.

This is subject to paragraphs (2) to (4).

(2) When granting approval under paragraph (1), the Board may impose such conditions as they see fit.

(3) The Board may, in particular, grant approval under paragraph (1) if, as respects any year in which a person is both an employed earner and a self-employed earner, the condition in paragraph (4) is satisfied.

(4) The condition is that the Board are satisfied that the total amount of primary Class 1 contributions likely to be paid by or in respect of that person in respect of that year will exceed the maximum amount prescribed in regulation 21 for that year.

(5) The provisions of these Regulations shall, subject to the provisions of the arrangements, apply to the person affected by the arrangements.

(6) Where in respect of an earner arrangements are approved under paragraph (1) for payment of contributions by way of direct debit of a bank, those arrangements shall be subject to the condition that any payment by way of direct debit on account of such contributions after the authority of the bank to make such payment has for any reason ceased to be effective, shall not be a payment of contributions for the purposes of the Act.