

Statutory Document No. 2020/0154



*Social Security Act 2000*

## **SOCIAL SECURITY CONTRIBUTIONS AND BENEFITS ACT 1992 (APPLICATION) (AMENDMENT) (NO.2) ORDER 2020**

*Approved by Tynwald: 17<sup>th</sup> March 2020  
Coming into Operation in accordance with article 2*

The Treasury makes the following Order under section 1(1) of the Social Security Act 2000<sup>1</sup>.

### **1 Title**

This Order is the Social Security Contributions and Benefits Act 1992 (Application) (Amendment) (No.2) Order 2020.

### **2 Commencement**

If approved by Tynwald<sup>2</sup>, this Order comes into operation on the day after it is approved.

### **3 Amendment of the Social Security Contributions and Benefits Act 1992<sup>3</sup>**

(1) The Social Security Contributions and Benefits Act 1992 as applied to the Island by the Social Security Contributions and Benefits Act 1992 (Application) Order 1994 is amended as follows.

(2) In this article a reference to a section is a reference to the section of that Act as it applies as part of the law of the Island by virtue of that Order.

(3) In section 9<sup>4</sup> —

(a) for subsection (2) substitute—

■ (2) For the purposes of this Act the secondary percentage—

(a) except in relation to paragraphs (b) and (c) is 12.8%;

<sup>1</sup> 2000 c.5.

<sup>2</sup> Tynwald approval is required by section 2(1) of the Social Security Act 2000.

<sup>3</sup> 1992 c.4 as applied to the Island by SD 505/94.

<sup>4</sup> Section 9(2) was substituted by SD 56/12.

- (b) in relation to excepted earnings is nil; and
  - (c) in relation to a relevant sector is nil for the relevant period, but subject to subsection (4). **22**;
- (b) after subsection (3) insert—
- 23** (4) If a contribution decision maker is satisfied that a secondary contributor has followed or is following a practice in the payment of earnings which is abnormal for the employment in question—
- (a) the contribution decision maker may direct that contributions at 12.8% are payable on the whole or any part of the payment as would be payable if subsection (2)(c) had not applied; and
  - (b) contributions of an amount determined in accordance with that direction shall be due and payable.
- (5) For the purposes of subsection (2)(c)—
- “relevant period” means March 2020, due and payable on 19 April 2020;
- “relevant sector” means any sector of business in the Island specified in a notice published by the Treasury and laid before Tynwald. **24**.

**MADE 16 MARCH 2020**

**AL CANNAN**  
*Minister for the Treasury*

*EXPLANATORY NOTE*

*(This note is not part of the Order)*

This Order amends section 9 of the Social Security Contributions and Benefits Act 1992, as it applies to the Island, by introducing a provision to reduce secondary Class 1 Contributions for relevant sectors (which are to be specified in a notice to be published and laid before Tynwald) for the contribution month of March 2020 and which would otherwise be due and payable by 19 April 2020.

The Order also includes anti-avoidance provisions.