



Jersey

## **SOCIAL SECURITY (MISCELLANEOUS PROVISIONS) (JERSEY) ORDER 2011**

### **Arrangement**

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#### **Article**

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## **SOCIAL SECURITY (MISCELLANEOUS PROVISIONS) (JERSEY) ORDER 2011**

*Made**30th September 2011**Coming into force**1st October 2011*

**THE MINISTER FOR SOCIAL SECURITY**, in pursuance of Articles 5, 7, 8, 10, 11, 46 and 51 of the Social Security (Jersey) Law 1974<sup>1</sup>, orders as follows –

### **1 Social Security (Classification) (Jersey) Order 1974 amended**

In paragraph 14 of Schedule 1 to the Social Security (Classification) (Jersey) Order 1974<sup>2</sup> for the words “are less than the lower threshold level in any particular month” there shall be substituted the words “are, in any particular month, less than the lower monthly earnings limit specified in paragraph 2 of Schedule 1A to the Law”.

### **2 Social Security (Collection of Contributions) (Jersey) Order 2001 amended**

- (1) In this Article, a reference to an Article or other sub-division of an enactment by number only is a reference to the Article or other sub-division of that number in the Social Security (Collection of Contributions) (Jersey) Order 2001<sup>3</sup>.
- (2) In Article 1, in the definition “Department”, the words “Employment and” shall be deleted.
- (3) For Article 2(4), (5) and (6) there shall be substituted the following paragraphs –
  - “(4) If it is issued to a person who is liable for contributions, it shall have the letters FR1 printed on it.
  - (5) If it is issued to a person who is not liable for contributions, it shall have the letters XR1 printed on it.
  - (6) A registration card shall otherwise be in such form as the Minister directs.”.
- (4) For Article 2(8) there shall be substituted the following paragraph –

- “(8) An insured person who possesses a registration card with the letters XR1 printed on it and who becomes liable for contributions must, within 7 days of becoming so liable, apply to the Department to exchange the card for a registration card with the letters FR1 printed on it.”
- (5) For Article 8(6) there shall be substituted the following paragraph –
- “(6) However an employer must not deduct –
- (a) from any one payment of earnings an amount that is more than the amount of the primary Class 1 contributions payable by the employee in respect of the earnings; or
  - (b) a total amount in any month that exceeds the maximum primary Class 1 contributions payable by the employee in respect of the earnings for that month.”
- (6) In Article 10(9) and (10) for the words “earnings limit” there shall be substituted the words “standard monthly earnings limit”.
- (7) For Article 11(7) there shall be substituted the following paragraph –
- “(7) Except as provided by paragraph (9), a Class 2 insured person may, on making an application in accordance with paragraph (8), pay reduced rate Class 2 contributions in any year for the period from –
- (a) 1st January, if the application is made on or before 15th June in the same year;
  - (b) 1st April, if the application is made on or before 15th September in the same year;
  - (c) 1st July, if the application is made on or before 15th December in the same year; or
  - (d) 1st October, if the application is made on or before 15th March in the following year,
- to the end of the year.”
- (8) In Article 11(8) the words “To do so” shall be deleted.
- (9) For Article 11(9) there shall be substituted the following paragraph –
- “(9) Paragraph (7) does not apply to a person unless –
- (a) the total income of the person for the relevant income tax year of assessment does not exceed, by more than one third, the annual equivalent of the standard monthly earnings limit for Class 2 contributions for the year to which the application relates; and
  - (b) the earnings of the person for the relevant income tax year of assessment are not less than the annual equivalent of the lower monthly earnings limit for Class 2 contributions for the year to which the application relates.”
- (10) For Article 11(12) there shall be substituted the following paragraph –
- “(12) A Class 2 insured person who would otherwise be liable to pay full rate Class 2 contributions in any year and who makes an application in accordance with paragraph (8) is excepted from the

liability to do so for the period described in paragraph (7) if the person's total income for the relevant income tax year of assessment is not more than two thirds of the annual equivalent of the standard monthly earnings limit for Class 2 contributions for the year to which the application relates."

### **3 Social Security (Contributions) (Jersey) Order 1975 amended**

- (1) In this Article, a reference to an Article or other sub-division of an enactment by number only is a reference to the Article or other sub-division of that number in the Social Security (Contributions) (Jersey) Order 1975<sup>4</sup>.
- (2) In Article 1(1) after the words "Class 1 contributions shall be credited" there shall be inserted the words "in accordance with Article 15".
- (3) In Articles 6(2) and 6A(2) for the words "Article 14" there shall be substituted the words "Article 15".
- (4) For Article 8(3) there shall be substituted the following paragraph –
  - "(3) The contribution payable under paragraph (2) shall be the full rate Class 2 contribution applicable at the date of payment in relation to the person."
- (5) For Article 12(5) there shall be substituted the following paragraph –
  - "(5) In this Article, 'specified amount' means an amount equal to the sum of the yearly equivalent of the standard rate of benefit and the yearly equivalent of the monthly full rate Class 2 contribution."
- (6) In Article 15 –
  - (a) for paragraph (1) there shall be substituted the following paragraph –
    - "(1) The amount of a Class 1 contribution credited to an insured person under any of the foregoing provisions of this Order for any complete month shall be the sum of the primary and secondary Class 1 contributions payable in respect of earnings equal to the standard monthly earnings limit for that month.";
  - (b) in paragraph (2) for the words "flat rate Class 2 contribution" there shall be substituted the words "full rate Class 2 contribution";
  - (c) for paragraph (4) there shall be substituted the following paragraphs –
    - "(4) Notwithstanding the foregoing provisions of this Order, contributions shall not be credited for any month in respect of a Class 1 insured person whose earnings for that month equal or exceed the standard monthly earnings limit.
    - (5) Where the contributions paid in respect of a Class 1 insured person for any month are less than the amount described in paragraph (1) for that month, contributions credited shall be limited to the shortfall between the contributions paid and the amount described in paragraph (1)."

(7) For Article 19(1) there shall be substituted the following paragraph –

“(1) Subject to paragraph (2), where the primary Class 1 contributions paid to the Minister in respect of the monthly earnings of a Class 1 insured person exceed the amount required by Schedule 1A to the Law, the Minister shall repay the excess to that insured person.”

**4 Social Security (Earnings Limit) (Jersey) Order 2010 revoked**

The Social Security (Earnings Limit) (Jersey) Order 2010<sup>5</sup> is revoked.

**5 Social Security (Residence and Persons Abroad) (Jersey) Order 1974 amended**

In Article 4(2)(a) of the Social Security (Residence and Persons Abroad) (Jersey) Order 1974<sup>6</sup> for the words “a flat rate Class 2 contribution” there shall be substituted the words “a full rate Class 2 contribution”.

**6 Citation and commencement**

This Order may be cited as the Social Security (Miscellaneous Provisions) (Jersey) Order 2011 and shall come into force on 1st October 2011.

**DEPUTY I.J. GORST OF ST. CLEMENT**

*Minister for Social Security*

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- 1 *chapter 26.900*
  - 2 *chapter 26.900.08*
  - 3 *chapter 26.900.12*
  - 4 *chapter 26.900.24*
  - 5 *R&O.103/2010 (chapter 26.900.34)*
  - 6 *chapter 26.900.78*