



Jersey

## **SOCIAL SECURITY (AMENDMENT OF LAW No. 3) (JERSEY) REGULATIONS 2012**

*Made*

*8th November 2012*

*Coming into force*

*1st January 2013*

**THE STATES**, in pursuance of Article 50 of the Social Security (Jersey) Law 1974<sup>1</sup>, have made the following Regulations –

### **1 Article 9A of the Social Security (Jersey) Law 1974 substituted**

For Article 9A of the Social Security (Jersey) Law 1974<sup>2</sup> there shall be substituted the following Article –

#### **“9A Contributions by States to supplementation**

- (1) The amount required by Article 4(3) to be paid into the Social Security Fund shall be determined annually, for 2013 and ensuing years, in accordance with this Article.
- (2) Where the year is the first year of a medium term financial plan, the amount to be paid for the year shall be the product of the following formula –

$$(A - B) \times (1 + C)^2$$

Where –

- (a) A is the total amount required, for the base year, for the purpose of supplementing contributions in accordance with Article 9, reported in the accounts prepared in accordance with Article 30(4);
- (b) B is –
  - (i) for the purpose of determining the amount payable in 2013, £6,900,000;
  - (iii) for the purpose of determining the amount payable for any subsequent first year of a medium term financial plan, the aggregate of the following amounts –
    - (A) the Class 1 secondary contributions paid for the base year in accordance with paragraph 3(2)(c) of Schedule 1A,

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- (B) the full rate Class 2 contributions paid for the base year in accordance with paragraph 3(c) of Schedule 1B, and
- (C) the reduced rate Class 2 contributions paid for the base year in accordance with paragraph 4(c) of Schedule 1B,
- as those amounts are reported in the accounts prepared in accordance with Article 30(4); and
- (c) C is the percentage rise or fall in the Jersey Index of Earnings in the base year.
- (3) If B is equal to or greater than A, no money is required to be paid for the year.
- (4) Where the year is the second or any subsequent year of a medium term financial plan, the amount to be paid shall be the product of the following formula –
- $$D \times (1 + C)$$
- Where –
- (a) D is the amount paid under this Article for the preceding year; and
- (b) C is the percentage rise or fall in the Jersey Index of Earnings in the base year.
- (5) The amount to be paid under this Article for a year may be paid in a lump sum or in instalments, and at such time or times, as the Minister determines.
- (6) In this Article –
- ‘base year’ means the year 2 years before the first year of a medium term financial plan;
- ‘first year of a medium term financial plan’ means the first financial year to which a medium term financial plan relates, and references to the second or any subsequent year of a medium term financial plan shall be construed accordingly;
- ‘medium term financial plan’ means a plan prepared in accordance with Article 7(1) of the Public Finances (Jersey) Law 2005<sup>3</sup> and approved by the States.”.

## 2 Citation and commencement

These Regulations may be cited as the Social Security (Amendment of Law No. 3) (Jersey) Regulations 2012 and shall come into force on 1st January 2013.

**L.-M. HART**

*Assistant Greffier of the States*

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- <sup>1</sup> *chapter 26.900*  
<sup>2</sup> *chapter 26.900*  
<sup>3</sup> *chapter 24.900*