

3 Offshore employers to be secondary contributors in certain circumstances

- (1) In section 1 of the Social Security Contributions and Benefits Act 1992 (outline of contributory system), in subsection (6), for “No” substitute “Subject to section 1A, no”.

- (2) After that section insert—

“1A Residence or presence in Great Britain: further provision

- (1) This section applies in relation to a person (“A”) if, apart from this section, section 1(6)(a) would prevent A from being liable to pay Class 1 contributions in relation to the employment of an employed earner (“B”).
- (2) If the following condition is met, section 1(6)(a) does not prevent A from being so liable so long as section 1(6)(a) does not prevent B from being so liable.
- (3) The condition is that—
- (a) B works for another person (“C”), who is not B’s employer, in the course of the employment, and
 - (b) C is resident or present or has a place of business in the United Kingdom.
- (4) For the purposes of subsection (3)(a), B “works for” C if B provides, or is involved in the provision of, services to C (whether or not B gives, or is under an obligation to give, personal service to C).
- (5) If the following condition is met, section 1(6)(a) does not prevent A from being liable to pay Class 1A contributions in relation to the employment for a tax year.
- (6) The condition is that, as a result of subsection (2), section 1(6)(a) does not prevent A from being liable to pay Class 1 contributions in relation to the employment at a time during the tax year.
- (7) For the purpose of determining under this section whether or not section 1(6)(a) prevents a person from being liable to pay Class 1 contributions, it is irrelevant that the person is prevented from being so liable for a reason other than the application of section 1(6)(a).
- (8) The Treasury may by regulations provide that this section does not apply if prescribed conditions are met.”
- (3) In section 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, in subsection (6), for “No” substitute “Subject to section 1A, no”.
- (4) After that section insert—

“1A Residence or presence in Northern Ireland: further provision

- (1) This section applies in relation to a person (“A”) if, apart from this section, section 1(6)(a) would prevent A from being liable to pay Class 1 contributions in relation to the employment of an employed earner (“B”).

-
- (2) If the following condition is met, section 1(6)(a) does not prevent A from being so liable so long as section 1(6)(a) does not prevent B from being so liable.
 - (3) The condition is that—
 - (a) B works for another person (“C”), who is not B’s employer, in the course of the employment, and
 - (b) C is resident or present or has a place of business in the United Kingdom.
 - (4) For the purposes of subsection (3)(a), B “works for” C if B provides, or is involved in the provision of, services to C (whether or not B gives, or is under an obligation to give, personal service to C).
 - (5) If the following condition is met, section 1(6)(a) does not prevent A from being liable to pay Class 1A contributions in relation to the employment for a tax year.
 - (6) The condition is that, as a result of subsection (2), section 1(6)(a) does not prevent A from being liable to pay Class 1 contributions in relation to the employment at a time during the tax year.
 - (7) For the purpose of determining under this section whether or not section 1(6)(a) prevents a person from being liable to pay Class 1 contributions, it is irrelevant that the person is prevented from being so liable for a reason other than the application of section 1(6)(a).
 - (8) The Treasury may by regulations provide that this section does not apply if prescribed conditions are met.”
- (5) Any power conferred on the Treasury by virtue of this section to make regulations comes into force on the day on which this Act is passed.
 - (6) So far as not already brought into force by subsection (5), the amendments made by this section come into force on 6 April 2014.