

Liability to pay contributions

Article 3(1) of the Law provides that all persons who are of school leaving age and satisfy the conditions of residency in Jersey are liable to pay contributions. These are referred to as insured persons;

'(1) Subject to the provisions of this Law, every person who immediately before the appointed day was an insured person under the Law of 1950, and every person

who has attained school leaving age on, or who attains school leaving age after, the appointed day and who fulfils such conditions as to residence in Jersey as may be prescribed, shall become insured under this Law and thereafter continue throughout his or her life to be so insured.'

Article 3(2) of the Law then stipulates that there are two classes of insured persons; Class 1 – employed persons and Class 2 for anyone not in Class 1;

'(2) For the purposes of this Law, insured persons shall be divided into the following 2 classes –

(a) Class 1, which shall comprise employed persons, that is to say, persons gainfully occupied in employment in Jersey under a contract of service; and

(b) Class 2, which shall comprise persons not in Class 1.

Hereafter in this Law any employment by virtue whereof an insured person is an employed person is referred to as an "employed person's employment".

Article 11 of the Law then makes provision for an Order to be made excepting insured persons from liability to pay contributions and the crediting of contributions in specified circumstances;

'(1) Provision may be made by Order for excepting insured persons otherwise liable for contributions of any class from such liability for such periods and in such circumstances as may be prescribed.

(2) An Order made under paragraph (1) shall not except a person from liability to pay contributions otherwise than on his or her own application, but may provide for so excepting a person with effect from the day the person's application is made or a day that is earlier or later than that day.[41]

(3) Provision may be made by Order for the crediting of contributions of any class to an insured person for the purpose of safeguarding future entitlement to benefit (whether his or her own or another person's entitlement) but not so as to cause so much of his or her contributions as are payable into the Social Security Fund to exceed the standard contribution.'

Article 25 of the law covers entitlement to an old age pension. Article 25(1A) and (1B) relate specifically to a person's ability to claim a reduced old age pension from a date earlier than their pensionable age;

'(1A) Subject to the provisions of this Law, a person shall be entitled to a reduced old age pension if –

(a) the person is over the reduced pension age specified in the person's case in Schedule 1AA;

(b) the person satisfies the relevant contribution conditions; and

(c) the person elects, in the prescribed manner, to take a reduced old age pension under this paragraph.

(1B) An election under paragraph (1A) shall be irrevocable, and a person who becomes entitled to a reduced old age pension under that paragraph shall not be entitled to any increase in that pension by reason of subsequently attaining pensionable age.'

Article 47 of the Law provides for an Order to be made excepting a class 2 insured person nearing pensionable age from liability to pay a class 2 contribution dependent on that person reaching a specified age.

'(1) Provision may be made by Order for excepting Class 2 insured persons who so elect, and who have attained the Class 2 contribution exception age specified in the person's case in Schedule 1AA and satisfy such other conditions as may be prescribed, from liability to pay Class 2 contributions otherwise payable under this Law.

(2) A person who has been excepted from liability to pay Class 2 contributions by virtue of paragraph (1) and who subsequently ceases to be so excepted shall not be entitled to pay Class 2 contributions in respect of any period during which he or she was so excepted.'