



Inland
Revenue

Class 2 and Class 3

National Insurance contributions

Direct Debit the easier way to pay



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Application to pay National Insurance contributions by Direct Debit (form CF351N)	

Introduction

This leaflet is for people who wish to pay Class 2 (self-employed) or Class 3 (voluntary) National Insurance contributions by Direct Debit. **We regret the facility to pay by Direct Debit is not available to share fishermen.**

Direct Debit has many advantages:

The majority of self-employed customers (over 1.5 million) have already chosen this method.

it is easy to set up - just fill in the application form attached to this leaflet and send it to us. You will need a suitable account at a Bank or Building Society.

it runs automatically - once set up, your Direct Debit will run automatically.

it helps your budgeting - for people in business good cashflow and budgeting are essential. Direct Debit means that you have to plan for only one monthly payment in arrears.

it gives you peace of mind - payments are made on time, every time. So there is no risk of losing benefit because you forgot to pay.

The Direct Debit Guarantee



- This guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the scheme is monitored and protected by your own Bank or Building Society.
- If the amounts to be paid or the payment dates change, the Inland Revenue National Insurance Contributions Office will notify you 10 working days in advance of your account being debited or as otherwise agreed.
- If an error is made by the Inland Revenue National Insurance Contributions Office or your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.
- You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to us.

Your National Insurance number

Your National Insurance number is personal to you. It is your account number for all dealings with the Inland Revenue, Department for Work and Pensions and in Northern Ireland the Department for Social Development office. It is where we record all your National Insurance contributions and credits and looks something like this: AB123456C.

If you work for an employer, tell your employer your National Insurance number as soon as you start work so that all the contributions paid by, or treated as being paid by you can be recorded on your National Insurance account. If your employer does not have the right National Insurance number for you this can affect your contribution record and delay payment of benefit.

If you are self-employed you will need your National Insurance number when you fill in your notification of self-employment.

You should also quote your National Insurance number on any letter or form you send to any Inland Revenue office, Department for Work and Pensions office or, in Northern Ireland, the Department for Social Development office.

To help you remember your National Insurance number we can give you a plastic National Insurance number card. This card is usually issued automatically just before a person's 16th birthday or after they apply to be registered for National Insurance. The card is not proof of identity and must not be used by anyone else.

If you do not know, or have lost your National Insurance number, there are several ways to find it. For example: P60 end of year statement of tax and National Insurance, wages slips and official correspondence. If you are still unable to locate your number you should contact your nearest Inland Revenue (National Insurance Contributions) office, Department for Work and Pensions office or Department for Social Development office in Northern Ireland.

If you do not have a National Insurance number, you should contact your nearest Department for Work and Pensions office or Department for Social Development in Northern Ireland and ask for an appointment to be interviewed for a National Insurance number. Even if you are working part-time or earning a low wage, perhaps too low to pay National Insurance contributions, you must still apply for a National Insurance number. The law requires you to do this.

At the interview you will have to be able to prove your identity so, when your interview date is arranged, you will be advised what information or evidence you will need to take with you. If you do not have any documents to support your identity, you must still go for an interview. The interviewing officer may be able to establish your identity from information you provide at the interview. You can find out more about the types of documents you should provide to help establish your identity in leaflet GL 25 *How to prove your identity for social security*. Further details are also in leaflet GL31 *Applying for a National Insurance (NI) number*. Both leaflets are available from any Department for Work and Pensions office.

If you change your address, forename(s), surname or title, let your nearest Inland Revenue (National Insurance Contributions) office or Department for Work and Pensions office or, in Northern Ireland, Department for Social Development know as soon as possible.

If your National Insurance account is not kept up to date, there may be a delay when you claim any benefit.

Paying by Direct Debit

If you are self-employed

When you start working for yourself you must notify the Inland Revenue within 3 months, otherwise you may incur a £100 penalty. If you do not register and are not paying tax, you will be breaking the law and could be liable to further

penalties. You can notify the Inland Revenue in one of the following ways:

- call the Helpline for the Newly Self-Employed on 08459 15 45 15. Open 8am to 8pm Monday to Friday and 8am to 4pm Saturday and Sunday. Calls will be charged at local rates. Please note your calls may be monitored or recorded to improve the quality of our service. If you do not want your call to be recorded, please tell the operator. These procedures comply with the OFTEL regulations
- fill in form CWF1 *Becoming self-employed and registering for Class 2 National Insurance contributions*, which can be found within leaflet P/SE/1 *Thinking of working for yourself?* Either return the form by post to **Inland Revenue, National Insurance Contributions Office, Self Employment Services, Benton Park View, Newcastle upon Tyne, NE98 1ZZ**

or

- take the completed form CWF1 to your nearest Inland Revenue office.

Form CWF1 can be found within leaflet P/SE/1 which is available from any Inland Revenue office or by calling the Helpline for the Newly Self-Employed on 08459 15 45 15.

If you have already let us know that you are self-employed and are currently paying Class 2 National Insurance contributions by Quarterly Bills, fill in the application form at the back of the leaflet and return it to the Inland Revenue at the address above.

If you are self-employed but are not currently paying Class 2 National Insurance contributions by Quarterly Bills contact Self Employment Services at the address or telephone number above.

If you are not self-employed

If you are **not self-employed** and wish to pay voluntary Class 3 National Insurance contributions

- fill in the application form at the back of this leaflet, and
- return it with the completed form CA5603 to your nearest Inland Revenue (National Insurance Contributions) office.

If you do not have form CA5603, please contact your nearest Inland Revenue (National Insurance Contributions) office.

How will payments be made?

As soon as we receive your completed Direct Debit application form, we will contact your Bank or Building Society to make all the necessary arrangements. Payments will then be made automatically from your account for as long as you wish.

If you are changing from Quarterly Bills to Direct Debit, your contributions will normally be collected by Direct Debit from the Sunday of the week in which you signed the form, or later if this week is already covered by a Quarterly Bill. You should pay your Quarterly Bill in the usual way. Although we will act at once to set up your Direct Debit, it may take some weeks before the first contributions are collected from your account. We will write to you to tell you when your contributions will be collected. Please ensure that you have enough funds in your account to meet these payments.

After that, payment will cover either four or five week contributions depending on the number of Sundays in the preceding tax month (the tax month ends on the 5th of each month).

Payments will normally be made from your account on the second Friday of each month. A regular check of your Bank/Building Society statement will reassure you that payments have been made correctly.

What happens if you are ill?

You do not have to pay contributions for complete weeks (Sunday to Saturday) when you are ill. If you want to be credited with contributions for these weeks you **must** claim Incapacity Benefit. We will reduce your Direct Debit payments to take account of your sickness as quickly as possible. If your Direct Debit payments do not restart, please let us know immediately. For more details see leaflet IB 202 *Incapacity Benefit - Information for new customers*, available from a Jobcentre Plus or social security office.

You must pay contributions for any part week of illness.

What happens if you change to another Bank or Building Society?

Please tell us if you change your Bank or Building Society (you do not need to tell us if you are only changing branches of the same Bank or Building Society). You will have to fill in another Direct Debit application form because Direct Debits cannot be transferred between different Banks or Building Societies.

What happens if you cease self-employment?

Please let us know your self-employment has ended before you cancel your Direct Debit at the Bank or Building Society.

What happens if your earnings are low?

If your earnings from self-employment are low, you can apply for exception from paying Class 2 contributions. For more details see leaflet CA 02 National Insurance contributions for self-employed people with small earnings, available from **Inland Revenue, National Insurance Contributions Office, Self Employment Services, Customer Accounts Section, Benton Park View, Newcastle upon Tyne, NE98 1ZZ**, or from your nearest Inland Revenue (National Insurance Contributions) office.

For more information and advice

If you want more information and advice about paying your contributions by Direct Debit, you can ring the Self Employment Services Contact Centre on **08459 15 46 55**. The Contact Centre is open between 8.00am and 5.00pm Monday to Friday. Calls will be charged at local rates.

Or you can write to **Inland Revenue, National Insurance Contributions Office, Self Employment Services, Customer Accounts Section, Benton Park View, Newcastle upon Tyne, NE98 1ZZ**.

For more information about Class 2 and Class 3 contributions see the following leaflets, available from your nearest Inland Revenue (National Insurance Contributions) office:

- | | |
|--------------|---|
| CA 02 | National Insurance contributions for self-employed people with small earnings |
| CA 07 | National Insurance contributions - unpaid and late paid contributions |
| CA 08 | Voluntary National Insurance contributions |

CWL2 National Insurance contributions for self-employed people. Class 2 and Class 4.

The following leaflet is available from your nearest Department for Work and Pensions office:

GL23 Social Security benefit rates.

Customers with alternative requirements

We will do everything possible to make our services available to everyone, including leaflets in Braille, audio, large print and Welsh. For details of any of these services, or if you have any other specific requirements please let us know.

If you are unhappy with our service

If you are unhappy with any aspect of the service you have received from an Inland Revenue (National Insurance Contributions) office, you should complain to the manager of the office you have been dealing with.

Data Protection

The Inland Revenue is a Data Controller under the Data Protection Act. We hold information for the purposes specified in our notification made to the Data Protection Commissioner, and may use this information for any of them.

We may get information about you from others, or we may give information to them. If we do it will only be as the law permits, to check accuracy of information, prevent or detect crime, protect public funds.

We may check information we receive about you with what is already in our records. This can include information provided by you as well as by others such as other government departments and agencies and overseas tax authorities. We will not give information about you to anyone outside the Inland Revenue unless the law permits us to do so.

This leaflet gives general guidance only and should not be treated as a complete and authoritative statement of the law.

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Our address is: www.inlandrevenue.gov.uk

Application to pay National Insurance contributions by Direct Debit

FOR OFFICIAL USE ONLY

1st request from bank	<input type="text"/>	CA5603 completed	Yes <input type="checkbox"/> No <input type="checkbox"/>	Start date - a Sunday	LO Serial number
CA2347 issued	<input type="text"/>	QB started	<input type="text"/>	<input type="text"/>	<input type="text"/>

<p>1 Are you currently paying by Quarterly Bill</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If not, is this a new application to pay</p> <p><input type="checkbox"/> self-employed Class 2 contributions</p> <p><input type="checkbox"/> voluntary Class 3 contributions</p> <p>2 National Insurance number</p> <p>Letters Numbers Letter</p> <p><input type="text"/> <input type="text"/></p> <p>3 Surname and first two initials</p> <p><input type="text"/> <input type="text"/> <input type="text"/></p> <p>4 Title (ie, Mr, Mrs, Miss, Ms)</p> <p><input type="text"/></p> <p>5 Date of birth</p> <p><input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 1 9 <input type="text"/> <input type="text"/></p> <p>6 Address</p> <p><input type="text"/> *</p> <p><input type="text"/> *</p> <p><input type="text"/> *</p> <p><input type="text"/> *</p> <p>Postcode #</p> <p>7 Daytime telephone number (including national dialling code)</p> <p>National dialling code <input type="text"/> Telephone number <input type="text"/></p>	<p>8 Your Bank/Building Society sort code</p> <p><input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/></p> <p>9 Your Bank or Building Society account number</p> <p><input type="text"/> <input type="text"/></p> <p>10 Name(s) of account holder(s)</p> <p><input type="text"/></p> <p>11 <input type="checkbox"/> If self-employed enter 2 in this box. If NOT enter 3. If self-employed fill in parts 12 and 13. If NOT self-employed leave parts 12 and 13 blank Complete the mandate below in all cases</p> <p>12 The name of your business</p> <p><input type="text"/> *</p> <p>13 The address of your business. Fill this in even if your home and business address are the same</p> <p><input type="text"/> *</p> <p><input type="text"/> *</p> <p><input type="text"/> *</p> <p><input type="text"/> *</p> <p>Postcode # <input type="text"/></p>
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CF351N

----- Do not detach -----



Please fill in the whole form and send to:
 Inland Revenue
 National Insurance Contributions Office
 Self Employment Services, Application Processing Centre,
 Benton Park View, Newcastle upon Tyne NE98 1ZZ

Instruction to your Bank or Building Society to pay by Direct Debit



Name(s) of Account Holder(s)

Bank/Building Society account number

Bank Sort Code

Name and full postal address of your Bank or Building Society

To: The Manager	Bank/Building Society
Address	
<input type="text"/>	
Postcode	
<input type="text"/>	

Originator's Identification Number

9 9 1 1 3 3

Reference number (National Insurance number)

Instruction to your Bank or Building Society
 Please pay The Inland Revenue National Insurance Contributions Office Direct Debits from the account detailed in this instruction, subject to the safeguards assured by the Direct Debit Guarantee. I understand that this instruction may remain with The Inland Revenue National Insurance Contributions Office and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date

Banks and Building Societies may not accept Direct Debit instructions for some types of account