



# Wealden Field

## Tax Advisers

31 December 2025

### Proposed Voluntary National Insurance Changes Affecting UK Missionaries Overseas

#### Purpose of this note

This note explains the proposed changes to voluntary National Insurance contributions (NIC) for people living overseas as announced in the recent Budget. It sets out the current rules, what is expected to change from April 2026, and some practical implications.

**Note that this note is based on the limited information published by the UK Government as at 31 December 2025. The legislation has not yet come into force and draft legislation for the changes has not yet been published. Therefore, the final position could differ from that described below. This note will be updated as required in due course.**

#### Current voluntary NIC options (up to 5 April 2026)

##### **Voluntary Class 2**

This option is available where all of the following apply to the individual:

- employed or self-employed in the UK immediately before leaving the UK;
- working while abroad (either employed or self-employed)
- non-resident but previously either
  - UK resident 3 years in a row (at any time) or
  - paid at least 3 years of NIC.

##### **Volunteer Development Worker (VDW) Class 2**

There is a special category within Class 2 for Volunteer Development Workers, which is helpful to missionaries who are employed rather than self-employed and do not meet the standard voluntary Class 2 eligibility above. It applies where:

- the individual is sent to work overseas as an employee of an HMRC-approved charity or organisation;
- the work is carried out in a country recognised as a developing country; and
- the individual is ordinarily resident in the UK.

##### **Voluntary Class 3**

Voluntary Class 3 NIC do not depend on working overseas but are significantly more expensive than Class 2.

To be eligible individuals currently need to have either

- been UK resident 3 years in a row at some point, or
- paid at least 3 years of NIC.

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## **Proposed changes from 6 April 2026 announced in the Autumn Budget 2025**

### **Removal of Class 2 for overseas periods**

For tax years commencing on or after 6 April 2026, individuals will no longer be able to pay voluntary Class 2 NIC for time abroad.

There has been no specific announcement regarding VDW Class 2 contributions so the current working assumption is that they will be abolished.

### **New eligibility criteria for Class 3 (new applicants)**

New applicants applying to pay Class 3 from April 2026 must either

- have lived in the UK for 10 consecutive years at some point; or
- have paid UK NIC for at least 10 years while living in the UK.

### **Impact on missionaries**

- All Class 2 and Class 3 contributions paid for periods before 6 April 2026 remain valid. Qualifying years already built up are not affected by the change.
- Missionaries who previously qualified for Class 2 will face much higher costs if they pay Class 3.
- Missionaries who grew up in the UK should be eligible for Class 3 contributions.
- Those already paying Class 3 NIC should be able to continue unaffected by the new rules.
- Missionaries who do not meet either of the new 10-year criteria may be unable to pay any voluntary NIC at all from abroad after April 2026, meaning no further qualifying years can be built up without returning to the UK.

### **Actions to consider**

Missionaries may wish to

- Consider contacting MPs to point out the adverse effect of the proposed changes on missionaries and charity workers.
- Access their HMRC **Personal Tax Account** to review National Insurance records to identify gaps and (for those who have never lived 10 consecutive years in the UK) check whether they have paid 10 years of NIC while living in the UK.
- Ensure that all eligible Class 2 contributions are paid for years up to 2025/26. In general, contributions can be made up to 6 years from the end of the relevant tax year, so it should still be possible to go back to year ended 5 April 2020 if required.
- Check whether Class 3 was paid in error where Class 2 eligibility existed, as refunds or reclassification may still be possible going back to 2019/20.
- Plan for higher costs or loss of access to voluntary NIC after April 2026.

### **Disclaimer**

This note is for general information only and does not constitute tax, legal, or financial advice. The impact of the rules will depend on individual circumstances. Missionaries should consider seeking advice from a regulated financial adviser in relation to State Pension planning and wider retirement issues, and a qualified UK tax adviser, before taking action based on this information.