

---

OECD TAX DATABASE  
EXPLANATORY ANNEX

---

# Part III SOCIAL SECURITY CONTRIBUTIONS

---

Document updated May 2023

---

# Table of contents

Part III SOCIAL SECURITY CONTRIBUTIONS	1
1 Table 3.1. Employee social security contribution rates	4
III.1. AUSTRIA	4
III.1. BELGIUM	4
III.1. CANADA	11
III.1. CHILE	13
III.1. COSTA RICA	14
III.1. CZECH REPUBLIC	14
III.1. GERMANY	14
III.1. GREECE	14
III.1. ISRAEL	16
III.1. LATVIA	18
III.1. LITHUANIA	18
III.1. LUXEMBOURG	18
III.1. MEXICO	18
III.1. NETHERLANDS	19
III.1. POLAND	20
III.1. SLOVAK REPUBLIC	21
III.1. SLOVENIA	23
III.1. SPAIN	23
III.1. SWITZERLAND	24
III.1. UNITED KINGDOM	24
2 Table 3.2. Employer social security contribution rates	25
III.2. AUSTRIA	26
III.2. BELGIUM	26
III.2. CANADA	30
III.2. CHILE	31
III.2. COSTA RICA	32
III.2. CZECH REPUBLIC	32
III.2. GREECE	32
III.2. IRELAND	33
III.2. ISRAEL	33
III.2. LATVIA	34
III.2. LITHUANIA	34
III.2. LUXEMBOURG	37
III.2. MEXICO	37
III.2. NETHERLANDS	37
III.2. NORWAY	39
III.2. POLAND	39

III.2. SLOVAK REPUBLIC	40
III.2. SLOVENIA	41
III.2. SPAIN	41
III.2. SWEDEN	41
III.2. SWITZERLAND	42
III.2. UNITED KINGDOM	42
III.2. UNITED STATES	43

### 3 Table 3.3. Self-employed social security contribution rates 44

III.3. AUSTRIA	44
III.3. BELGIUM	44
III.3. CANADA	45
III.3. CHILE	45
III.3. CZECH REPUBLIC	46
III.3. GERMANY	46
III.3. GREECE	46
III.3. IRELAND	48
III.3. ISRAEL	48
III.3. ITALY	49
III.3. KOREA	52
III.3. LATVIA	52
III.3. LITHUANIA	52
III.3. MEXICO	55
III.3. NETHERLANDS	57
III.3. NORWAY	57
III.3. POLAND	57
III.3. PORTUGAL	59
III.3. SLOVAK REPUBLIC	59
III.3. SLOVENIA	60
III.3. SPAIN	61
III.3. SWEDEN	62
III.3. SWITZERLAND	62
III.3. TÜRKIYE	63
III.3. UNITED KINGDOM	63

# 1

## Table 3.1. Employee social security contribution rates

### III.1. AUSTRIA

The SSC rates are for employees, and they are lower for other employees. They also include Contributions for the promotion of residential buildings (Payroll tax in *Revenue Statistics*) and for the Chamber of Labour (Tax on Income in *Revenue Statistics*), which are levied by health security institutions on the same base (but only on 12 current pays) as SSC.

The lower threshold is not a contribution-free amount which is deducted from the base, but an amount below which the employee can choose to be insured by social security, in which case pension and health SSC (no unemployment insurance) amounts to 70.72 € in 2023 ( 68.59 € in 2022, 67 18 € in 2021, 65 03 € in 2019, 61,83 € in 2018, 2017: 60.09€ all amounts for a worker) per month would have to be paid. For employees above the threshold, the whole gross income (up to the upper threshold) is taken as base for SSC.

### III.1. BELGIUM

The rate of the personal social security contribution listed in table III.1 is the sum of different items. Up to the third quarter of 1982, there were upper thresholds for some items. These thresholds were abolished starting from October 1982.

Employee ssc	total	of which				upper threshold (BEF per quarter)			
	in %	pensions	Medical care	sickness allowances	Unemployment	pensions	Medical care	Sickness allowances	Unemployment
1980Q1	10,1	6	1,8	1,1	1,2	54150	-	54150	32750
1980Q2	10,1	6	1,8	1,1	1,2	55225	-	55225	33400
1980Q3	10,1	6	1,8	1,1	1,2	56325	-	56325	34075
1980Q4	10,13	6	1,8	1,13	1,2	70400	-	70400	34750
1981Q1	10,1	6,25	1,8	1,15	0,9	71800	-	71800	71800
1981Q2	10,4	6,25	1,8	1,15	1,2	73225	-	73225	-
1981Q3	10,4	6,25	1,8	1,15	1,2	73225	-	73225	-
1981Q4	10,4	6,25	1,8	1,15	1,2	76200	-	76200	-
1982Q1	10,07	6,25	1,8	1,15	0,87	95625	-	95625	-
1982Q2	10,82	7	1,8	1,15	0,87	97525	-	97525	-
1982Q3	10,82	7	1,8	1,15	0,87	99475	-	99475	-
1982Q4	10,82	7	1,8	1,15	0,87	-	-	-	-

Since 1.1.2000, a reduction in personal social security contributions is granted for low salaries. This “work bonus” is granted monthly in accordance with the level of the salary.

**Table of the reduction in personal social security contributions for an employee, in €, from 1.12.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 24 163.68	2 967.72	2 967.72
24 163.68 < Sb < 36 991.92	2 967.72 - 0.2313 (Sb – 24 163.68)	
Sb > 36 991.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.11.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 23 690.40	2 909.52	2 909.52
23 690.40 < Sb < 36 267.36	2 909.52 - 0.2313 (Sb – 23 690.40)	
Sb > 36 267.36	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.08.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 23 226.00	2 852.52	2 852.52
23 226.00 < Sb < 35 556.48	2 852.52 - 0.2313 (Sb – 23 226.00)	
Sb > 35 556.48	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.05.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 22 770.60	2 796.60	2 796.60
22 770.60 < Sb < 34 859.16	2 796.60 - 0.2313 (Sb – 22 770.60)	
Sb > 34 859.16	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.04.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 22 324.08	2 741.76	2 741.76
22 324.08 < Sb < 34 175.76	2 741.76 - 0.2313 (Sb – 22 324.08)	
Sb > 34 175.76	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.03.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 21 323.64	2 618.88	2 618.88
21 323.64 < Sb < 33 261.48	2 618.88 - 0.2194 (Sb - 21 323.64)	
Sb > 33 261.48	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.01.2022)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 20 905.68	2 567.52	2 567.52
20 905.68 < Sb < 32 607.60	2 567.52 - 0.2194 (Sb - 20 905.68)	
Sb > 32 607.60	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.09.2021)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 20 495.76	2 517.24	2 517.24
20 495.76 < Sb < 31 698.96	2 517.24 - 0.2194 (Sb - 20 495.76)	
Sb > 31 698.96	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.03.2020)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 20 093.76	2 467.80	2 467.80
20 093.76 < Sb < 31 341.36	2 467.80 - 0.2194 (Sb - 20 093.76)	
Sb > 31 341.36	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.09.2018)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 19 699.44	2 419.44	2 419.44
19 699.44 < Sb < 30 125.64	2 419.44 - 0.2194 (Sb - 19 699.44)	
Sb > 30 125.64	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.06.2017)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 19 313.64	2 372.04	2 372.04

19 313.64 < Sb < 30 125.64	2 372.04 - 0.2194 (Sb - 19 313.64)	
Sb > 30 125.64	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.06.2016)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 18 934.68	2 325.48	2 325.48
18 934.68 < Sb < 29 535.24	2 325.48 - 0.2194 (Sb - 18 934.68)	
Sb > 29 535.24	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.08.2015)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 18 562.44	2 279.76	2 279.76
18 562.44 < Sb < 28 956.00	2 279.76 - 0.2193 (Sb - 18 562.44)	
Sb > 28 956.00	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.01.2014)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 18 021.84	2 207.64	2 207.64
18 021.84 < Sb < 28 624.92	2 207.64 - 0.1981 (Sb - 18 021.84)	
Sb > 28 624.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.04.2013)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 18 021.84	2 208.00	2 208.00
18 021.84 < Sb < 28 624.92	2 208.00 - 0.1981 (Sb - 18 021.84)	
Sb > 28 624.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.01.2013)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 18 021.84	2 100	2 100.00
18 021.84 < Sb < 28 624.92	2 100 - 0.1981 (Sb - 18 021.84)	
Sb > 28 624.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.12.2012)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 18 021.84	2 100	2 100.00
18 021.84 < Sb < 21 996.60	2 100 - 0.2584 (Sb - 18 021.84)	
21 996.60 < Sb < 28 624.92	1 716 - 0.1618 (Sb - 18 021.84)	
Sb > 28 624.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.02.2012)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 17 668.80	2 100	2 100.00
17 668.80 < Sb < 21 565.56	2 100 - 0.2636 (Sb - 17 668.80)	
21 565.56 < Sb < 28 062.96	1 716 - 0.1651 (Sb - 17 668.80)	
Sb > 28 062.96	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.05.2011)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 17 322.48	2 100	2 100.00
17 322.48 < Sb < 21 142.80	2 100 - 0.2743 (Sb - 17 322.48)	
21 142.80 < Sb < 27 511.92	1 716 - 0.1718 (Sb - 17 322.48)	
Sb > 27 511.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.09.2010)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 16 982.88	2 100	2 100.00
16 982.88 < Sb < 20 728.44	2 100 - 0.2743 (Sb - 16 982.88)	
20 728.44 < Sb < 26 973.96	1 716 - 0.1718 (Sb - 16 982.88)	
Sb > 26 973.96	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.10.2008)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 16 649.88	2 100	2 100.00
16 649.88 < Sb < 20 322.00	2 100 - 0.2798 (Sb - 16 649.88)	
20 322.00 < Sb < 26 444.64	1 716 - 0.1752 (Sb - 16 649.88)	
Sb > 26 444.64	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.9.2008)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 16 349.88	1 716	1 812.00
16 349.88 < Sb < 26 444.64	1 716 - 0.1700 (Sb - 16 349.88)	
Sb > 26 444.64	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.5.2008)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 16 029.36	1 716	1 716.00
16 029.36 < Sb < 25 926.12	1 716 - 0.1734 (Sb - 16 029.36)	
Sb > 25 926.12	0	



**Table of the reduction in personal social security contributions for an employee, in €, from 1.1.2008)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 15 715.08	1 716	1 716.00
15 715.08 < Sb < 25 418.52	$1\,716 - 0.1768 (Sb - 15\,715.08)$	
Sb > 25 418.52	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.4.2007)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 15 406.92	1 716	1 707.00
15 406.92 < Sb < 24 919.56	$1\,716 - 0.1804 (Sb - 15\,406.92)$	
Sb > 24 919.56	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.10.2006)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 15 106.56	1 680	1 680.00
15 106.56 < Sb < 24 919.56	$1\,680 - 0.1712 (Sb - 15\,106.56)$	
Sb > 24 919.56	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.1.2006)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 14 810.76	1 680	1 680.00
14 810.76 < Sb < 24 431.52	$1\,680 - 0.1746 (Sb - 14\,810.76)$	
Sb > 24 431.52	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.8.2005)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 14 810.76	1 500	1 440.00
14 810.76 < Sb < 20 441.04	$1\,500 - 0.2664 (Sb - 14\,810.76)$	
Sb > 20 441.04	0	

**Table of the reduction in personal social security contributions for an employee, in €, from 1.4.2005)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 14 520.12	1 500	1 440.00
14 520.12 < Sb < 20 040.00	$1\,500 - 0.2717 (Sb - 14\,520.12)$	
Sb > 20 040.00	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.1.2005)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
-------------------------------	-----------------------	---------------------

0 < Sb < 14 328.36	1 260	1 440.00
14 328.36 < Sb < 20 040.00	1 260 - 0.2206 (Sb - 14 328.36)	
Sb > 20 040.00	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.10.2004)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 14 615.64	1 140	1 140.00
14 615.64 < Sb < 18 841.92	1 140 - 0.2697 (Sb - 14 615.64)	
Sb > 18 841.92	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.1.2004)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 14 328.36	1 140	1 140.00
14 328.36 < Sb < 18 471.60	1 140 - 0.2751 (Sb - 14 328.36)	
Sb > 18 471.60	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.6.2003)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 10 947.48	0	1 140.00
10 947.48 < Sb < 14 328.36	1 140	
14 328.36 < Sb < 18 471.60	1 140 - 0.2751 (Sb - 14 328.36)	
Sb > 18 471.60	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.1.2003)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 10 733.04	0	1 140.00
10 733.04 < Sb < 14 047.68	1 140	
14 047.68 < Sb < 18 110.04	1 140 - 0.2806 (Sb - 14 047.68)	
Sb > 18 110.04	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.2.2002)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 10 733.04	0	981.66
10 733.04 < Sb < 14 047.68	981.60	
14 047.68 < Sb < 16 731.00	981.60 - 0.3658 (Sb - 14 047.68)	
Sb > 16 731.00	0	

**Table of the reduction in personal social security contributions for an employee, in €, on 1.6.2001)**

Yearly gross salary (Sb) in €	Yearly reduction in €	Yearly maximum in €
0 < Sb < 10 522.80	0	981.66
10 522.80 < Sb < 13 772.40	981.60	
13 772.40 < Sb < 16 402.92	981.60 - 0.3732 (Sb - 13 772.40)	
Sb > 16 402.92	0	

**Table of the reduction in personal social security contributions, in €, on 1.9.2000)**

Yearly gross salary (Sba) in €	Reduction in €	Yearly maximum in €
0 < Sba < 10 316.28	0	929.60
10 316.28 < Sba < 13 502.28	981.60	
13 502.28 < Sba < 16 081.32	981.60 - 0.3806 (Sba - 13 502.28)	
Sba > 16 081.32	0	

**Table of the reduction in personal social security contributions, in €, on 1.7.2000)**

Yearly gross salary (Sba) in €	Reduction in €	Yearly maximum in €
0 < Sba < 10 106.88	0	929.60
10 106.88 < Sba < 13 237.56	981.60	
13 237.56 < Sba < 15 766.08	981.60 - 0.3882 (Sba - 13 237.56)	
Sba > 15 766.08	0	

**Table of the reduction in personal social security contributions, in €, on 1.4.2000)**

Yearly gross salary (Sba) in €	Reduction in €	Yearly maximum in €
0 < Sba < 10 106.88	0	929.60
10 106.88 < Sba < 13 237.56	981.60	
13 237.56 < Sba < 15 766.08	981.60 - 0.39 (Sba - 13 237.56)	
Sba > 15 766.08	0	

**Table of the reduction in personal social security contributions, in €, on 1.1.2000)**

Yearly gross salary (Sba)	Reduction	Yearly maximum in €
0 < Sba < 10 106.88	0	929.60
10 106.88 < Sba < 12 642.60	773.40	
12 642.60 < Sba < 14 576.16	773.40 - 0.4 (Sba - 12 642.60)	
Sba > 14 576.16	0	

### **III.1. CANADA**

Employment Insurance (EI) provides temporary financial help to unemployed Canadians while they look for work or upgrade their skills, while they are pregnant or caring for a new-born or adopted child, or while they are sick or providing care to a family member who is gravely ill. Active re-employment benefits and support measures are delivered in co-operation with the provinces and territories. For 2023, employee Employment Insurance contributions are 1.63 per cent of annual earnings up to \$61 500. Starting in 2006, Quebec administers its own maternity and parental insurance program (QPIP), and the EI premiums are adjusted accordingly for that province.

The Canada Pension Plan (CPP) is a compulsory earnings-based national plan that provides retirement pensions – as well as survivor, disability and death benefits. The Plan is financed by contributions and investment returns on accumulated assets. Benefit levels are linked to earnings on which contributions are made. CPP revenues, assets and expenditures are not included in the accounts of the government of Canada. The province of Quebec administers and operates a parallel program, the Quebec Pension Plan (QPP). Starting in 2012, the employee contributory rate for the Quebec Pension Plan is no longer aligned with the Canada Pension Plan. Starting in 2019, as part of the CPP and QPP enhancements announced in 2016 and 2017 respectively, a 1-percentage point increase in employee and employer contributions will be phased in over 5 years. Employee contributions to the base portion of the CPP and QPP will continue to be claimed as a non-refundable tax credit at the rate of 15%. Employee contributions to the enhanced

portion of the CPP and QPP (i.e., the additional contributions associated with the higher contribution rate) are claimed as a deduction for federal tax purposes (a deduction for employee contributions to the enhanced portion of the CPP and QPP will also be claimed for Quebec income tax purposes). ). For the year 2023, employee Canada Pension Plan and Quebec Pension Plan contributions are respectively 5.95 per cent and 6.40 per cent of annual earnings between \$3 500 and \$66 600.

The following table presents the historical rates and thresholds:

Year	Employment Insurance (EI)		Canada Pension Plan (CPP)/ Quebec Pension Plan (QPP)		
	Rate (%)	Maximum Insurable Earnings (\$)	CPP Rate (%)	QPP Rate (%)	Earnings (\$ Y)
2023	1.63	61 500	5.95	6.40	3 500 < Y < 66 600
2022	1.58	60 300	5.70	6.15	3 500 < Y < 64 900
2021	1.58	56 300	5.45	5.90	3 500 < Y < 61 600
2020	1.58	54 200	5.25	5.70	3 500 < Y < 58 700
2019	1.62	53 100	5.10	5.55	3 500 < Y < 57 400
2018	1.66	51 700	4.95	5.40	3 500 < Y < 55 900
2017	1.63	51 300	4.95	5.40	3 500 < Y < 55 300
2016	1.88	50 800	4.95	5.325	3 500 < Y < 54 900
2015	1.88	49 500	4.95	5.25	3 500 < Y < 53 600
2014	1.88	48 600	4.95	5.175	3 500 < Y < 52 500
2013	1.88	47 400	4.95	5.10	3 500 < Y < 51 100
2012	1.83	45 900	4.95	5.025	3 500 < Y < 50 100
2011	1.78	44 200		4.95	3 500 < Y < 48 300
2010	1.73	43 200		4.95	3 500 < Y < 47 200
2009	1.73	42 300		4.95	3 500 < Y < 46 300
2008	1.73	41 100		4.95	3 500 < Y < 44 900
2007	1.80	40 000		4.95	3 500 < Y < 43 700
2006	1.87	39 000		4.95	3 500 < Y < 42 100
2005	1.95	39 000		4.95	3 500 < Y < 41 100
2004	1.98	39 000		4.95	3 500 < Y < 40 500
2003	2.10	39 000		4.95	3 500 < Y < 39 900
2002	2.20	39 000		4.70	3 500 < Y < 39 100
2001	2.25	39 000		4.30	3 500 < Y < 38 300
2000	2.40	39 000		3.90	3 500 < Y < 37 600

Employees receive a non-refundable income tax credit for contributions made to EI and C/QPP. From 2007 to 2022, the federal credit was 15 per cent of contributions.

- 15.25 per cent of contributions in 2006;
- 15 per cent of contributions in 2005;
- 16 per cent of contributions in 2004, 2003, 2002 and 2001;
- and 17 per cent of the contributions in 2000.

The federal credit rate for 2023 remains 15 per cent. The provinces and territories also provide non-refundable income tax credits at rates that are generally equivalent to their lowest personal income tax rate.

### III.1. CHILE

#### a. Employee social security contributions classified as taxes

In addition to the general contributions for health care, (7% of the gross earnings, subject to an upper threshold limit of 81.6 UF) the following social contributions paid by minority groups in Chile are classified as taxes on the basis of the OECD Interpretive Guide

- Contributions to public pension funds
- Contributions for health and pensions paid by the police
- Contributions for health and pensions paid by the army

The upper limit thresholds in Chile are expressed in UF (Unidad de Fomento) which is a unit of account adjustable daily in line with the CPI<sup>1</sup>. The upper limit threshold, in the first case, for each payment period represents 60 UF.

#### b. Employee social security contributions classified as non-tax compulsory payments

There are also a number of categories of contributions to private funds that are not classified as taxes. Chile has had a private pension system since January 1980 and a dual health system (both public and private health insurance) since 1981.

Chilean employees pay the following mandatory contributions to private funds.

- 10% of gross earnings to finance retirement, disability, and survivorship pensions. The payments are deposited in individual capitalization accounts managed by Pension Fund Administrators.
- An additional contribution, fixed by each Administrator, to finance the operations of the fund.
- A small group of employees who perform heavy work also pay a contribution equivalent to 1% or 2% of their gross earnings into their individual capitalization account. The National Ergonomic Commission is in charge of rating a task as heavy work.
- 7% of gross earnings to contributions to private funds for health care.
- Employees pay 0.6% to the unemployed insurance, when the worker has an "indefinite term employment contracts". Employees with "fixed-term employment contracts" do not have to contribute.

The five mentioned contributions are subject to an upper threshold limit, which is adjusted yearly :

	Unemployment insurance	Rest of the contributions
2009 and previous years	90 UF	60 UF
2010	97.1 UF	64.7 UF
2011	99 UF	66 UF
2012	101.1 UF	67.4 UF
2013	105.4 UF	70.3 UF
2014	108.5 UF	72.3 UF
2015	109.8 UF	73.2 UF
2016	111.4 UF	74.3 UF
2017	113.5 UF	75.7 UF
2018	117.5 UF	78.3 UF
2019	119 UF	79,3 UF
2020	120.4 UF	80.2 UF
2021	122.7 UF	81.7 UF
2022	122.6 UF	81.6 UF

<sup>1</sup> The UF and UTM values can be found in [https://www.sii.cl/valores\\_y\\_fechas/uf/uf2022.htm](https://www.sii.cl/valores_y_fechas/uf/uf2022.htm)

2023	122.6 UF	81.6 UF
------	----------	---------

All the above contributions are deducted from taxable incomes.

It is also possible to make additional voluntary contributions for pensions and health care. These are also deductible from taxable income except where the employee pays more than 5.791 UF for healthcare or more than 50 UF per month or 600 UF per year for voluntary pension fund savings.

### III.1. COSTA RICA

Program	Rate (%)
Oldage, disability and death program (IVM)	4,00
Healthcare and Maternity Insurance (SEM)	5,50
Popular Bank Fee	1,00

### III.1. CZECH REPUBLIC

The rates of social security contributions for employees are:

	pension insurance contributions	sickness insurance contributions	contributions to state employment policy	health insurance contributions	Total
employee	6.5 %	0 %	0 %	4.5 %	11 %

From 1 January 2013, social contribution rates varied depending on whether the taxpayer has opted for the new voluntary pension saving scheme. For employees who did not opt for the voluntary pension saving scheme the total rate of social and health insurance is 11.0 % (consists of 6.5 % contributions to pension insurance and 4.5 % of compulsory health insurance). For employees who opted for the voluntary pension saving scheme, the total rate of social and health insurance is 13.0 % (statutory pension insurance of 3.5 %, voluntary pension saving of 5 % and compulsory health insurance of 4.5 %). Starting from 2016 the voluntary pension saving scheme was abolished. A separate ceiling set at four times the average annual salary, CZK 1 935 552 (EUR 79 754) in 2023, applies to social contributions. Starting from 2013, the ceiling on health insurance contributions (six times the average annual salary) was abolished.

### III.1. GERMANY

Part of the employee contributions is deductible (see description in country chapter of 'Taxing Wages').

### III.1. GREECE

**Error! Bookmark not defined.** The Legal Entity of Public Law named "Unified Social Security Fund" (EFKA) since 1.3.2020 is renamed to "Electronic National Social Security Fund" (e-EFKA). (Law 4670/2020)

The vast majority of people working in both the public and private sectors, providing dependent personal services, are primarily and mandatorily covered by the Electronic National Social Security Fund (e-EFKA) for their main pension, supplementary pension, and healthcare. In addition to the main contribution, e-EFKA also obligatorily collects contributions for smaller funds established for the employee's advantage, such as Unemployment Benefits Funds (former OAED, now called DYPA) and others For supplementary

insurance, all employees, both in the public and private sectors, are also mandatorily insured in e-EFKA (formerly the Unified Supplementary Insurance and Lump Sum Fund -ETEAEF, now the Supplementary Insurance Sector of e-EFKA as of March 1, 2020, pursuant to Law 4670/2020). However, certain categories of employees, such as journalists (insured in EDOEAP, a public legal entity), pharmaceutical staff, insurance company employees and personnel, food commerce employees, and petrochemical company personnel, are not insured at e-EFKA, but they are compulsorily insured at specific occupational insurance funds (private legal entities). From 1.1.2022 new entrants in the labour market all citizens born from 1.1.2004 are subject to the new Hellenic Auxiliary Pensions Defined Contributions Fund (TEKA). Those already insured aged under 35 (born after 1.1.1987) may select to switch compulsory supplementary insurance from e-EFKA to TEKA. As opposed to employees, Supplementary Insurance (e-EFKA or TEKA) is mandatory only for some professions of the self-employed (e.g. engineers, lawyers, notaries etc). The contribution rates (for employees and employers) and the insurance categories (for self-employed) are the same as for the Branch of Supplementary Insurance of e-EFKA.

All employees, of public sector and many of the private are also compulsorily insured for lump sum benefits in e-EFKA (ex Unified Supplementary Insurance and Lump Sum Fund –ETEAEF now Lump Sum Sector of e-EFKA from 1.3.2020, Law 4670/2020), except for certain categories such as journalists (insured in EDOEAP which is also a public legal entity), pharmaceutical employees, etc. (as above for supplementary insurance), who are insured in specific insurance funds (private legal entities). As of 25.11.2022, the non remunerated contribution of 1% of all employees of the public sector, was abolished. For those who were insured in the Lump Sum sector of e-EFKA, the contribution was being paid to e-EFKA, for those who were not insured the contribution was being paid to the former OAED (now DYPA), while for the personnel insured in the Equity Funds of the Armed Forces, the contribution was paid to the said Funds

The average rates of contributions payable by white-collar employees as a percentage of gross earnings are as follows (%):

For work in private and the public sector (full and part time)

	Employer	Employee	Total
1. National Social Security Fund (e-EFKA) – Main Pension	13.33	6.67	20.00
2. e-EFKA- Supplementary Pension (ex ETEAEF)	3.25	3.25	6.50 <sup>1</sup>
3. - Healthcare Coverage	4.55	2.55	7.10
4. Other Funds	1.41	1.65	3.06
Total	22.54	14.12	36.66

For blue-collar workers engaged in heavy work (unhealthy, dangerous etc.), higher contributions are due (17,32% paid by the employee and 25,44% paid by the employer), ensuring that such individuals become eligible for pension benefits five years earlier than other workers (extra 2.20% for e-EFKA- Main Pension and 1.25% for e-EFKA-Supplementary Pension or TEKA, contributed by the employee, and extra 1.40% for e-EFKA-Main Pension and 0.75% for e-EFKA-Supplementary Pension or TEKA, contributed by the employer). In the industrial sector, an additional 1% contribution is imposed as an occupational risk contribution, which is paid by the employer, given that these workers are subject to heightened risk of labour accidents and occupational diseases due to the challenging conditions of their employment.<sup>1</sup>The contribution for supplementary insurance will be reduced to 6% (3%+3%) from 1/6/2022 and on.

For work in private sector (part time)

	Employer	Employee	Total
--	----------	----------	-------

1. National Social Security Fund ( e- EFKA) – Main Pension	13.33	6.67	20.00
2. e-EFKA- Supplementary Pension ( exETEAEF)	3.25	3.25	6.50 <sup>1</sup>
3. National Social Security Fund (e- EFKA) - Healthcare Coverage	4.55	2.55	7.10
4. Other Funds	1.89	2.07	3.96
Total	23.02	14.54	37.56

<sup>1</sup> The contribution for supplementary insurance will be reduced to 6% (3%+3%) from 1/6/2022 and on.

It should be noted that the amount of the maximum insurable earnings for calculating the monthly insurance contribution of employees and employers until 2022 was € 6.500. From 1.1.2023 the upper limit of insurable earnings is set to 7,126.94 euro (increased by 9,6452611330377%, in comparison with the main insurance categories of 1/1/2020).

The contribution and the monthly basis on which the contribution is calculated, of the first insured before 1992 employees, for the Lump Sum Sector of e-EFKA, is determined by the social security body which was integrated into ex ETEAEF. The contribution of the first insured after 1992 employees for the Lump Sum Sector is set at 4% and the monthly basis on which the contribution is calculated, is the same basis amount as for e-EFKA main pension.

From 1-1-2020 the insurance contribution for the employed lawyers, engineers and doctors insured at the lump-sum benefits branch of e-EFKA is set at three categories. The employee chooses among the set sum of 26 € (1<sup>st</sup> category), 31 € (2<sup>nd</sup> category) or 37 € (3<sup>rd</sup> category) per month. Lawyers' employers cover 50 % of the monthly contribution.

The insured are compulsory classified in the first category unless they request to be classified in the second or the third one.

From 1-1-2017 the contribution for the healthcare of the employees and the rest of categories under EOPPY, is determined to 7,10% in all earnings and it is distributed by 6.45% for benefits in kind (4,30% for the employer and 2,15% for the employee) and 0.65% for cash benefits (0,40% for the insured and 0,25% for the employer).

### **III.1. ISRAEL**

Social security contributions paid by employees are made up of a combination of those for National Insurance and Health Insurance.

#### *1. General background*

##### **National insurance**

Every resident of Israel aged 18 and over is obligated by law to be insured by National Insurance and to pay the national insurance contributions. The National Insurance branches are made up of the following list; old age and survivors, long term care, general disability, accident and injury, work injury, maternity, children, unemployment and bankruptcy.

##### **Health insurance**

In addition, every resident is registered in one of the country's health maintenance organisations (HMO), and must pay contributions for health insurance. The contributions are collected by the National Insurance Institute which distributes the moneys collected to the HMOs. The rates of contribution are calculated according to the work status and the level of the person's income (earned plus unearned). A person who does not work and has no income (besides social benefits) pays a minimum amount depending on status (unless she is a married housewife who is totally exempt).



## Exemptions

There are exemptions from certain types of National Insurance contribution for some workers. For example, career soldiers are exempt from maternity insurance and foreign workers are exempt from national insurance contributions except for Work injury, Maternity and Bankruptcy.

### 2. Historical tax rates and thresholds

A reduced rate applies up to a lower threshold of 60% the average wage per employee post (50% of the average wage per employee post until 2005). The regular rate applies up to a ceiling. The upper threshold was removed between July 2002 and June 2003. In July 2003 the upper threshold was re-instated at a level of 5 times the average wage per employee post. In August 2009 it was increased to 10 times the average wage per employee post, then, in January 2011, decreased to 9 times the average wage per employee post. In January 2012 the upper threshold was re-instated at a level of 5 times the average wage per employee post. Since 2005 the upper threshold is indexed to the CPI and not to the average wage per employee post. As a consequence, its value in 2022 has eroded to around 4 times the average wage per employee post.

The following table shows the historical tax rates and thresholds:

Period	Reduced rate	Lower threshold	Regular rate	Upper threshold
Jan2000-Dec2000	5.76	3,174	9.7	31,735
Jan2001-Dec2001	5.76	3,482	9.7	34,820
Jan2002-Mar2002	5.76	3,525	9.7	35,250
Apr2002-Jun2002	5.76	3,482	9.7	34,820
Jul2002-Dec2002	5.76	3,482	9.7	No limit
Jan2003-Jun2003	4.5	3,482	10.32	No limit
Jul2003-Dec2005	4.5	3,482	10.38	34,820
Jan2006-Dec2006	3.5	4,430	12	35,760
Jan2007-Dec2007	3.5	4,522	12	35,760
Jan2008-Dec2008	3.5	4,598	12	36,760
Jan2009-Jul2009	3.5	4,757	12	38,415
Aug2009-Dec2009	3.5	4,757	12	76,830
Jan2010-Dec2010	3.5	4,809	12	79,750
Jan2011-Dec2011	3.5	4,984	12	73,422
Jan 2012-Dec2012	3.5	5,171	12	41,850
Jan2013-Dec2013	3.5	5,297	12	42,435
Jan2014-Dec2014	3.5	5,453	12	43,240
Jan2015-Dec2015	3.5	5,556	12	43,240
Jan2016-Dec2016	3.5	5,678	12	43,240
Jan2017-Dec2017	3.5	5,804	12	43,240
Jan2018-Dec2018	3.5	5,944	12	43,370
Jan2019-Dec2019	3.5	6,154	12	43,890
Jan2020-Dec2020	3.5	6,331	12	44,020
Jan2021-Dec2021	3.5	6,331	12	44,020
Jan2022-Dec2022	3.5	6,331	12	45,075

The 2022 full and reduced rates for employee contributions and their breakdown into those applying to the Health insurance and the National Insurance branches are set out below. These figures have applied since the beginning of 2006.

Branch	Full rate contribution ( % )	Reduced rate contribution ( % )
Insurance branches	7.00	0.40
Health	5.00	3.10
Total contributions	12.00	3.50

### **III.1. LATVIA**

If an employee has been insured for all types of social insurance, social security contribution rate for employee is 10.5 % (in 2020 11.0 %).

### **III.1. LITHUANIA**

Until the end of 2008, the employee social security contribution rate was 3.0 percent (for pension social insurance) of earnings and then 9.0 percent (3 percent for pension social insurance and 6 percent for health insurance) from 2009 to 2018. In 2019 the tax system was changed (the financing of the general part of social insurance pensions was shifted to the personal income tax; for this reason the pension insurance rate was decreased whilst the personal income tax was increased) and employer's social security contributions were transferred to the employee. Therefore, the social security contribution rate for employees increased to a total of 19.5 percent in 2019. In 2023 the contribution rate for separate types of social insurance is:

- for pension social insurance – 8.72 percent;
- for sickness social insurance – 1.99 percent;
- for maternity social insurance – 1.81 percent;
- for health insurance – 6.98 percent.

The taxable base is the gross wage or salary including received additional earnings, regardless of the sources of payment. The taxation period is calendar month.

### **III.1. LUXEMBOURG**

Since 2009, the SSC rates are equal for workers and employees.

### **III.1. MEXICO**

Social security contributions paid by the employee are divided as follows:

1. For sickness and maternity insurance, 0.625 % of the employee's monthly earnings, plus 0.40 % (1.68 % in 2000; 1.52 % in 2001; 1.36 % in 2002; 1.20 % in 2003; 1.04 % in 2004; 0.88 % in 2005, 0.72 % in 2006, 0.56 % in 2007 and 0.40 % as of January 1, 2008)<sup>2</sup> of his monthly earnings in excess of three UMAs (3\*\$103.74 per day in 2023 or 9,461 per month). These rates are applied over different bases; therefore, they cannot be added into a single rate.
2. For disability, and life insurance, 0.625 % of the employee's monthly earnings.

Employee's monthly earnings include wages and fringe benefits such as food vouchers and housing benefits. For reporting purposes, the sickness and maternity insurance rates and the disability and life insurance rate were applied separately to the monthly wage, since a different ceiling to the salary base applies to these two contributions. Contributions to private retirement funds (AFORES) are not included in social security contributions. (See comment on Table I.1-I.4)

Social security contributions paid by the employee are capped at \$1,263 in 2023 (\$729 in 2000; \$740 in 2001; \$736 in 2002; \$724 in 2003; \$710 in 2004; \$694 in 2005, \$679 in 2006, \$661 in 2007, \$ 641 in 2008, \$668 in 2009, \$700 in 2010, \$729 in 2011, \$759 in 2012, \$789 in 2013, \$820 in 2014, \$854 in 2015, \$890 in 2016, \$920 in 2017, \$982 in 2018, \$1,029 in 2019, \$1,058 in 2020, \$1,092 in 2021 and \$1,172 in 2022)

---

<sup>2</sup> This rate decreased 0.16 percentage points on an annual basis. Starting in 2008 the applicable rate is 0.40 %.

pesos per month for individuals earning an amount equivalent to 25 UMAs ( $\$103.74 \times 25 = 2,593.5$  per day in 2023) or more.

### III.1. NETHERLANDS

The social security contribution paid by employees consists of several parts; the public insurance for medical care, an unemployment scheme and the general scheme.

#### 1. Public insurance for medical care (social health plan)

All individuals above the age of 18 years are obliged to insure themselves at a private insurance company. The premiums for this insurance are not part of the Taxing Wages model. Individuals pay a nominal premium to a private insurance company for the basic health insurance. The expected yearly average amount of this premium in 2022 is € 1,522. In addition employers pay a percentage (6.75%) of gross income net of employees' pension premiums and unemployment social security contribution until a maximum of € 59,704. This contribution of employers is part of the non-tax compulsory payments (NTCP) and is used for equalizing health insurance risks between insurance companies.

In the health insurance system competition is allowed between health insurance companies. Competition takes place under strict conditions of the government to avoid risk selection by the health insurance companies. The health insurance contributions are not included in the standard publication of the Taxing Wages model. Taxpayers including self-employed might obtain compensation for the private nominal contribution of on average € 1,522, depending on the taxpayer's personal situation and gross income. This is called the care benefit. The care benefit is calculated as follows for 2022:

- household of one adult :  $1,749$  (med\_adult for care benefit) – 1.848% (med\_compensation 1) \*  $22,356$  (med\_key) – 13.610% (med\_compensation 2) \* (taxable income –  $21,835$  (med\_key)).
- household of more than one adult: number of adults \*  $1,749$  (med\_adult for care benefit) – 4.225% (med\_compensation 3) \*  $21,835$  (med\_key) – 13.610% (med\_compensation 4) \* (taxable income –  $21,835$  (med\_key)).

#### 2. Unemployment scheme

Before 2009, employees paid a percentage of gross earnings between a threshold and a ceiling. The following percentages were applicable:

Fiscal year	Threshold and ceiling	Statutory rate
2009 - present	inapplicable	0.00%
2008	€ 15,921 and € 46,205	3.50%
2007	€ 15,660 and € 45,017	3.85%
2006	€ 15,138 and € 43,848	5.20%
2005	€ 15,080 and € 43,587	5.85%
2004	€ 15,196 and € 43,578	5.80%
2003	€ 14,877 and € 43,065	5.80%
2002	€ 14,486 and € 41,499	4.95%
2001	NLG 30,537 and NLG 87,957	5.25%

#### 3. General scheme (old age pensions, widows and orphans pensions, exceptional medical expenses and disability)

The following premiums are levied in the first and second bracket of the personal income tax on taxable income up to a ceiling of € 35,472 (2022). The ceiling is adapted partly to inflation (75% of correction factor since tax plan 2011) every year.

insurance	percentage
general old age pension	17.9%
pension for widows and orphans	0.1%
exceptional health care	9.65%
Total	27.65%
Total for taxpayers state pension age and older	9.75%

Taxpayers, older than the state pension age do not pay premiums for general old age pension. The state pension age increases gradually till 2022. From 2022 the state pension age depends on the average life expectancy. The tax credits also apply to contributions to general social security schemes. In 2014 the general tax credit has been made income dependent and this is still the case in 2022.

### III.1. POLAND

Social security contributions are paid monthly by employee (but calculated, collected and transferred to the Social Security Institution (*Zakład Ubezpieczeń Społecznych – ZUS*) by employers) and can be divided into two groups:

- social insurance contributions – 13.71% of revenue as defined in Personal Income Tax Act (which is approximately the same as gross wage), of which:
  - old-age pension insurance contribution - 9.76 %
  - disability pension insurance contribution - 1.5 % (since 2008), 3.5 % (July 2007 – December 2007), 6.5 % (1999- June 2007),
  - sickness insurance contribution - 2.45 %,
- health insurance contribution – base for its calculation is base for calculation of social insurance contributions after deduction of social insurance contributions financed by employee – rate was increased by 0.25% from 7.75% in 2001 to 9% in 2007. This rate still applies in 2023.

Employee's social insurance contributions are fully deductible from taxable income, while health insurance contribution was deductible from tax until 2021, but only at a rate of 7.75% of the contribution base. Since 2022 health insurance contribution is no longer deductible from tax.

These rates cannot be directly added because bases of their assessment are different.

If the insured person is a member of the open pension fund (OFE), a part of the contribution to his or her old-age pension insurance is transferred by ZUS to OFE selected by the insured person. Since May 2011 the part of the contribution being transferred to OFE has been reduced from the rate 7.3 % to 2.3 % of the base of assessment and in 2013 it has increased to 2.8%. The difference between 7.3% and 2.3/2.8% has been located on the subaccount in ZUS. Since the 1<sup>st</sup> of February 2014 2.92% is transferred to OFE and 4.38% is transferred to subaccount in ZUS. Furthermore, people can choose if their new contributions would be transferred to OFE or the whole contribution (7.3%) would be transferred to subaccount. As soon as an insured person reaches the statutory retirement age minus 10 years the whole contribution (7.3%) is transferred to subaccount in ZUS and their savings in OFE are gradually transferred to subaccount in ZUS .

The annual ceiling on base for calculation of old age and disability contributions is set at 30 times average monthly wage projected for a given year in the state budget law. 208 050 PLN in 2023 (177 660 PLN in 2022, 157 770 PLN in 2021)..

### III.1. SLOVAK REPUBLIC

There is both a minimum (only for full-time employees) and a maximum contribution, defined by the minimum base (the value given in the column for the lower threshold in the table)<sup>3</sup> and the upper threshold. For 2000-2003, these amounts were fixed values.

The upper thresholds for 2005 onwards are a function of the average wage, while the minimum base is equal to the minimum wage (see the table below). For 2004, the same system applied, but the 4% health insurance contribution had a fixed minimum amount of SKK 3,000 and upper threshold of SKK 32,000. In 2008 there was a change of multiple (from 3 to 4) for calculation of upper threshold for social insurance (see the table). From 2011 onwards the change in upper thresholds were made (there is no change of upper thresholds during the year as from 2011, see the table below). As from 2013 maximum assessment bases for social and health security contributions has been increased and unified to 5 times the average wage (two years prior to when contribution is paid). As of 2017 maximum assessment bases for social insurance has been increased to 7 times the average base and maximum assessment base for health contributions has been abolished.

2005 - 2010			
Rate	Minimum base (lower threshold)	Upper threshold 1.1-30.6	Upper threshold 1.7-31.12
Retirement, Disability, and Unemployment Insurance 8%	Minimum monthly wage	4 times the average wage two years prior to when the contribution is paid	4 times the average wage in the year prior to when the contribution is paid
Sickness Insurance 1.4%	Minimum monthly wage	1.5 times the average wage two years prior to when the contribution is paid	1.5 times the average wage in the year prior to when the contribution is paid
Health Insurance 4%	Minimum monthly wage	3 times the average wage two years prior to when the contribution is paid	

2011 - 2012			
Rate	Minimum base (lower threshold)	Upper threshold 1.1-31.12	
Retirement, Disability, and Unemployment Insurance 8%	Minimum monthly wage	4 times the average wage two years prior to when the contribution is paid	
Sickness Insurance 1.4%	Minimum monthly wage	1.5 times the average wage two years prior to when the contribution is paid	
Health Insurance 4%	Minimum monthly wage	3 times the average wage two years prior to when the contribution is paid	

From 2013			
Rate	Minimum base (lower threshold)	Upper threshold 1.1-31.12	
All social insurance (9,4%)	Minimum monthly wage	5 times the average wage two years prior to when the contribution is paid	

<sup>3</sup> The minimum base is explicitly defined only in years 2005-2009. Since 2010, it is defined implicitly only by the employee's (minimum) wage.

and health insurance (4%)		
---------------------------	--	--

From 2017		
Rate	Minimum base (lower threshold)	Upper threshold 1.1-31.12
All social insurance (9,4%) and	Minimum monthly wage	7 times the average wage two years prior to when the contribution is paid
Health insurance (4%)	Minimum monthly wage	Upper threshold has been abolished as of January 2017

The latest amendment of the Minimum wage act (663/2007) adjusted date of the minimum wage indexation, which changed from October 1<sup>st</sup> to January 1<sup>st</sup>. After this amendment the effectiveness of the minimum wage is identical with calendar year as from 2009. From 2021 onwards, the minimum wage is calculated automatically as 57% of the average wage two years prior, unless a different agreement is made by collective bargaining at the national level. In 2022 the minimum monthly wage is accordingly set at EUR 646.

Statutory minimum monthly wage		
Period	The amount (in SKK)	The amount (in Euro)
1.10.2006 - 30.9.2007	7 600	252.3*
1.10.2007 - 31.12.2008	8 100	268.9*
1.1.2009 – 31.12.2009	8 900	295.5
1.1.2010 – 31.12.2010	-	307.7
1.1.2011 – 31.12.2011	-	317.0
1.1.2012 – 31.12.2012	-	327.2
1.1.2013 – 31.12.2013	-	337.7
1.1.2014 – 31.12.2014	-	352.0
1.1.2015 – 31.12.2015	-	380.0
1.1.2016 – 31.12.2016		405.0
1.1.2017 – 31.12.2017		435.0
1.1.2018 – 31.12.2018		480.0
1.1.2019 – 31.12.2019		520.0
1.1.2020 – 31.12.2020		580.0
1.1.2021 – 31.12.2021		623.0
1.1.2022 – 31.12.2022		646.0
1.1.2023 – 31.12.2023		700.0

\*calculated by conversion rate ( 1Eur = 30.126 SKK)

Compulsory contributions for 2004 onwards of 13.4 per cent of gross wages and salaries (with no limit) are paid by all employees into government operated schemes. The total is made up as follows:

Health Insurance	4.0%*
Social Insurance	9.4%
- of which:	
Sickness	1.4%
Retirement	4.0%
Disability	3.0%
Unemployment	1.0%

\* or the difference up to 14% of the MSL minus employer's health insurance contribution

As of 1<sup>st</sup> January 2015 a new health insurance contribution allowance has been introduced simultaneously with the increase of the minimum wage. The amount of allowance is EUR 380. The allowance decreases

with rising income (for each 1 euro of income exceeding 380 euro the allowance decreases by 2 euro). The allowance is applicable only on standard employment income.

As of 1<sup>st</sup> January 2023, monthly minimum health insurance contribution has been introduced. It has been determined as 14% of the MSL valid at the 1<sup>st</sup> of January of a given year. Employer contributions stay unchanged, the difference up to the minimum health insurance contribution is paid by employee's gross income.

### III.1. SLOVENIA

The compulsory social security insurance system consists of four schemes as follows:

- pension and disability insurance;
- health insurance;
- unemployment insurance;
- maternity leave insurance.

The taxable base for social security insurance contributions paid by employees is the total amount of the gross wage or salary including vacation payments, fringe benefits and remuneration of expenses related to work above a certain threshold. The assessment period is the calendar month. Employees contribute an amount as a percentage of their remuneration as follows.

Scheme name	Rate of contribution (%)
Pension insurance	15.50
Health insurance	6.36
Unemployment insurance	0.14
Maternity leave	0.10
Total	22.10

### III.1. SPAIN

Social Security contributions are a fixed proportion of covered earnings between a floor and a ceiling, which vary by broadly defined professional categories. Currently, eleven categories are distinguished. For the first seven of them, floor and ceilings apply to monthly earnings. These floors and ceilings are shown below for the year 2023. They are approximately equal to, respectively, the professional minimum wage and three times the professional minimum wage. For the last four categories, floors and ceilings apply to daily earnings.

Professional Category	Minimum base	Maximum base
Engineers and university graduates	1,629.30 €/month	4,495.50 €/month
Qualified technicians and assistants	1,351.20 €/month	4,495.50 €/month
Clerical and Workshop supervisors	1,260.00 €/month	4,495.50 €/month
Non-qualified assistants	1,260.00 €/month	4,495.50 €/month
Clerical Officers and Assistants	1,260.00 €/month	4,495.50 €/month
Subordinates	1,260.00 €/month	4,495.50 €/month
Administrative Assistants	1,260.00 €/month	4,495.50 €/month
Workshop Officers	42.00 €/day	149.85 €/day
Sub officers and Skilled workers	42.00 €/day	149.85 €/day
Labourers	42.00 €/day	149.85 €/day
Workers lower than 18 years old	42.00 €/day	149.85 €/day

Social Security contributions made by taxpayers are addressed to cover the following contingencies:

- Common contingencies: illness, non-labour accidents, retirement, maternity leave, etc.
- Work injuries and professional diseases
- Overtime work
- Other contributions made for purposes such as:
  - Unemployment
  - Fund of Wage Guarantee
  - Professional Training

Social security contributions are calculated on the total monthly pay received by the employee, excluding per diem allowances and travel expenses, distance and transport supplements, petty cash allowances, work clothes and uniforms, death indemnities, relocation expenses and other minor items. As stated before, there is a minimum floor and a maximum ceiling or base for the first seven professional categories of employees (from engineers to administrative assistants; for the other four categories the minimum and maximum bases are computed on a daily basis). Social security bases are fixed every year by the General Budget Law. The tax rate is the percentage applied to the tax base. Tax rates are fixed every year by the General Budget Law.

For 2023 the rates applied for employers are the following:

	Employers
General Benefits Fund	23.60%
Unemployment (general rate)	5.50%
Unemployment (fixed duration – full time)	6.70%
Unemployment (fixed time – part time)	6.70%
Wage Guarantee Fund	0.20%
Professional Training	0.60%
Intergenerational equity mechanism	0.5%

### **III.1. SWITZERLAND**

The social security contribution paid by employees is based on the sum of earnings and taxable transfers.

Social security contributions depend on the income level. As of 1 January 2023, social security contributions consist of the following:

SSC-type	Employers	Employees	Total
Old age and survivors' insurance	4.35%	4.35%	8.7%
Disability insurance	0.7%	0.7%	1.4%
Income compensation	0.225%	0.25%	0.45%
Unemployment insurance	1.1% for all income up to CHF 148,200	1.1% for all income up to CHF 148,200	2.2%
Total	6.4%	6.4%	12.8%

### **III.1. UNITED KINGDOM**

An employee aged 16 or over but below state pension age must pay primary Class 1 contributions unless earnings for the pay period for each employment are below the primary threshold (PT) in which case the payment is not made. In 2023-24, employees pay Class 1 contributions equal to 12 per cent of earnings above the PT ( £242 per week ) up to the upper earnings limit (UEL: £967 per week in 2023-24). Employees also pay contributions at 2 per cent above the UEL.



From 1981-82 the structure for employees' contributions was as follows:

Year	Lower limit of earnings (£)	Upper limit of earnings (£)	Not contracted-out rate payable on all earnings (%)	Contracted-out rate payable on all earnings (%)
1981-82	27.00	200	7.75	5.25
1982-83	29.50	220	8.75	6.25
1983-84	32.50	235	9.00	6.85
1984-85	34.00	250	9.00	6.85

The structure changed mid-way through the year in 1985 so rates between October 1985 and April 1986 are not given in table III.1. They were as follows:

Weekly income (£)	Employee's contribution rate payable on all earnings (%)
0-35.50	0
35.50-55	5.00
55-90	7.00
90-265	9.00

The structure remained unchanged until October 1989 when it changed again mid-way through the year. The rates that were applied between October 1989 and April 1990 are not given in table III.1 so are given below.

Weekly income (£)	Employee's contribution rate (%)
0-43	0
43-325	2% on first £43; 9% on balance

With the abolition of the 2 per cent entry fee on employee's earnings below the lower earnings limit in April 1999 the structure changed to that below:

Weekly income (£)	Employee's contribution rate (%)
0-66	0
66-500	10.00

From April 2003, a 1 per cent rate above the UEL was introduced, and the rate between the PT and UEL was increased from 10 to 11 per cent.

Weekly income (£)	Employee's contribution rate (%)
0- (PT)	0
(PT) - (UEL)	11.00
> (UEL)	1.00

From April 2011, the following structure was applied, raising the rates between the PT and UEL and above the UEL by 1 per cent. This has remained unchanged to date.

Weekly income (£)	Employee's contribution rate (%)
0- (PT)	0
(PT) - (UEL)	12.00
> (UEL)	2.00

Until April 2016, there was a contracted out rebate of 1.4 per cent of earnings between the lower earnings limit (LEL) and the upper accruals point (UAP) for those in contracted-out salary related schemes. No contributions were actually payable on earnings between LEL and PT but notional contributions were treated as having been paid to protect benefit entitlement.

In 2023-24, employees pay Class 1 contributions equal to 12 per cent of earnings above the PT ( £242 per week ) up to the upper earnings limit (UEL: £967 per week in 2023-24). Employees also pay contributions at 2 per cent above the UEL.

# 2

## Table 3.2. Employer social security contribution rates

### III.2. AUSTRIA

The SSC rates are for workers, and they are lower for other employees. They also include Contributions for the promotion of residential buildings (Payroll tax in 'Revenue Statistics'), which are levied by health security institutions on the same base (but only on 12 current pays) as SSC.

There is no lower threshold for accident insurance. Indeed, even for employees below the threshold, the employer may have to pay accident SSC. If the wage sum is above 150 per cent of the lower threshold, the employer has to pay health and pension contributions also for those employees below the lower threshold.

### III.2. BELGIUM

The rate of the employer social security contribution listed in table III.2 is the sum of different items. Up to the third quarter of 1982 there were upper thresholds for some items. These thresholds were abolished starting from October 1982. On top of the marginal rate applicable to the gross salary, there was a lump sum to be paid from the third quarter of 1980 until the last of 1983.

employee r ssc	Marginal rate	of which				upper threshold (BEF per quarter)				lump sum
		in %	pension s	sickness allowance s	Unemploymen t	Educational leave	pension s	sickness allowance s	Unemploymen t	
1980Q1	24,15	8	1,8	1,7	0,05	54150	54150	32750	32750	0
1980Q2	24,15	8	1,8	1,7	0,05	55225	55225	33400	33400	0
1980Q3	24,15	8	1,8	1,7	0,05	56325	56325	34075	34075	0
1980Q4	24,18	8	1,83	1,7	0,05	57450	70400	34750	34750	2215
1981Q1	24,12	8,86	1,84	1,27	0,05	71800	71800	71800	71800	2215
1981Q2	24,1	8,86	1,84	1,27	0,03	73225	73225	73225	73225	2215
1981Q3	24,1	8,86	1,84	1,27	0,03	73225	73225	73225	73225	2215
1981Q4	24,1	8,86	1,84	1,27	0,03	76200	76200	76200	76200	2215
1982Q1	24,07	8,86	2,1	1,23	0,03	95625	95625	95625	95625	2436

1982Q2	24,07	8,86	2,2	1,23	0,03	97525	97525	97525	97525	2436
1982Q3	24,09	8,86	2,2	1,23	0,05	99475	99475	99475	99475	2436
1982Q4	24,09									2436
1983Q1	24,07									2680
1983Q2	24,12									2680
1983Q3	24,07									2680
1983Q4	24,07									2680

From 1982 till 1999 some "Maribel"- reductions were granted, but not in all sectors of economic activity. Since 1999 these reductions were replaced by general "structural" reductions of employer social security contributions. The amount varies in relation to the gross salary following the tables below.

### As from 01.01.2023

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 25 500.76	0.1400 (42 343.04 – S) + 0.4 (25 500.76 - S)
25 500.76 < S < 42 343.04	0.1400 (42 343.04 – S)
S > 42 343.04	0

### As from 01.10.2022

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 24 510.56	0.1400 (40 699.52 – S) + 0.4 (24 510.56 - S)
24 510.56 < S < 40 699.52	0.1400 (40 699.52 – S)
S > 40 699.52	0

### As from 01.07.2022

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 24 029.96	0.1400 (39 901.48 – S) + 0.4 (24 029.96 - S)
24 029.96 < S < 39 901.48	0.1400 (39 901.48 – S)
S > 39 901.48	0

### As from 01.04.2022

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 23 558.80	0.1400 (39 119.08 – S) + 0.4 (23 558.80 - S)
23 558.80 < S < 39 119.08	0.1400 (39 119.08 – S)
S > 39 119.08	0

### As from 01.01.2022

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 38 352.04	0.1400 (38 352.04 – S)
S > 38 352.04	0

**As from 01.10.2021**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 37\,600.04$	$0.1400 (37\,600.04 - S)$
$S > 37\,600.04$	0

**As from 01.04.2020**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 36\,862.80$	$0.1400 (36\,862.80 - S)$
$S > 36\,862.80$	0

**As from 01.01.2019**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 36\,140.00$	$0.1400 (36\,140.00 - S)$
$S > 36\,140.00$	0

**As from 01.10.2018**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 36\,108.00$	$0.1280 (36\,108.00 - S)$
$S > 36\,108.00$	0

**As from 01.01.2018**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 35\,400.00$	$0.1280 (35,400.00 - S)$
$S > 35\,400.00$	0

**As from 01.07.2017**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 28\,715.04$	$1\,752 + 0.1369 (28\,715.04 - S)$
$28\,715.04 < S < 55\,769.88$	1 752.00
$S > 55\,769.88$	$1\,752 + 0.06 (S - 55\,769.88)$

**As from 01.04.2016**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 27\,600.00$	$1\,752 + 0.1369 (27\,600 - S)$
$27\,600 < S < 53\,604.28$	1 752.00
$S > 53\,604.28$	$1\,752 + 0.06 (S - 53\,604.28)$

**As from 01.01.2014**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 22\,241.96$	$1\,850.40 + 0.1620 (22\,241.96 - S)$
$22\,241.96 < S < 53\,604.28$	1 850.40
$S > 53\,604.28$	$1\,850.40 + 0.06 (S - 53\,604.28)$

**As from 01.04.2013**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 22\,303.72$	$1\,810 + 0.1620 (22\,303.72 - S)$
$22\,303.72 < S < 53\,439.20$	1 810
$S > 53\,439.20$	$1\,810 + 0.06 (S - 53\,439.20)$

**As from 01.01.2013**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 23\,600$	$1\,600 + 0.1620 (23\,600 - S)$
$23\,600 < S < 49\,939.20$	1 600
$S > 49\,939.20$	$1\,600 + 0.06 (S - 49\,939.20)$

**As from 01.04.2012**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 23\,482.84$	$1\,600 + 0.1620 (23\,482.84 - S)$
$23\,482.84 < S < 48\,960$	1 600
$S > 48\,960$	$1\,600 + 0.06 (S - 48\,960)$

**As from 01.01.2012**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 23\,482.84$	$1\,600 + 0.1620 (23\,482.84 - S)$
$23\,482.84 < S < 48\,000$	1 600
$S > 48\,000$	$1\,600 + 0.06 (S - 48\,000)$

**As from 01.01.2010**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 24\,120.00$	$1\,600 + 0.1620 (24\,120.00 - S)$
$24\,120.00 < S < 48\,000$	1 600
$S > 48\,000$	$1\,600 + 0.06 (S - 48\,000)$

**As from 01.04.2007**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 23\,482.84$	$1\,600 + 0.1620 (23\,482.84 - S)$
$23\,482.84 < S < 48\,000$	1 600
$S > 48\,000$	$1\,600 + 0.06 (S - 48\,000)$

**As from 01.01.2005**

Yearly gross salary (S) in €	Yearly reduction in €
$0 < S < 23\,482.84$	$1\,600 + 0.1444 (23\,482.84 - S)$
$23\,482.84 < S < 48\,000$	1 600
$S > 48\,000$	$1\,600 + 0.06 (S - 48\,000)$

**As of 01.01.2004**

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 21 240	1 600 + 0.1750 (21 240 – S)
21 240 < S < 48 000	1 600
S > 48 000	1 600 + 0.0173 (S – 48 000)

**As of 01.04.2003**

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 10 260.72	1 390.36
10 260.72 < S < 13 329.24	2 945.56
13 329.24 < S < 18 459.16	2 945.56 - 0.3032 (S – 13 329.24)
S > 18 459.16	1 390.36

**As of 1.04.2002**

Yearly gross salary (S) in €	Yearly reduction in €
0 < S < 10 260.72	1 255.36
10 260.72 < S < 13 329.24	2 945.56
13 329.24 < S < 18 459.16	2 945.56 - 0.3295 (S – 13 329.24)
S > 18 459.16	1 255.36

**As of 1.04.2001**

Yearly gross salary (S) in €	Reduction in €
0 < S < 10 260.72	1 120.36
10 260.72 < S < 13 329.24	2 945.56
13 329.24 < S < 18 459.16	2 945.56 - 0.3558 (S - 13 329.24)
S > 18 459.16	1 120.36

**As of 1.04.2000**

Yearly gross salary (S) in €	Reduction in €
0 < S < 10 260.72	985.32
10 260.72 < S < 13 329.24	2 945.56
13 329.24 < S < 18 459.16	2 945.56 - 0.3821 (S - 13 329.24)
S > 18 459.16	985.32

**As of 1.04.1999**

Yearly gross salary (S) in €	Reduction in €
0 < S < 10 260.72	264.84
10 260.72 < S < 13 000.04	2 367.60
13 000.04 < S < 15 049.60	2 367.60 - 0.5509 (S – 13 000.04)
15 049.60 < S < 18 459.16	861.96
S > 18 459.16	264.84

**III.2. CANADA**

Employer Employment Insurance (EI) contributions are 2.282 per cent of each employee's annual earnings up to \$61 500 in 2023.

Starting in 2012, employer Quebec Pension Plan contributions are no longer aligned with employer Canada Pension Plan contributions. In 2023, employer Canada Pension Plan contributions are paid at a rate of 5.95 per cent and employer Quebec Pension Plan contributions are paid at a rate of 6.40 per cent. Employer contributions to both the base and enhanced portions of the CPP and QPP are deductible for tax purposes. The following table presents the historical rates and thresholds:

Year	Employment Insurance (EI)		Canada Pension Plan (CPP)/ Quebec Pension Plan (QPP)		
	Rate (%)	Maximum Insurable Earnings (\$)	CPP Rate (%)	QPP Rate (%)	Earnings (\$ Y)
2023	2.282	61 500	5.95	6.40	3 500 < Y < 66 600
2022	2.212	60 300	5.70	6.15	3 500 < Y < 64 900
2021	2.212	56 300	5.45	5.90	3 500 < Y < 61 600
2020	2.212	54 200	5.25	5.70	3 500 < Y < 58 700
2019	2.268	53 100	5.10	5.55	3 500 < Y < 57 400
2018	2.324	51 700	4.95	5.40	3 500 < Y < 55 900
2017	2.282	51 300	4.95	5.40	3 500 < Y < 55 300
2016	2.632	50 800	4.95	5.325	3 500 < Y < 54 900
2015	2.632	49 500	4.95	5.25	3 500 < Y < 53 600
2014	2.632	48 600	4.95	5.175	3 500 < Y < 52 500
2013	2.632	47 400	4.95	5.10	3 500 < Y < 51 100
2012	2.562	45 900	4.95	5.025	3 500 < Y < 50 100
2011	2.492	44 200		4.95	3 500 < Y < 48 300
2010	2.422	43 200		4.95	3 500 < Y < 47 200
2009	2.422	42 300		4.95	3 500 < Y < 46 300
2008	2.422	41 100		4.95	3 500 < Y < 44 900
2007	2.520	40 000		4.95	3 500 < Y < 43 700
2006	2.618	39 000		4.95	3 500 < Y < 42 100
2005	2.730	39 000		4.95	3 500 < Y < 41 100
2004	2.772	39 000		4.95	3 500 < Y < 40 500
2003	2.940	39 000		4.95	3 500 < Y < 39 900
2002	3.080	39 000		4.70	3 500 < Y < 39 100
2001	3.150	39 000		4.30	3 500 < Y < 38 300
2000	3.360	39 000		3.90	3 500 < Y < 37 600

### III.2. CHILE

The main payments of employer social security contributions are not classified as taxes by the Ministry of Finance in Chile. In Chile the upper earnings limit thresholds are expressed in UF [*Unidad de Fomento*] which is a unit of account adjustable daily in line with the CPI. (see notes to Table III.1 for further explanation). These payments are as follows:

- Occupational accident and disease insurance; employers make a mandatory payment of 0.9% of the employee's earnings subject to an upper earnings limit of 81.6 UF. In addition to this basic rate, there are further payments of up to an extra 3.4%, according to the activity and risk associated to the enterprise (this additional contribution could be reduced, down to 0%, depending on the safety measures the employer implements in the enterprise. If health and safety conditions at work are not satisfactory, this additional contribution could be applied with a surcharge of up to 100%). For the majority of workers, these amounts are paid to employers' associations of labour security which are private non-profit institutions. For the remainder the contributions are paid to the Social Security Regularisation Unit (ISL). Although this latter organisation is controlled by government the funds that are collected are invested on the private market.

- Unemployment insurance; employers contribute 2.4% of an employee's earnings (0.8% after 11 years of labour relationship and 3% for fixed-term contracts) subject to an upper earnings limit of 122.6 UF. These funds are managed privately.
- A premium to an Insurance Company to cover the worker in the event of disability or death. (upper earning limit: 81.6 UF).
- If the employee performs heavy work, the employer also pays a contribution of 2% (heavy work) or 1% (less heavy work) of the worker gross earnings into the individual capitalization account. The National Ergonomic Commission is in charge of rating a task as heavy work (upper earning limit: 81.6 UF).
- Employers shall make a mandatory contribution of 0.03% of the employees' gross income to a fund which finances insurance coverage for working parents of sons and daughters over 1 year and under 15 or 18 years, as applicable, that have a serious health condition, so that the parents can take a leave of absence from their work in order to accompany and take care of them; therefore, during this period the parents shall have the right to assistance financed by the fund (in Spanish, "Fondo SANNA") that will replace, in total or partially, their monthly earnings. The collection of this contribution is initially delegated to the "Instituto de Seguridad Laboral" and to the employers' association of labour security. The upper earning limit to calculate the contribution is 81.6 UF
- Temporarily, employers must purchase an individual Covid-19 insurance, for private sector employees working on-site. The obligation to contract this insurance will last until the end of the health alert decreed by the government. The premium is approximately US\$7.

### III.2. COSTA RICA

Program	Rate %
Oldage, disability and death program (IVM)	5,25
Healthcare and Maternity Insurance (SEM)	9,25
Popular Bank Fee	0,50
Unemployment insurance	3,00
Family allowances	5,00
Complementary pensions	1,50
Learning National Institute (INA)	1,50
Joint Institute for Social Aid (IMAS)	0,50

### III.2. CZECH REPUBLIC

The rates of social security contributions for employers are:

	pension insurance contributions	sickness insurance contributions	contributions to state employment policy	health insurance contributions	Total
employer	21.5%	2.1%	1.2%	9%	33.8%

A separate ceiling set at four times the average annual salary, CZK 1 935 552 (EUR 79 754) in 2023, applies to social contributions. Starting from 2013, the ceiling on health insurance contributions (six times the average annual salary) is abolished. From July 1<sup>st</sup> 2019 the rate of sickness insurance contributions paid by employers was reduced to 2,1 %.

### III.2. GREECE

See explanatory note to Table III.1.



### III.2. IRELAND

In 2002, the upper threshold was abolished hence no maximum contribution.

### III.2. ISRAEL

The full amount of the employer contributions applies to the various National Insurance branches. Employers do not pay any contributions for health insurance on behalf of their employees.

See the corresponding note for Table III.1 Employee social security contributions for the general background.

Since July 2005, a reduced rate applies up to a lower threshold of 50% the average wage per employee post (raised to 60% of the average wage per employee post in January 2006). The regular rate applied up to an upper threshold of around 4 times the average wage per employee post until June 2002. The upper threshold was removed between July 2002 and June 2003. In July 2003, the upper threshold was reinstated at a level of 5 times the average wage per employee post. In August 2009, it was increased to 10 times the average wage per employee post. In January 2011, it was decreased to 9 times the average wage per employee post and back to 5 times the average wage per employee post in January 2012.

The regular rate increased from 5.93% in 2012 to 6.5% in 2013, 6.75% in 2014, 7.25% in 2015, 7.5% in 2016 and 7.6% in 2019.

The following table shows the historical tax rates and thresholds:

Period	Reduced rate	Lower threshold	Regular rate	Upper threshold
Jan2000-Dec2000			4.93	25,388
Jan2001-Dec2001			4.93	27,856
Jan2002-Mar2002			4.93	28,200
Apr2002-Jun2002			4.93	27,856
Jul2002-Dec2002			5.93	No limit
Jan2003-Jun2003			5.93	No limit
Jul2003-Jun2005			5.93	34,820
Jul2005-Dec2005	5.33	3,482	5.68	34,820
Jan2006-Dec2006	4.98	4,430	5.68	35,760
Jan2007-Dec2007	4.14	4,522	5.68	35,760
Jan2008-Dec2008	3.85	4,598	5.43	36,760
Jan2009-Jul2009	3.45	4,757	5.43	38,415
Aug2009-Dec2009	3.85	4,757	5.43	76,830
Jan2010-Dec2010	3.85	4,809	5.43	79,750
Jan2011-Apr2011	3.85	4,984	5.43	73,422
Apr2011-Dec2011	3.45	4,984	5.90	73,422
Jan2012-Dec2012	3.45	5,171	5.90	41,850
Jan2013-Dec2013	3.45	5,297	6.5	42,435
Jan2014-Dec2014	3.45	5,453	6.75	43,240
Jan2015-Dec2015	3.45	5,556	7.25	43,240
Jan2016-Dec2016	3.45	5,678	7.50	43,240
Jan2017-Dec2017	3.45	5,804	7.50	43,240
Jan2018-Dec2018	3.45	5,944	7.50	43,370
Jan2019-Dec2019	3.55	6,164	7.60	43,890
Jan2020-Dec2020	3.55	6,331	7.60	44,020
Jan2021-Dec2021	3.55	6,331	7.60	44,020
Jan2022-Dec2022	3.55	6,331	7.60	45,075

### III.2. LATVIA

If an employee has been insured for all types of social insurance, social security contribution rate for employer is 23.59 % (in 2020 24.09 %).

### III.2. LITHUANIA

Between 2000 and 30 June 2017, the rate of social security contributions (includes insurance for pension, sickness, maternity, health, unemployment and accidents at work and occupational diseases, but does not include payments to Guarantee fund or Long-term employment benefit fund) for employers on behalf of their employees was 31 percent. From 1 July 2017, the rate of social security contribution decreased to 30.5 percent. As of 2019, due to tax reform and decision to transfer employer's social security contribution to the employee, the rate of social security contribution decreased to 1.47 percent. See the table below for more detail.

The taxable base and the taxation period is the same as for employees' contributions.

In 2018 "floor" for social security contributions was introduced. Employers must pay a top up of the social security contributions (both employer's and employee's contributions) on the difference between the minimum monthly wage and the actual wage, in case it is lower than the minimum monthly wage (i.e. the overall SSC, including health insurance contributions, paid both by employee and employer, must be paid from the amount not smaller than a set minimum wage). This applies to all workers except pensioners, all kind of disabled people, all workers up to 24 years old and other workers who receive maternity, paternity or child care benefits.

In 2019 social security contribution "ceiling" was introduced for both employee's and employer's contributions. Persons employed under employment contracts shall pay social security contributions (except for health insurance contributions) from the amount not exceeding a certain threshold (120 average wages per year in 2019, 84 average wages per year in 2020 and 60 average wages per year in 2021 and subsequent years). In case the person in the period of 2019 and 2020 year has at least two insurers during one calendar year, the ceiling of social security contributions is calculated separately.

From 2021 regulation is changing - the ceiling of social security contributions is applied only for the employee's overall employment income (combined from all employers), except for health insurance contributions. As of 2021 the ceiling is no longer applied for the social security contribution paid by the employer..

Year	General rate for social insurance (%)	Employer's part						Employee part					
		Pension social insurance (%)	Sickness and maternity social insurance (%)	Maternity social insurance (%)	Unemployment social insurance (%)	Accidents at work and occupational diseases social insurance (%)*	Health insurance (%)	Pension social insurance (%)	Sickness and maternity social insurance (%)	Health insurance (%)			
2000	34	22,5		3,0		1,5		1,0	3	2,5		0,5	-

Year	Employer's part							Employee part		
	General rate for social insurance (%)	Pension social insurance (%)	Sickness and maternity social insurance (%)	Maternity social insurance (%)	Unemployment social insurance (%)	Accidents at work and occupational diseases social insurance (%)*	Health insurance (%)	Pension social insurance (%)	Sickness and maternity social insurance (%)	Health insurance (%)
2001	34	22,5		3,0	1,5	1,0	3	2,5	0,5	-
2002	34	22,5		3,0	1,5	1,0	3	2,5	0,5	-
2003	34	23,4		2,8	1,5	0,3	3	2,5	0,5	-
2004	34	23,4		2,8	1,5	0,3	3	2,5	0,5	-
2005	34	23,5		2,8	1,4	0,3	3	2,5	0,5	-
2007	34	23,7		2,8	1,2	0,3	3	2,5	0,5	-
2008	34	23,85		2,9	0,95	0,3	3	2,5	0,5	-
2009	40	23,3		3,4	1	0,3	3	3	-	6
2010	40	23,3		3,4	1,1	0,2	3	3	-	6
2011	40	23,3		3,4	1,1	0,2	3	3	-	6
2012	40	23,3		3,4	1,1	0,2	3	3	-	6
2013	40	23,3		3,4	1,1	0,2	3	3	-	6
2014	40	23,3		3,4	1,1	0,2	3	3	-	6
2015	40	23,3		3,4	1,1	0,2	3	3	-	6
2016	40	23,3		3,4	1,1	0,2	3	3	-	6
2017 (until July 1 <sup>st</sup> )	40	23,3	1,2	2,2	1,1	0,2	3	3	-	6
2017 (from July 1 <sup>st</sup> )	39,5	22,3	1,2	2,2	2,2	0,2	3	3	-	6
2018	39,5	22,3	1,4	2,2	1,4 (for fixed-term employment)	0,2	3	3	-	6

		Employer's part					Employee part			
Year	General rate for social insurance (%)	Pension social insurance (%)	Sickness and maternity social insurance (%)	Maternity social insurance (%)	Unemployment social insurance (%)	Accidents at work and occupational diseases social insurance (%)**	Health insurance (%)	Pension social insurance (%)	Sickness and maternity social insurance (%)	Health insurance (%)
					contracts 2,8)					

\* The rate shown in the table is a general rate. In practice four categories of rates of insurance contributions for accidents at work and occupational diseases are applied, depending on company's risk profile.

		Employer's part					Employee part			
Year	General rate for social insurance (%)	Pension social insurance (%)	Sickness and maternity social insurance (%)	Unemployment social insurance (%)	Accidents at work and occupational diseases social insurance (%)**	Health insurance (%)	Pension social insurance (%)	Sickness social insurance (%)	Maternity social insurance (%)	Health insurance (%)
2019	20,97			1,31 (for fixed-term employment contracts 2,03)	0,16		8,72	2,09	1,71	6,98
2020	20,97			1,31 (for fixed-term employment contracts 2,03)	0,16		8,72	2,09	1,71	6,98
2021	20,97			1,31 (for fixed-term employment contracts 2,03)	0,16		8,72	2,09	1,71	6,98
2022	20,97			1,31 (for fixed-term employment contracts 2,03)	0,16		8,72	1,99	1,81	6,98
2023	20,97			1,31 (for fixed-term employment contracts 2,03)	0,16		8,72	1,99	1,81	6,98

\* The rate shown in the table is a general rate. In practice four categories of rates of insurance contributions for accidents at work and occupational diseases are applied, depending on company's risk profile. In 2023 the specific rates are

- Category I – 0.14 percent;
- Category II – 0.47 percent;

- Category III – 0.7 percent;
- Category IV – 1.4 percent.

### **III.2. LUXEMBOURG**

Since 2009, the SSC rates are equal for workers and employees.

### **III.2. MEXICO**

Social security contributions paid by the employer are divided as follows:

1. Starting 2008 for sickness and maternity 20.40 %<sup>4</sup> (15.2 % in 2000, 15.85 % in 2001, 16.5 % in 2002, 17.15 % in 2003, 17.80 % in 2004, 18.45 % in 2005, 19.10 % in 2006 and 19.75 % in 2007) of the monthly UMAs (\$103.74 per day in 2023), plus 1.10 % since 2008<sup>5</sup> (5.02 % in 2000, 4.53 % in 2001, 4.04 % in 2002, 3.55 % in 2003, 3.06 % in 2004, 2.57 % in 2005, 2.08 % in 2006 and 1.59 % in 2007) of the employee's monthly earnings in excess of three UMAs, plus 1.75 % of the employee's monthly earnings.
2. For disability and life insurance, 1.75 % of worker's monthly earnings.
3. For social services and nursery, 1.0 % of worker's monthly earnings.
4. Work injury contributions are a variable percentage of the worker's monthly earnings. The amount depends on the risk level in which the company is classified. The weighted average risk premium is 1.928 % and it was calculated based on the information of every economic sector included in the AW estimation.

Employee's monthly earnings include wages and fringe benefits such as food vouchers and housing benefits. For reporting purposes, all rates applied over the employee's monthly wage (with a single ceiling of 25 UMAs starting in 2008) were added into a single rate of 6.43 %.

Social security contributions paid by the employer are capped at \$6,475 in 2023 for employees earning an amount equivalent to 25 monthly UMAs or more. They were capped at \$4,080 in 2000, \$4,240 in 2001, \$4,322 pesos in 2002, \$3,704 in 2003, \$3,724 in 2004, \$3,349 in 2005, \$3,358 in 2006, \$3,361 in 2007, \$3,329 in 2008 \$3,469 in 2009, 3,637 in 2010, \$3,787 in 2011, \$3,917 in 2012, \$4,070 MXN in 2013, \$4,229 in 2014, \$4,405 in 2015, \$4,590 in 2016, \$4,744 in 2017, \$5,065 in 2018, \$5,346 in 2019, \$5,495 in 2020 \$5,637 in 2021 and \$6,047 in 2022.

### **III.2. NETHERLANDS**

The social security contributions paid by employers consists of several parts; unemployment, invalidity and public insurance for medical care.

#### *1. Unemployment*

Employers pay a percentage of the gross earnings below a ceiling for the general unemployment fund. Before 2013, a threshold applied for this contribution. From 2020 onwards, either a low or a high rate is applicable, depending on the type of contract. Employers pay 5% more for short-term contracts compared to permanent contracts. Until 2019 a percentage of the gross earnings below a ceiling for the industrial insurance associations' redundancy payments fund was also levied. The following percentages are applicable:

---

<sup>4</sup> This rate increased 0.65 percentage points on an annual basis. As from 2008, the applicable rate is 20.40 %

<sup>5</sup> This rate decreased 0.49 percentage points on an annual basis. As from 2008, the applicable rate is 1.1 %.

Fiscal year	Threshold (only applicable before 2013) and ceiling	Statutory rate general unemployment fund (between threshold and ceiling)		Statutory rate industrial insurance associations redundancy payments fund (below ceiling)
		Low	High	
2022	€ 59,704	2.70%	7.70%	0%
2021	€ 58,311	2.70%	7.70%	0%
2020	€ 57,232	2.94%	7.94%	0%
2019	€ 55,927		3.60%	0.77%
2018	€ 54,614		2.85%	1.28%
2017	€ 53,701		2.64%	1.36%
2016	€ 52,763		2.44%	1.78%
2015	€ 51,976		2.07%	2.16%
2014	€ 51,414		2.15%	2.68%
2013	€ 50,853		1.70%	3.26%
2012	€ 17,229 and € 50,064		4.55%	2.77%
2011	€ 16,965 and € 49,297		4.20%	2.24%
2010	€ 16,704 and € 48,716		4.20%	1.82%
2009	€ 16,443 and € 47,802		4.15%	1.41%
2008	€ 15,921 and € 46,205		4.75%	1.36%
2007	€ 15,660 and € 45,017		4.40%	1.27%
2006	€ 15,138 and € 43,848		3.45%	1.48%
2005	€ 15,080 and € 43,587		2.45%	1.75%
2004	€ 15,196 and € 43,578		1.55%	1.89%
2003	€ 14,877 and € 43,065		1.55%	1.30%
2002	€ 14,486 and € 41,499		3.60%	0.89%
2001	NLG 30,537 and NLG 87,957		3.65%	0.72%

## 2. Invalidity

A percentage of gross earnings below a ceiling is levied. The following percentages are applicable:

Fiscal year	Ceiling	Statutory rate (below ceiling)
2022	€ 59,704	8.78%
2021	€ 58,311	8.89%
2020	€ 57,232	8.55%
2019	€ 55,927	8.20%
2018	€ 54,614	7.99%
2017	€ 53,701	7.82%
2016	€ 52,763	7.50%
2015	€ 51,976	6.90%
2014	€ 51,414	6.48%
2013	€ 50,853	4.52%
2012	€ 50,064	5.60%
2011	€ 49,297	5.72%
2010	€ 48,716	6.36%
2009	€ 47,802	6.32%
2008	€ 46,205	6.37%
2007	€ 45,017	6.38%
2006	€ 43,848	6.38%
2005	€ 43,587	7.25%
2004	€ 43,578	7.65%
2003	€ 43,065	7.40%

2002	€ 41,499	7.85%
2001	NLG 87,957	7.70%

### 3. Public insurance for medical care

All individuals above the age of 18 years are obliged to insure themselves at a private insurance company. Individuals pay a nominal premium to a private insurance company for the basic health insurance of on average € 1,522 (2022) and in addition employers pay a percentage (6.75% in 2022) of gross income net of employees' pension premiums and unemployment social security contribution until a maximum of € 59,704 (2022).

### III.2. NORWAY

The rates are regionally differentiated according to five regional zones, with rates ranging from 0 in the northernmost part to 14.1 per cent in the most central areas.

From July 1 2001 until December 31 2006 the employer's SSC was reduced by 4 percentage points for most employees above 62 years (although not below zero).

As from 2017, the financial services industry is subject to a financial activity tax, consisting of an elevated tax rate on corporate income of 25 pct. and a special tax on wages of 5 pct. of the employer's SSC tax base.

A 5 pct. temporary employers SCC on wages above 750 000 was introduced in 2023.

### III.2. POLAND

The rates of social security contributions financed by employers are:

- old-age pension insurance contribution - 9.76 %
- disability pension insurance contribution - 6.5 % (from February 2012), 4.5 % (2008-January 2012), 6.5 % (1999-2007),
- work accident insurance contribution (the rate varies across industries) - 0.67 % – 3.33% (standard rate - 1.67%)
- contributions to the Labour Fund - 2.45 % (since 1999), 3% (1993-1998), 2% (1990-1992). Since 2019 part of the Labour Fund contribution is transferred to the Solidarity Fund (in 2020 2% of the contribution base to the Labour Fund and 0.45% to the Solidarity Fund, in 2021-2023 1% of the contribution base to the Labour Fund and 1.45% to the Solidarity Fund.)
- contribution to the Fund of Guaranteed Employee Benefits - 0.1% (since 2006), 0.15% (2003-2005), 0.08% (1999-2002), 0.15% (1998), 0.18 (1997), 0.5% (from 1.03.1996 to 12.1996), 0.2% (from 1.03.1995 to 29.02.1996), 0.5% (from 2.04.1994 to 28.02.1995), 1% (from 1.01.1994 to 1.04.1994).

Base for calculation of these contributions is revenue as defined in Personal Income Tax Act (which is approximately the same as gross wage).

The annual ceiling on basis for calculation of old age and disability contributions ng is set at 30 times average monthly wage projected for a given year in the state budget law. It amounts to 208 050 PLN in 2023 (177 660 PLN in 2022, 157 770 PLN in 2021).

The above described system concerning social insurance (i.e. old-age pension, disability pension and work accident insurance contributions) was introduced in 1999. Previously – the social contributions were paid only by employers, base of assessment of contributions was payroll and rates of contributions were: 45%

(years 1990-1998), 38% (years 1987-1989), 33% (from 1.07.1982 to 31.12.1986), 25% (from 1.01.1981 – 30.06.1983).

Contribution to Labour Fund (from 1990) and Fund of Guaranteed Employee Benefits (from 1994) were also paid.

### III.2. SLOVAK REPUBLIC

There is both a minimum (only for full-time employees) and a maximum contribution, defined by the minimum base (the value given in the column for the lower threshold in the table)<sup>6</sup> and the upper threshold. The thresholds are the same as for employee social security contributions. See explanation to Table III.1 for further details. The same changes to upper thresholds are valid as for employees as from 2011, 2013 and from 2017 onwards.

For the purposes of this table, the social insurance contribution rate for employers for 2005 onwards is assumed to be 25.2 per cent, in addition to a 10 per cent health insurance contribution. The social insurance rate reflects contributions to sickness insurance (1.4 per cent), disability insurance (3 per cent), retirement insurance (14 per cent), the Guarantee fund (0.25 per cent), and accident insurance (0.8 per cent), for unemployment (1 per cent) and to the Reserve fund (4.75 per cent). From 2022, the unemployment insurance is split into 0.5% for financing the existing unemployment benefits and into 0.5% for financing a new short-time work support scheme.

In January 2005, Slovakia has introduced the privately managed fully funded pillar. This means that a given proportion (9 percentage points) of social insurance contributions paid by the employer for retirement insurance flows directly to the private pension funds and not to the Social Insurance Agency as in previous years. As of September 2012 pension sharing scheme has been changed. Employer's retirement contribution rate to the fully funded pillar (II .pillar) has been reduced from 9 per cent to 4 per cent . From 2017, the II. pillar contribution rate is set to increase by 0.25 p.p. each year until it reaches 6% in 2024. (this system is no longer valid). Effective as of January 2023 the contribution to the 2. pillar is set to 5.5 % for 2023 and 2024. In 2025 and 2026 the contribution will increase to 5.75 %. The contribution to the 2. pillar will reach 6 % in 2027. The contribution rate to the pay-as-you-go I. pillar is reduced by the same amount (for more see pension contribution sharing table below).

Period	Percentage of gross earnings		
	I Pillar	II Pillar	Total
Previous system (up to September 2012)	9% (5% employer + 4% employee contribution)	9% (employer contribution)	18%
Previous system (from September 2012 to December 2016)	14% (10% employer + 4% employee contribution)	4% (employer contribution)	18%
Previous system (from January 2017 to December 2017)	13.75% (9.75% employer + 4% employee contribution)	4.25% (employer contribution)	18%
Previous system (from January 2018 to December 2018)	13.5% (9.5% employer + 4% employee contribution)	4.5% (employer contribution)	18%
Previous system (from January 2019 to December 2019)	13.25% (9.25% employer + 4% employee contribution)	4.75% (employer contribution)	18%
Previous system (from January 2020 to December 2020) Current system (from January 2020)	13% (9% employer + 4% employee contribution)	5.0% (employer contribution)	18%

<sup>6</sup> The minimum base is explicitly defined only in years 2005-2009. Since 2010, it is defined implicitly only by the employee's (minimum) wage.



Previous system (from January 2021 to December 2021)	12.75% (8.75% employer + 4% employee contribution)	5.25% (employer contribution)	18%
Current system (from January 2022)	12.5% (8.5% employer + 4% employee contribution)	5.5% (employer contribution)	18%

\* Effective as of January 2023 the contribution to the 2. pillar is set to 5.5 % for 2023 and 2024. In 2025 and 2026 the contribution will increase to 5.75 %. The contribution to the 2. pillar will reach 6 % in 2027

A health insurance contribution allowance (see explanation in III.1) was eligible for employers from January 2015 to December 2017. As of 1st January 2018 health insurance contribution allowance for employers has been abolished.

### III.2. SLOVENIA

The compulsory social security insurance system consists of four schemes as follows:

- pension and disability insurance;
- health insurance;
- unemployment insurance;
- Maternity leave insurance.

The taxable base for social security insurance contributions paid by employers is the total amount of the gross wage or salary including vacation payments, fringe benefits and remuneration of expenses related to work above a certain threshold. The assessment period is the calendar month. Employers contribute an amount as a percentage of their remuneration as follows.

Scheme name	Rate of contribution (%)
Pension insurance	8.85
Health insurance	7.09
Unemployment insurance	0.06
Maternity leave	0.10
Total	16.10

### III.2. SPAIN

The tax rate is the percentage applied to the tax base. Tax rates are fixed every year by the General Budget Law.

For 2023 the rates applied for employees are the following:

	Employees
General Benefits Fund	4.70%
Unemployment (general rate)	1.55%
Unemployment (fixed duration – full time)	1.60%
Unemployment (fixed time – part time)	1.60%
Wage Guarantee Fund	
Professional Training	0.10%
Intergenerational equity mechanism	0.1%

### III.2. SWEDEN

The employers' social security contribution is based on the sum of wages and other payments for labour, including also sick pay paid by the employer. The rate is 31.42 per cent. On premiums for occupational pensions paid by the employer a reduced SSC rate (24.26 per cent) is applied. For employees who are over 65 years old and born after 1937 only the old age pension contribution (10.21 per cent) and a pay roll

tax of 6.15 per cent is applicable. For persons born in 1937 or earlier only the pay roll tax of 6.15 per cent are applied. In certain regions, a reduction of 10 per cent of the base, maximum SEK 7 100 per month, is granted.

### III.2. SWITZERLAND

Employers' social security contributions depend on the wage level of the employee. As of 1 January 2023, social security contributions consist of the following:

SSC-type	Employers	Employees	Total
Old age and survivors' insurance	4.35%	4.35%	8.47%
Disability insurance	0.7%	0.7%	1.4%
Income compensation	0.25%	0.25%	0.45%
Unemployment insurance	1.1% for all income up to CHF 148,200	1.1% for all income up to CHF 148,200	2.2%
Total	6.4%	6.4%	12.8%

### III.2. UNITED KINGDOM

Employers pay Class 1 secondary contributions equal to 13.8 per cent of earnings above the secondary threshold (ST, £175 per week in 2023-24) for employees aged 21 or over..

Employers pay Class 1 secondary contributions equal to 13.8 per cent of earnings above the upper secondary threshold (UST, £967 per week in 2022-23) for employees under the age of 21.

From 1981-82 the structure for employer's contributions was as follows:

Year	Lower limit of earnings (£)	Upper limit of earnings (£)	Not contracted-out rate payable on all earnings (%)	Contracted-out rate payable on all earnings (%)
1981-82	27.00	200	10.20	5.70
1982-83	29.50	220	10.20	5.70
1983-84	32.50	235	10.45	6.35
1984-85	34.00	250	10.45	6.35

The UEL for employer's contributions was removed in 1985. The structure changed mid-way through the year so rates between October 1985 and April 1986 are not given in table III.2. They were as follows.

Weekly income (£)	Employer's contribution rate payable on all earnings (%)
0-35.50	0
35.50-55	5.00
55-90	7.00
90-130	9.00
> 130	10.45

In addition national insurance surcharge (NIS) was payable by most employers (excluding charities) up to 1<sup>st</sup> October 1984 (6th April 1985 for local authorities). NIS was levied on employees' gross earnings on exactly the same basis as employer's NICs. The rates of NIS were 3.5 %, 2% and 1% from October 1978, August 1982 and April 1983 respectively. At the end of 1982-83 a rebate was made to employers. This reduced the effective rate of NIS for the year as a whole to 2 per cent.

The structure changed in April 1999 when the multiple rates were replaced by a single rate charged above the secondary threshold. This structure has remained unchanged to date, but the rate has changed from 12.20 per cent in 1999-00, 11.9 per cent in 2001-02, 11.8 per cent in 2002-03 and increasing to 12.8 per cent from 2003-04, and increasing to 13.8 per cent from 2011-12 onwards.

In 2015-16, the upper secondary threshold for under 21s was introduced (£827pw in 2016-17), whereby secondary contributions equal to 13.8 per cent of earnings are only charged above this level for individuals aged under 21.

Until 2016-17 there was a contracted-out rebate for secondary contributions of 3.4 per cent of earnings between the lower earnings limit (LEL) and the upper accruals point (UAP) for contracted-out salary related schemes.

In 2017-18, the secondary threshold was aligned with the primary threshold at £157 per week.

In April 2022, employer contribution rates are increased by 1.25 percentage points to raise additional revenues for Health and Social Care. However, on November 6<sup>th</sup> 2022, this policy was reversed, so this increase was only partially applied to 2022-23 and does not apply to any subsequent years.

### ***III.2. UNITED STATES***

Starting in July 2011 the federal unemployment tax was reduced from 6.2 per cent to 6.0 per cent of wages up to USD 7 000. Taxes are also paid to various state-sponsored unemployment plans which are creditable against the federal tax (up to a maximum of 5.4 per cent of taxable wages).

The federal tax rate 6.2 per cent of earnings up to USD 117,000 in 2014, USD 118,500 in 2015 and 2016, USD 127,200 in 2017, USD 128,700 in 2018, USD 132,900 in 2019, and USD 137,700 in 2020 for old age, survivors, and disability insurance and 1.45 percent of earnings without limit for old age hospital insurance.

# 3

## Table 3.3. Self-employed social security contribution rates

### III.3. AUSTRIA

The table shows the rates for most self-employed. The rates are lower for farmers. Some groups (e.g. medical doctors, lawyers) have a different social security system, where the base is the (adjusted) taxable profits two years earlier.

### III.3. BELGIUM

Since 2015 the social security contributions of self-employed persons are determined in two steps. Initially advance payments are due on the inflation-adjusted taxable income of three years before (TY-3), e.g. provisional contributions of 2018 are based on the inflation-adjusted taxable income of 2015. Differing contributions are accepted depending upon strict conditions and provided a minimum and maximum are respected. In subsequent years, once the taxable income of the year (TY) is fixed by the tax administration, the final assessment of social security contributions applies the same rate schedule. Up till 2014 only the first step was applicable.

. Up to 2002 the income of the reference year was first grossed up with the theoretical value of the social contribution due on such income according to the rate schedule of the reference year. Then this grossed up income was inflation adjusted and finally the social contribution was calculated (with a different marginal rate and additional fixed amount (lump sum) for each income bracket). From 2003 onwards, the marginal rates were increased but the grossing up and the additional fixed amounts were abolished.

Specific reductions apply for some categories, such as starters, assisting spouses, self-employed as secondary activity, and self-employed above retirement age.

Contribution year (and reference year)	Adjustment coefficient	Minimum (euros; on yearly basis)	Maximum (euros; on yearly basis)
2023 (2020)	1.18313797(**)	3 363.88	19 278.60
2022 (2019)	1.0645330(**)	3005.00	17 221.68
2021 (2018)	1.0346668 (**)	2 878.73	16 498.12
2020 (2017)	1.0522372 (**)	2 868.72	16 440.80
2019 (2016)	1.0633665 (**)	2 838.72	16 268.80
2018 (2015)	1.0610973 (**)	2 777.84	15 920.00
2017 (2014)	1.0470412 (**)	2 792.20	15 908.36
2016 (2013)	1.0280449 (**)	2 797.28	15 847.60
2015 (2012)	1.0282748 (**)	2 831.48	15 954.68
2014 (2011)	1.0574582	2 831.48	15 954.68
2013 (2010)	1.0914513	2 822.72	15 905.32
2012 (2009)	1.095035	2 771.44	15 616.24
2011 (2008)	1.0537941	2 668.56	15 036.48

2010 (2007)	1.073467	2 601.36	14 657.96
2009 (2006)	1.0929874	2 601.36	14 657.96
2008 (2005)	1.0745475	2 512.48	14 157.16
2007 (2004)	1.0779395	1 924.32	12 607.56
2006 (2003)	1.0860889	1 899.08	12 422.28
2005 (2002)	1.0674172	1 837.20	12 036.76
2004 (2001)	1.0522912	1 781.88	11 674.20
2003 (2000)	1.0612037	1 753.60	11 489.16
2002 (1999)	1.0688421 (*)	1 721.11	11 251.92
2001 (1998)	1.0609871 (*)	1 689.54 (68 156 BEF)	11 044.35 (445 528 BEF)
2000 (1997)	1.0368237 (*)	1 635.50 (65 976 BEF)	10 692.74(431 344 BEF)

(\*) applicable on grossed up income of the reference year

### III.3. CANADA

Self-employed individuals contribute to CPP/QPP by paying both the employee and employer portions to total contributions.

In 2000, self-employed individuals received a non-refundable income tax credit of 17 per cent for contributions made to CPP/QPP.

Effective from 2001, 50 per cent of contributions to CPP/QPP by self-employed individuals are deductible from income for purposes of determining taxable income. Self-employed individuals receive a non-refundable income tax credit for the other 50 per cent of contributions made to CPP/QPP. From 2001 to 2004, the federal credit was 16 per cent of the contributions eligible for the tax credit (i.e., the 50 per cent not deducted). In 2005 the federal credit was changed to 15 per cent and then to 15.25 in 2006. From 2007 to 2019 the credit rate was 15 per cent of the eligible contributions. The federal credit rate for 2022 remains 15 per cent. The provinces and territories also provide non-refundable income tax credits at rates that are generally equivalent to their lowest personal income tax rate. With the phase-in of increases to contributions under the CPP and QPP enhancements starting in 2019, self-employed individuals will continue to pay both the employee and employer portion (i.e. 11.90 per cent and 12.80 per cent respectively for 2023 when the employee and employer portions are combined). Self-employed individuals will claim a deduction for contributions to the enhanced portion of the CPP and QPP. Self-employed individuals will continue to claim a non-refundable tax credit at the rate of 15 per cent on the employee share of contributions to the base portion of the CPP and QPP and a deduction on the employer share of contributions to the base portion of the CPP and QPP. Self-employed individuals generally do not contribute to EI. However, self-employed individuals can contribute to EI to access some special benefits. There are five types of EI special benefits for self-employed individuals: maternity benefits, parental benefits, sickness benefits, compassionate care benefits and benefits for parents of critically ill children. The contribution rates and amounts are the same as those paid by employees.

### III.3. CHILE

Self-employed are liable to pay social security contributions at a withholding rate of 13% applied on a taxable base equivalent to 80% of the self-employed gross annual income. The rate has been increasing a 0,75% yearly (started at 10% in 2019) and will reach the final and permanent rate of 17% in 2028. The withholding allows the payment of the following social security contributions:

- A premium to an Insurance Company to cover the self-employed in the event of disability or death.
- Occupational accident and disease insurance
- Child accompaniment insurance (SANNA Law).
- Health (public FONASA and private ISAPRE).

- Pensions

The health care contributions paid to FONASA are classified as tax revenues according to the OECD Interpretative Guide, but the other payments to private funds are not.

### III.3. CZECH REPUBLIC

The rates of social security contributions for self-employed are:

	pension insurance contributions	sickness insurance contributions	contributions to state employment policy	health insurance contributions	Total
self-employed	28%	Voluntary 2.3%	1.2%	13.5%	42.7% / 44.8%

The contribution base for the self-employed is determined at 50 % of their income tax base. In 2015, a separate ceiling set at four times the average annual salary, i.e. in 2023 CZK 1 935 552 (EUR 79 754) applies to social contributions. Starting from 2013 the ceiling on health insurance contributions (six times the average annual salary) was abolished. The effective rate can vary from 21.35% (42.7 % x 0.5) to 22,4% (44,8 x 0.5) depending whether self-employed decides to pay voluntary sickness insurance contribution or opted for voluntary pension saving scheme. Starting from 2016 the voluntary pension saving scheme was abolished. From July 1<sup>st</sup> 2019 the rate of sickness insurance contributions paid by self-employed was reduced to 2,1 %.

### III.3. GERMANY

In the past, the self-employed people were not generally obliged to pay social security contributions. As from 1 January 2009, health insurance (including long-term care insurance) is mandatory for all citizens and permanent residents in Germany. The self-employed therefore need to be covered either by statutory health insurance or by private health insurance. Depending on certain conditions, their membership in statutory health insurance may be compulsory or voluntary. Otherwise, they have to contract with a private health insurance company.

Furthermore, specific groups of self-employed are obliged to contribute to statutory pension insurance for at least 18 years (e. g. skilled craftsmen mandatorily organised in professional chambers). Members of the so-called 'liberal professions' (e. g. lawyers, physicians, engineers, architects) are compulsorily insured within special pension insurance schemes of the respective chambers they belong to. On certain conditions, self-employed artists and members of the publishing professions are obliged to pay contributions under the Artists Social Welfare Act, whereas farmers are mandatorily insured in the 'Farmers' Pension Fund'.

### III.3. GREECE

A new regime for the social security contributions for self-employed persons is introduced from 1.1.2020, in which the self-employed persons choose the amount of the contribution between six categories, with minimum the amount of the 1st insurance category.<sup>7</sup>

Insurance	Monthly Contribution	Monthly Contribution
-----------	----------------------	----------------------

<sup>7</sup>From 1.1.2023 the fixed amounts are increased by 9,6452611330377%, in comparison with the main insurance categories of 1/1/2020.

Categories	Main Insurance	Health Insurance	
		Benefits in kind	Benefits in cash
1 <sup>st</sup> category	155€	50€	5€
2 <sup>nd</sup> category	186€	60€	6€
3 <sup>rd</sup> category	236€	60€	6€
4 <sup>th</sup> category	297€	60€	6€
5 <sup>th</sup> category	369€	60€	6€
6 <sup>th</sup> category	500€	60€	6€
Special category	93€	30€	3€

**A new special category of self-employed** is introduced since 1.1.2020, referring to those who have been insured up to 5 years, from the date they started to exercise their professional activity. The health care contribution is determined to 33 euros and it is distributed to 30 euros for benefits in kind and 3 euros for benefits in cash.

Certain categories of self-employed (as lawyers, engineers) are compulsorily insured **for supplementary pension and lump sum benefits**, while others (doctors and farmers) can be insured optionally from 1.1.2021. From 1.1.2022 the optionally insured self-employed (doctors and farmers) are subject voluntarily, upon their application, to the insurance of the Supplementary Insurance Sector of e-EFKA, provided that they have completed the thirty-fifth (35<sup>th</sup>) year of their age at the time of submitting the application for membership.

From 1.1.2020 (art. 97, paragraph 3 of Law 4387/2016, as in force after its amendment by L.4670/2020 art. 45) **the supplementary insurance** contribution for the **self-employed** is set at three categories, as follows

Insurance categories	Contribution amount (1.1.2020-31.12.2022)
1 <sup>st</sup> category	42€
2 <sup>nd</sup> category	51€
3 <sup>rd</sup> category	61€

The insured are compulsory classified in the first category, unless they request to be classified in the second or the third one.

The above insurance categories also apply to the salaried lawyers and salaried engineers. The amount of the contribution is distributed 50% to the insured lawyer or salaried engineer and 50% to the employer.

From 1.1.2020 the insurance contribution for the self-employed, **insured at the lump-sum benefits** sector of e-EFKA is set at three categories.

Insurance categories	Contribution amount (1.1.2020-31.12.2022)
1 <sup>st</sup> category	26€
2 <sup>nd</sup> category	31€
3 <sup>rd</sup> category	37€

The insured are compulsory classified in the first category unless they request to be classified in the second or the third one.

In the aforementioned amounts, an additional contribution of 10 euros for unemployment benefits is also added for self-employed.

From 01.01.2020, a system of insurance categories was introduced as the basis for social security contributions for farmers (former OGA insurance). The insured person chooses an insurance category and pays per month as social security contributions the specific amount corresponding to the insurance category chosen. For the main insurance, six insurance categories are defined and the insured person can choose between them, with a minimum of the 1st insurance category. For health care coverage and rural residence, farmers pay per month the fixed amount corresponding to the relevant main insurance category.

Insurance Categories	Monthly Contribution Main Insurance	Monthly Contribution Rural Residence	Monthly Contribution Health Insurance	
			Benefits in kind	Benefits in cash
1st category	91€	2€	29€	3€
2nd category	110€	2€	35€	3€
3rd category	139€	3€	35€	3€
4th category	175€	3€	35€	3€
5th category	218€	4€	35€	3€
6th category	295€	6€	35€	3€

### **III.3. IRELAND**

In 2002, the upper threshold was abolished hence no maximum contribution.

### **III.3. ISRAEL**

Social security contributions for the self-employed are made up of a combination of those for National Insurance and Health Insurance. See the corresponding note for Table III.1 Employee social security contributions for the general background.

A reduced rate applies up to a lower threshold of 50% the average wage per employee post (raised to 60% the average wage per employee post in January 2006). Until June 2002 the regular rate applied up to an upper threshold of around 4 times the average wage per employee post (and an extra rate applied between 4 times and 5 times the average wage per employee post) the upper threshold was removed between July 2002 and June 2003. In July 2003, the upper threshold was re-instated at a level of 5 times the average wage per employee post. In August 2009, it was increased to 10 times the average wage per employee post. In January 2011 and in January 2012 it was decreased to 9 times and then 5 times the average wage per employee post respectively.



The following table shows the historical tax rates and thresholds:

Period	Reduced rate	Lower threshold	Regular rate	Upper threshold	Extra rate	Additional threshold
Jan2000-Dec2000	8.82	3,174	14.42	25,388	9.55	31,735
Jan2001-Dec2001	8.82	3,482	14.42	27,856	9.55	34,820
Jan2002-Mar2002	8.82	3,525	14.42	28,200	9.55	35,250
Apr2002-Jun2002	8.82	3,482	14.42	27,856	9.55	34,820
Jul2002-Dec2002	9.82	3,482	15.42	No limit		
Jan2003-Jun2003	9.82	3,482	15.42	No limit		
Jul2003-Dec2005	9.82	3,482	15.42	34,820		
Jan2006-Dec2006	9.82	4,430	16.23	35,760		
Jan2007-Dec2007	9.82	4,522	16.23	35,760		
Jan2008-Dec2008	9.82	4,598	16.23	36,760		
Jan2009-Jul2009	9.82	4,757	16.23	38,415		
Aug2009-Dec2009	9.82	4,757	16.23	76,830		
Jan2010-Dec2010	9.82	4,809	16.23	79,750		
Jan2011-Dec2011	9.82	4,984	16.23	73,422		
Jan2012-Dec2012	9.82	5,171	16.23	41,850		
Jan2013-Dec2013	9.82	5,297	16.23	42,435		
Jan2014-Dec2014	9.82	5,453	16.23	43,240		
Jan2015-Dec2015	9.82	5,556	16.23	43,240		
Jan2016-Dec2016	9.82	5,678	16.23	43,240		
Jan2017-Dec2017	5.97	5,804	17.83	43,240		
Jan2018-Dec2018	5.97	5,944	17.83	43,370		
Jan2019-Dec2019	5.97	6,164	17.83	43,890		
Jan2020-Dec2020	5.97	6,331	17.83	44,020		
Jan2022-Dec2022	5.97	6,331	17.83	45,075		

The 2022 full and reduced rate of contributions for the self-employed and their breakdown into those applying to the Health insurance and the National Insurance branches are set out below. These figures have applied since the beginning of 2017.

Branch	Full rate contribution ( % )	Reduced rate contribution ( % )
Insurance branches	12.83	2.87
Health	5.00	3.10
Total contributions	17.83	5.97

### III.3. ITALY

Self-employed workers register in public bodies (about sixteen) involved to collect and manage social contributions. There are different bodies for different types of activity (commercial experts, land surveyors, engineers, physicians, journalists, lawyers, actors, chemists etc.).

Each body fixes the minimum charge to be paid by the member and the rates to be applied to his declared gross taxable income. Among these bodies INPS (Istituto Nazionale di Previdenza Sociale) counts the largest number of registered workers who belong to the categories of artisans and traders.

Social security contributions vary with age and with the level of taxable business income as illustrated in the following table.

Year	Taxable income	Artisans		Traders	
		Under 21 years	Over 21 years	Under 21 years	Over 21 years
2000	0 - € 22,688,224	€ 3,009,845	€ 3,692,210	€ 3,098,329	€ 3,780,694

	€ 22,688,224 - € 66,324,000	13.20 %	16.20 %	13.59 %	16.59 %
	€ 66,324,001 - € 110,540,000	14.20 %	17.20 %	14.59 %	17.59 %
	€ 110,540,000 and over	€ 15,048,439	€ 18,366,358	€ 15,479,545	€ 18,797,463
2001	0 - € 22,243,896	€ 3,129,682	€ 3,826,500	€ 3,199,414	€ 3,896,232
	€ 22,243,896 - € 68,048,000	13.40 %	16.40 %	13.70 %	16.70 %
	€ 68,048,001 - € 113,413,333	14.40 %	17.40 %	14.70 %	17.70 %
	€ 113,413,333 and over	€ 15,666,040	€ 19,067,941	€ 16,006,280	€ 19,408,181
	0 - € 12,312.00	€ 1,681.87	€ 2,051.28	€ 1,729.89	€ 2,099.25
2002	€ 12,312.00 - € 36,093.00	13.60 %	16.60 %	13.99 %	16.99 %
	€ 36,093.01 - € 60,155.00	14.60 %	17.60 %	14.99 %	17.99 %
	€ 60,155.00 and over	€ 8,429.14	€ 10,233.84	€ 8,663.75	€ 10,468.40
	0 - € 12,590.00	€ 1,744.86	€ 2,122.56	€ 1,793.96	€ 2,171.64
2003	€ 12,590.00 - € 36,659.00	13.80 %	16.80 %	14.19 %	17.19 %
	€ 36,659.01 - € 61,598.00	14.80 %	17.80 %	15.19 %	18.19 %
	€ 61,598.00 and over	€ 8,754.35	€ 10,602.29	€ 8,994.59	€ 10,842.51
	0 - € 12,889.00	€ 1,811.95	€ 2,198.62	€ 1,862.22	€ 1,991.11
2004	€ 12,889.00 - € 37,883.00	14.00 %	17.00 %	14.39 %	17.39 %
	€ 37,883.01 - € 63,138.00	15.00 %	18.00 %	15.39 %	18.39 %
	€ 63,138.00 and over	€ 9,099.36	€ 10,993.50	€ 9,093.05	€ 10,981.96
	0 - € 13,133.00	€ 1,864.89	€ 2,258.88	€ 1,916.10	€ 2,310.09
2005	€ 13,133.00 - € 38,641.00	14.20 %	17.20 %	14.59 %	17.59 %
	€ 38,641.00 - € 64,402.00	15.20 %	18.20 %	15.59 %	18.59 %
	€ 64,402.00 and over	€ 9,402.69	€ 11,334.75	€ 9,653.86	€ 11,585.92
	0 - € 13,345.00	€ 1,921.68	€ 2,322.03	€ 1,973.73	€ 2,374.08
2006	€ 13,345.00 - € 39,297.00	14.40 %	17.40 %	14.79 %	17.79 %
	€ 39,297.00 - € 65,495.00	15.40 %	18.40 %	15.79 %	18.79 %
	€ 65,495.00 and over	€ 9,693.26	€ 11,658.11	€ 9,948.69	€ 11,913.54
	0 - € 13,598.00	€ 2,243.67	€ 2,651.61	€ 2,255.91	€ 2,663.85
2007	€ 13,598.00 - € 40,083.00	16.50 %	19.50 %	16.59 %	19.59 %
	€ 40,083.00 - € 66,805.00	17.50 %	20.50 %	17.59 %	20.59 %
	€ 66,805.00 and over	€ 11,290.05	€ 13,294.20	€ 11,350.17	€ 13,354.32
	0 - € 13,819.00	€ 2,349.23	€ 2,763.80	€ 2,361.66	€ 2,776.24
2008	€ 13,819.00 - € 40,765.00	17.00 %	20.00 %	17.09 %	20.09 %
	€ 40,765.00 - € 67,942.00	18.00 %	21.00 %	18.09 %	21.09 %
	€ 67,942.00 and over	€ 11,821.91	€ 13,860.17	€ 11,883.00	€ 13,921.32
	0 - € 14,240.00	€ 2,428.24	€ 2,855.44	€ 2,441.06	€ 2,868.26
2009	€ 14,240.00 - € 42,069.00	17.00 %	20.00 %	17.09 %	20.09 %
	€ 42,069.00 - € 70,115.00	18.00 %	21.00 %	18.09 %	21.09 %
	€ 70,115.00 and over	€ 12,200.00	€ 14,303.46	€ 12,263.11	€ 14,366.56
	0 - € 14,334.00	€ 2,444.22	€ 2,874.24	€ 2,457.12	€ 2,887.14
2010	€ 14,334.00 - € 42,364.00	17.00 %	20.00 %	17.09 %	20.09 %
	€ 42,364.00 - € 70,607.00	18.00 %	21.00 %	18.09 %	21.09 %
	€ 70,607.00 and over	€ 12,285.62	€ 14,403.83	€ 12,349.17	€ 14,467.38
	0 - € 14,552.00	€ 2,481.28	€ 2,917.84	€ 2,494.38	€ 2,930.94
2011	€ 14,552.00 - € 43,042.00	17.00 %	20.00 %	17.09 %	20.09 %
	€ 43,042.00 - € 71,737.00	18.00 %	21.00 %	18.09 %	21.09 %
	€ 71,737.00 and over	€ 12,482.24	€ 14,634.35	€ 12,546.80	€ 14,698.91
	0 - € 14,930.00	€ 2,739.63	€ 3,187.53	€ 2,753.07	€ 3,200.96
2012	€ 14,930.00 - € 44,204.00	18.30 %	21.30 %	18.39 %	21.39 %
	€ 44,204.00 - € 73,673.00	19.30 %	22.30 %	19.39 %	22.39 %
	€ 73,673.00 and over	€ 13,776.85	€ 15,987.09	€ 13,843.15	€ 16,053.34
	0 - € 15,357.00	€ 2,886.88	€ 3,347.59	€ 2,900.70	€ 3,361.41
2013	€ 15,357.00 - € 45,530.00	18.75 %	21.75 %	18.84 %	21.84 %
	€ 45,530.00 - € 75,883.00	19.75 %	22.75 %	19.84 %	22.84 %
	€ 73,883.00 and over	€ 15,531.59	€ 16,808.08	€ 15,599.89	€ 16,876.38

2014	0 - € 15,516.00	€ 2,986.51	€ 3,451.99	€ 3,000.48	€ 3,465.96
	€ 15,516.00 - € 46,031.00	19.20%	22.20 %	19.29 %	22.29 %
	€ 46,031.00 - € 76,718.00	20.20 %	23.20%	20.29 %	23.29 %
	€ 76,718.00 and over	€ 15,036.73	€ 17,338.27	€ 15,105.77	€ 17,407.31
2015	0 - € 15,548.00	€ 3,062.62	€ 3,529.06	€ 3,076.61	€ 3,543.05
	€ 15,548.00 - € 46,123.00	19.65 %	22.65 %	19.74 %	22.74 %
	€ 46,123.00 - € 76,872.00	20.65 %	23.65 %	20.74 %	23.74 %
	€ 76,872.00 and over	€ 15,412.84	€ 17,719.00	€ 15,482.02	€ 17,788.18
2016	0 - € 15,548.00	€ 3,132.59	€ 3,599.03	€ 3,146.58	€ 3,613.02
	€ 15,548.00 - € 46,123.00	20.10 %	23.10%	20.19 %	23.19 %
	€ 46,123.00 - € 76,872.00	21.10 %	24.10 %	21.19 %	24.19%
	€ 76,872.00 and over	€ 15,758.76	€ 18,064.92	€ 15,827.94	€ 18,134.10
2017	0 - € 15,548.00	€ 3,202.55	€ 3,668.99	€ 3,216.55	€ 3,682.99
	€ 15,548.00 - € 46,123.00	20.55 %	23.55%	20.64 %	23.64 %
	€ 46,123.00 - € 76,872.00	21.55 %	24.55 %	21.64 %	24.64%
	€ 76,872.00 and over	€ 16,104.69	€ 18,410.85	€ 16,173.87	€ 18,480.03
2018	0 - € 15,71000	€ 3,306.54	€ 3,777.84	€ 3,320.68	€ 3,791.98
	€15,71000 - € 46,630.00	21 %	24 %	21.09 %	24.09 %
	€ 46,630.00 - € 77,717.00	22 %	25 %	22.09%	25.09%
	€77,717.00 and over	€ 16,631.44	€ 18,962.95	€ 16,701.39	€ 19,032.90
2019	0 - € 15,878.00	€ 3,413.27	€ 3,818.16	€ 3,427.56	€ 3,832.45
	€15,878.00 - € 47,143.00	21.45 %	24 %	21.54 %	24.09 %
	€ 47,143.00 - € 78,572.00	22.45 %	25 %	22.54%	25.09%
	€78,572.00 and over	€ 17,167.98	€ 19,171.57	€ 17,238.69	€ 19,242.27
2020	0 - € 15,953.00	€ 3,493.71	€ 3,828.72	€ 3,508.06	€ 3,843.08
	€15,953.00 - € 47,379.00	21.90 %	24 %	21.99 %	24.09 %
	€ 47,379.00 - € 78,965.00	22.90 %	25 %	22.99%	25.09%
	€78,965.00 and over	€ 17,609.20	€ 19,267.46	€ 17,680.26	€ 19,338.53
2021	0 - € 15,953.00	€ 3,572.94	€ 3,828.72	€ 3,587.29	€ 3,843.08
	€15,953.00 - € 47,379.00	22.35 %	24 %	22,44 %	24.09 %
	€ 47,379.00 - € 78,965.00	23.35 %	25 %	23,44 %	25.09%
	€78,965.00 and over	€ 17,964.54	€ 19,267.46	€ 18,035.61	€ 19,338.53
2022	0 - € 16,243.00	€ 3,710.84	€ 3,905.76	€ 3,788.81	€ 3,983.73
	€ 16,243.00 - € 48,279.00	22.80 %	24 %	23.28 %	24.48 %
	€ 48,279.00 - € 80,465.00	23.80 %	25 %	24.28 %	25.48 %
	€ 80,465.00 and over	€ 18,667.88	€ 19,633.46	€ 19,054.11	€ 20,019.70
2023	0 - € 17,504.00	€ 4,077.12	€ 4,208.40	4,161.14	€ 4,292.42
	€ 17,504.00 - € 52,190.00	23.25 %	24 %	23.73 %	24.48 %
	€ 52,190.00 - € 86,983.00	24.25 %	25 %	24.73 %	25.48 %
	€ 86,983.00 and over	€ 20,571.48	€ 21,223.85	€ 20,989.00	€ 21,641.37

Note: Values of the table referred to maximum thresholds for employees which has started to pay contributions before 1.1.1996 .

For employees who have begun to pay contributions after the 31.12.1995 the maximum contribution undergoes an increase of about 30%. In particular, values from 2021 are the following:

Year	Taxable income	Artisans		Traders	
		Under 21 years	Over 21 years	Under 21 years	Over 21 years
2021	0 - € 15,953.00	€ 3,572.94	€ 3,828.72	€ 3,587.29	€ 3,843.08
	€15,953.00 - € 47,379.00	22.35 %	24 %	22,44 %	24.09 %
	€ 47,379.00 - € 103,055.00	23.35 %	25 %	23,44 %	25.09%
	€103,055.00 and over	€ 23,589.55	€ 25,289.96	€ 23,682.30	€ 25,382.71
2022	0 - € 16,243.00	€ 3,710.84	€ 3,905.76	€ 3,788.81	€ 3,983.73
	€ 16,243.00 - € 48,279.00	22.80 %	24 %	23.28 %	24.48 %
	€ 48,279.00 - € 105,014.00	23.80 %	25 %	24.28 %	25.48 %

	€ 105,014.00 and over	€ 24,510.84	€ 25,770.71	€ 25,014.61	€ 26,274.68
2023	0 - € 17,504.00	€ 4,077.12	€ 4,208.40	4,161.14	€ 4,292.42
	€ 17,504.00 - € 52,190.00	23.25 %	24 %	23.73 %	24.48 %
	€ 52,190.00 - € 113,520.00	24.25 %	25 %	24.73 %	25.48 %
	€ 113,520.00 and over	€ 27,006.70	€ 27,858.10	€ 27,551.60	€ 28,403.00

### III.3. KOREA

Since the medical insurance premium of the self-employed is charged in the fixed amount depending on their income and properties, the medical insurance premium is independent of the assessment of income tax. So, the medical insurance premium is not included in the marginal rate of self-employed social security's contribution rates shown in the table.

### III.3. LATVIA

Self-employed social security contribution rate is 31.07 % (in 2020 32.15 %).

### III.3. LITHUANIA

In Lithuania social security contributions are paid by these categories of self-employed: persons under individual activity (except the ones that are working under a business license), farmers, owners of individual enterprises and members of small partnerships, persons that are working under a business license.

#### Persons under individual activity (excluding the ones that are working under a business license).

This category of persons was included in the social security system in 2004. Until 2009 they had been paying contributions to receive basic pension and only if they had fulfilled these conditions:

- The annual amount of their income (amount of income tax of budgetary year deducted from calculated taxable income) was bigger than 12 minimum monthly wages;
- They paid contributions to receive additional pension part. Contribution is calculated from the amount of their choice from their annual declared income of state social insurance. This amount could not be less than 12 minimum monthly wages.

Since 2009, they have been also insured by pension, health insurance and maternity insurance. Contributions are paid from 50 percent of taxable income amount of individual activity. For health insurance they have to pay contributions from the amount of income that is not less than 12 minimum monthly wages.

Since 2019, this category of persons must pay the contributions from 90 percent of taxable income amount of individual activity.

**Farmers.** Between 2000 and 2003 farmers had paid contributions to receive basic pension. From 2004 to 2008, they were not mandatory insured by social insurance. From 2009 to 2016, farmers have been again insured by social insurance and paid contributions for pensions, maternity benefit and health insurance. Since 2017, farmers have been insured by pension, sickness, maternity and health insurance. Since 2018 the contributions are paid from 50 percent of taxable income amount. Since 2019 the contributions are paid from 90 percent of taxable income amount.

Year	Schedule <sup>2</sup>	Tax base (in 2000-2003 applicable only to the lump sum charge)	Lump-sum charge <sup>3</sup>	Marginal rate (in 2000-2003 applicable only to the lump sum charge) <sup>4</sup>	Lower threshold <sup>5</sup>	Upper threshold <sup>5</sup>	Maximum contribution <sup>6</sup>
2000	1	BP	828 LTL	50%	n.a.	n.a.	828 LTL
2001	1	BP	828 LTL	50%	n.a.	n.a.	828 LTL

Year	Schedule <sup>2</sup>	Tax base (in 2000-2003 applicable only to the lump sum charge)	Lump-sum charge <sup>3</sup>	Marginal rate (in 2000-2003 applicable only to the lump sum charge) <sup>4</sup>	Lower threshold <sup>5</sup>	Upper threshold <sup>5</sup>	Maximum contribution <sup>6</sup>
2002	1	BP	828 LTL	50%	n.a.	n.a.	828 LTL
2003	1	BP	912 LTL	50%	n.a.	n.a.	912 LTL
2004	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2005	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2006	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2007	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2008	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2009	1	annual net income	1.632 LTL	17,0%	9.600 LTL	17.856 LTL	3.036 LTL
2010	1	annual net income	2.400 LTL	25,0%	9.600 LTL	14.040 LTL	3.510 LTL
2011	1	annual net income	3.600 LTL	37,5%	9.600 LTL	14.040 LTL	5.265 LTL
2012	1	annual net income	3.825 LTL	37,5%	10.200 LTL	17.856 LTL	6.696 LTL
2013	1	annual net income	4.500 LTL	37,5%	12.000 LTL	17.856 LTL	6.696 LTL
2014	1	annual net income	4.658 LTL	37,5%	12.420 LTL	17.856 LTL	6.696 LTL
2015	1	annual net income	1.463 EUR	37,5%	3.900 EUR	5.172 EUR	1.940 EUR
2016	1	annual net income	1.710 EUR	37,5%	4.560 EUR	5.340 EUR	2.003 EUR
2017	1	annual net income	0 EUR	37,7%	0 EUR	5.188 EUR	1.956 EUR
2018	1	50% of annual net income	0 EUR	37,9%	0 EUR	11.322 EUR	4.291 EUR
2019	1	90% of annual net income	0 EUR	19,5%	0 EUR	48.856 EUR	9.527 EUR
2020	1	90% of annual net income	0 EUR	19,5%	0 EUR	53.380 EUR	10.409 EUR
2021	1	90% of annual net income	0 EUR	19,5%	0 EUR	58.116 EUR	11.342 EUR
2022	1	90% of annual net income	0 EUR	19,5%	0 EUR	64.676,3 EUR	12.612 EUR
2023	1	90% of annual net income	0 EUR	19,5%	0 EUR	72.450,7 EUR	14.128 EUR

Note: BP – basic pension

Conversion rate for LTL in 2000-2014 is 1 EUR = 3,4528 LTL

**Owners of individual enterprises (and members of small partnerships – from 1 September 2012).** In 2000 they were insured by pension insurance and paid pension social insurance contributions that amounted to 25 percent. From 2001 to 2007 owners of individual enterprises had paid contributions to receive basic pension. They also paid contributions to receive an additional pension part if the annual amount of their income (amount of income tax of budgetary year deducted from calculated taxable income) was more than 12 minimum monthly wages and contribution was calculated from the amount of their choice from their annual declared income of state social insurance not less than 12 minimum monthly wages.

In 2008, the owners of individual enterprises paid 10 percent pension insurance contributions. From 2009 to 2010, the owners of individual enterprises had been also insured for maternity and health insurance and paid contributions for pension, maternity and health insurance. From 2011 to 2016, the owners of individual enterprises and members of small partnerships had been only insured by pensions and health insurance. Since 2017, the owners of individual enterprises and members of small partnerships are insured by

pension, sickness, maternity, unemployment and health insurance. Since 2018, the contributions are paid from 50 percent of taxable income amount.

Year	Schedule <sup>2</sup>	Tax base (in 2000 applicable only to the lump sum charge)	Lump-sum charge <sup>3</sup>	Marginal rate (in 2000 applicable only to the lump sum charge)	Lower threshold	Upper threshold	Maximum contribution <sup>6</sup>
2000	1	MMW	1.290 LTL	25,0%	n.a.	n.a.	1.290 LTL
2001	1	annual net income	828 LTL	15%	[5160] LTL	n.a.	n.a.
2002	1	annual net income	828 LTL	15%	[5160] LTL	n.a.	n.a.
2003	1	annual net income	912 LTL	15%	[5400] LTL	n.a.	n.a.
2004	1	annual net income	1.032 LTL	15%	[6000] LTL	n.a.	n.a.
2005	1	annual net income	1.200 LTL	15%	[6600] LTL	n.a.	n.a.
2006	1	annual net income	1.380 LTL	15%	[7200] LTL	n.a.	n.a.
2007	1	annual net income	1.596 LTL	15%	[8400] LTL	n.a.	n.a.
2008	1	annual net income	960 LTL	10,0%	9.600 LTL	69.360 LTL	6.936 LTL
2009	1	annual net income	1.824 LTL	19,0%	9.600 LTL	71.424 LTL	13.571 LTL
2010	1	annual net income	2.784 LTL	29,0%	9.600 LTL	56.160 LTL	16.286 LTL
2011	1	annual net income	3.389 LTL	35,3%	9.600 LTL	56.160 LTL	19.824 LTL
2012	1	annual net income	3.601 LTL	35,3%	10.200 LTL	71.424 LTL	25.213 LTL
2013	1	annual net income	4.236 LTL	35,3%	12.000 LTL	71.424 LTL	25.213 LTL
2014	1	annual net income	4.384 LTL	35,3%	12.420 LTL	71.424 LTL	25.213 LTL
2015	1	annual net income	1.377 EUR	35,3%	3.900 EUR	20.688 EUR	7.303 EUR
2016	1	annual net income	1.610 EUR	35,3%	4.560 EUR	21.360 EUR	7.540 EUR
2017	1	annual net income	1.792 EUR	39,3%	4.560 EUR	20.754 EUR	8.156 EUR
2018	1	50% of annual net income	0 EUR	39,3%	0 EUR	22.644 EUR	8.899 EUR
2019	1	50% of annual net income	0 EUR	20,81%	0 EUR	48.856 EUR	10.167 EUR
2020	1	50% of annual net income	0 EUR	20,81%	0 EUR	53.380 EUR	11.108 EUR
2021	1	50% of annual net income	0 EUR	20,81%	0 EUR	58.116 EUR	12.094 EUR
2022	1	50% of annual net income	0 EUR	20,81%	0 EUR	64.676,3 EUR	13.459 EUR
2023	1	50% of annual net income	0 EUR	20,81%	0 EUR	72.450,7 EUR	15077 EUR

Note: MMW – minimum monthly wage

Conversion rate for LTL in 2000-2014 is 1 EUR = 3,4528 LTL

**Persons under individual activity (with a business license).** Until 2016 these individuals had been only insured to receive basic pension (since 2009 they have also been insured by health insurance). Since 2017 persons under individual activity (with a business license) are insured for the whole pension and health insurance.

Year	Schedule <sup>2</sup>	Tax base (applicable to lump-sum charge only)	Lump-sum charge <sup>3</sup>	Marginal rate (applicable to lump- sum charge only)	Lower threshold	Upper threshold	Maximum contribution <sup>6</sup>
2000	1	BP	828 LTL	50%	n.a.	n.a.	828 LTL
2001	1	BP	828 LTL	50%	n.a.	n.a.	828 LTL
2002	1	BP	828 LTL	50%	n.a.	n.a.	828 LTL
2003	1	BP	912 LTL	50%	n.a.	n.a.	912 LTL
2004	1	BP	1.032 LTL	50%	n.a.	n.a.	1.032 LTL
2005	1	BP	1.200 LTL	50%	n.a.	n.a.	1.200 LTL
2006	1	BP	1.380 LTL	50%	n.a.	n.a.	1.380 LTL
2007	1	BP	1.596 LTL	50%	n.a.	n.a.	1.596 LTL
2008	1	BP	2.160 LTL	50%	n.a.	n.a.	2.160 LTL
2009	1	MMW + BP	3.024 LTL	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	3.024 LTL
2010	1	MMW + BP	3.024 LTL	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	3.024 LTL
2011	1	MMW + BP	3.024 LTL	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	3.024 LTL
2012	1	MMW + BP	3.078 LTL	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	3.078 LTL
2013	1	MMW + BP	3.240 LTL	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	3.240 LTL
2014	1	MMW + BP	3.278 LTL	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	3.278 LTL
2015	1	MMW + BP	999 EUR	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	999 EUR
2016	1	MMW + BP	1.082 EUR	9% of MMW for health insurance+ 50% BP	n.a.	n.a.	1.082 EUR
2017	1	MMW	1.564 EUR	34,3%	n.a.	n.a.	1.564 EUR
2018	1	MMW	1.646 EUR	34,3%	n.a.	n.a.	1.646 EUR
2019	1	MMW	1.046 EUR	15,7%	n.a.	n.a.	1.046 EUR
2020	1	MMW	1.144 EUR	15,7%	n.a.	n.a.	1.144 EUR
2021	1	MMW	1.210 EUR	15,7%	n.a.	n.a.	1.210 EUR
2022	1	MMW	1.375 EUR	15,7%	n.a.	n.a.	1.375 EUR
2023	1	MMW	1583 EUR	15,7%	n.a.	n.a.	1583 EUR

Note: MMW – minimum monthly wage, BP – basic pension  
Conversion rate for LTL in 2000-2014 is 1 EUR = 3,4528 LTL

### III.3. MEXICO

Self-employed individuals have two voluntary options: either to comply with the general regime or to pay only for the family health insurance.

1. In the first case, the individual will pay for sickness, maternity, disability and life insurance. The contribution is a fixed rate based on the annual minimum legal wage in Mexico City. The following table summarises these payments.

Year	Types of insurance		
	Sickness and maternity	Disability and life	Total
2001	\$2,334.3	\$349.8	\$2,684.1
2002	\$2,538.5	\$365.4	\$2,903.9

2003		\$2,732.4	\$378.4	\$3,110.8
2004		\$2,939.2	\$392.2	\$3,331.4
2005		\$3,151.6	\$405.7	\$3,557.3
2006		\$3,393.0	\$421.9	\$3,814.9
2007		\$3,645.5	\$438.4	\$4,083.9
2008		\$3,915.9	\$455.9	\$4,371.8
2009		\$4,080.4	\$475.0	\$4,555.4
2010		\$4,278.5	\$498.1	\$4,776.6
2011		\$4,454.2	\$518.6	\$4,972.8
2012		\$4,641.1	\$540.3	\$5,181.4
2013		\$4,822.0	\$561.4	\$5,383.4
2014		\$5,010.4	\$583.3	\$5,593.7
2015		\$5,219.6	\$607.7	\$5,827.3
2016		\$5,438.6	\$633.2	\$6,071.8
2017		\$5,621.0	\$654.4	\$6,275.4
2018		\$6,001.5	\$698.7	\$6,700.2
2019		\$6,291.1	\$732.4	\$7,023.5
2020		\$6,469.1	\$753.1	\$7,222.2
2021		\$6,673.1	\$776.9	\$7,450.0
2022		\$7,164.5	\$834.1	\$7,998.6
2023		\$7,724.5	\$899.3	\$8,623.8

### Fixed Annual Fee (Mexican pesos)

The base in all cases is equal to the annual UMA ((\$103.74 per day in 2023). In this option the family of the individual receives the covered social security benefits under this regime. The self-employed must in this case also pay for the retirement, discharge and old age insurance; however, these contributions are not included since they are privately managed (AFORES).

2. Under the second option (the family health insurance option), individuals pay a fixed annual fee that depends on the number and age of the family members. From 2002 to 2013 the annual fees were the following:

Year	Fixed annual fee in pesos by age category			
	0 to 19	20 to 39	40 to 59	60 or more
2002	\$889	\$1,039	\$1,553	\$2,337
2003	\$940	\$1,098	\$1,642	\$2,470
2004	\$977	\$1,142	\$1,707	\$2,568
2005	\$1,028	\$1,201	\$1,796	\$2,701
2006	\$1,062	\$1,241	\$1,856	\$2,791
2007	\$1,105	\$1,291	\$1,931	\$2,904
2008	\$1,147	\$1,340	\$2,004	\$3,013
2009	\$1,222	\$1,427	\$2,135	\$3,210
2010	\$1,266	\$1,478	\$2,211	\$3,325
2011	\$1,322	\$1,543	\$2,308	\$3,471
2012	\$1,372	\$1,602	\$2,396	\$3,604
2013	\$1,421	\$1,659	\$2,481	\$3,733

In 2014 the Mexican Social Security Institute (IMSS) added new age categories and update the annual fees accordingly.

Year	Fixed annual fee in pesos by age category							
	0 to 19	20 to 29	30 to 39	40 to 49	50 to 59	60 to 69	70 to 79	80 or more
2014	\$1,600	\$1,900	\$2,000	\$2,850	\$3,050	\$4,400	\$4,600	\$4,650
2015	\$1,900	\$2,250	\$2,400	\$3,400	\$3,600	\$5,200	\$5,450	\$5,500
2016	\$2,250	\$2,700	\$2,850	\$4,000	\$4,250	\$6,150	\$6,450	\$6,500



2017	\$2,700	\$3,200	\$3,400	\$4,750	\$5,050	\$7,300	\$7,650	\$7,700
2018	\$ 3,250	\$ 3,850	\$ 4,100	\$ 5,700	\$ 6,000	\$ 8,700	\$ 9,050	\$ 9,100
2019 <sup>1/</sup>	\$3,900	\$4,600	\$4,900	\$6,800	\$7,150	\$10,350	\$10,750	\$10,800
2020	\$4,650	\$5,500	\$5,850	\$8,100	\$8,450	\$12,250	\$12,700	\$12,750
2021	\$6,200	\$7,650	\$8,250	\$9,550	\$9,950	\$13,800	\$14,350	\$14,850
2022	\$6,850	\$8,500	\$9,150	\$10,600	\$11,000	\$15,300	\$15,900	\$16,450
2023	\$8,200	\$10,200	\$10,950	\$12,700	\$13,150	\$18,300	\$19,050	\$19,700

Each relative must pay the corresponding annual fee in accordance to the age group he/she belongs to. For OECD Tax Database purposes, this annual fee was calculated for the average Mexican family that consists of the self-employed worker, his/her spouse and two children. For the period from 2002 to 2013, it was considered that the age of both adults was between 20 and 39 years. However, since 2014 the figure reported considers that both adults have an age between 30 and 39 years.

In 2000 and 2001 the Social Security Law applied a different methodology for the estimation of this second option of family health insurance: the annual fee was 22.4 per cent of the annual minimum wage in Mexico City, and each additional relative paid 65 per cent of the previous amount.

Another option for the individuals who have accomplished at least fifty-two weekly contributions payments to the social security system during the previous five years, and leave her/his job, is that they can maintain the insurance as long as she/he continues paying her/his contributions according to the last salary base.

### **III.3. NETHERLANDS**

Social security contributions by self-employed:

#### *Invalidity*

In august 2004 compulsory invalidity contributions by self-employed were abolished. Self-employed were designated to private insurance companies. In 2000-2003, the contribution was calculated as a percentage (8.8%) of gross earnings (profits) between a threshold (€ 13,160 for 2002 and 2003, equivalent to NLG 29,000 in 2000 and 2001) and a ceiling (€ 38,118 for 2002 and 2003, equivalent NLG 84,000 in 2000 and 2001).

#### *Public insurance for medical care (social health plan).*

All individuals above the age of 18 years are obliged to insure themselves at a private insurance company. This system is also applicable to self-employed. Individuals pay a nominal premium to a private insurance company for the basic health insurance of on average € 1,522 (2022). In addition self-employed pay an income depended contribution of 5.50% (i.e. 1.25 percentage point lower than the employer contribution for his/her employee) of taxable profits until a maximum of € 59,704 (2022). Self-employed may also benefit from the care benefit as compensation for the private nominal contribution of € 1,522 (2022).

### **III.3. NORWAY**

The social security contribution rate for the self-employed is 11.4% of gross labour income (including imputed labour income) from 2015 onwards.

For self-employed in fisheries the SSC rate is 8.2% on all gross labour income.

### **III.3. POLAND**

Polish social security system (applying to self-employed) consists of:

- social insurance system,

- health insurance,
- Labour Fund and Solidarity Fund.

Social insurance system covers:

- old-age pension insurance,
- disability and survivors' pension insurance,
- insurance in respect of sickness and maternity (called sickness insurance),
- Insurance in respect of accidents at work and occupational diseases (called work accident insurance).

The health insurance is a system of benefits of the preventive, diagnostic, therapeutic and rehabilitation character, provision of medicines as well as orthopaedic appliances and auxiliary means, financed by public means.

Labour Fund finances different forms of counteracting unemployment and mitigating its effects, it pays the unemployment benefit.

The Polish social insurance system includes:

- old-age pension insurance,
- disability and survivors' pension insurance,
- sickness insurance (in case of sickness or maternity),
- work accident insurance (accidents at work and occupational diseases).

The health insurance is a system of benefits of the preventive, diagnostic, therapeutic and rehabilitation character, provision of medicines as well as orthopaedic appliances and auxiliary means, financed by public means.

The Labour Fund finances different forms of counteracting unemployment and mitigating its effects, it pays the unemployment benefit.

The Solidarity Fund supports disabled and pensioners.

In Poland two systems of social insurance exist– for farmers and for non- farmers.

The system of social insurance of farmers is financed by contributions payable by farmers and from the state budget allocation.

Standard rates for self-employed – unincorporated businesses are as follows:

- social insurance contributions – the minimum monthly base for calculation of contributions is 60% of monthly wage projected for a given year in the state budget law (4 161 PLN in 2023, 3 553.2 PLN, in 2022, 3 155.40 PLN in 2021):
  - old-age pension insurance contribution - 19.52% (the maximum annual base for contribution amounts to 208 050 PLN in 2023 ,177 660 PLN in 2022, 157 770 PLN in 2021),
  - disability pension insurance contribution – 8% (the maximum annual base for contribution amounts to 208 050 PLN in 2023, 177 660 PLN in 2022, 157 770 PLN in 2021),
  - sickness insurance contribution (optional) - 2.45 %,
  - work accident insurance contribution – the rate varies across industries (0.67% - 3.33%, standard 1.67%)
- health insurance contribution – monthly base for its calculation was 4242.38 PLN in 2021 and rate equalled 9%., Since 2022 both base and rate depend on the chosen form of taxation, but the monthly amount of the contribution cannot be lower than 9% of the minimum wage,

- contributions to the Labour Fund (and the Solidarity Fund) - 2.45%, the same base as in case of social insurance contributions.
- Self-employed social insurance contributions and contributions to Labour Fund are considered costs of running a business, i.e. they reduce the taxable income, while health insurance contribution was deductible from tax until 2021, but only at a rate of 7.75% of the contribution base.. Since 2022 tax deductibility of health insurance contribution depends on the chosen form of taxation.
- Since 2019 there are SSC reliefs for micro-entrepreneurs. Their social insurance contributions were based on their actual revenue and since 1 February 2020 on their actual income, while the minimum monthly social insurance contribution base is equal to 30% of minimum monthly wage (840 PLN in 2021, 903 PLN in 2022, 1 047 PLN from January to June 2023, 1 080 PLN from July to December 2023).

### **III.3. PORTUGAL**

1. Self-employed social contributions base corresponds to the monthly conventional gross earnings. Beneficiaries have to choose the value of conventional earnings (from 1.5 times up to 12 times the value of the national minimum wage).
2. There is a compulsory flat rate of 29.6%.
3. The lower limit corresponds to 1.5 times the value of the Social Benefits Index (SBI) and the higher limit corresponds to twelve times the SBI. The maximum contribution is equal to 29.6 per cent x 12 x SBI) and annual incomes up to 12 times the value of the SBI are exempt. However, when the annual gross income is lower than 18 times the national minimum wage it is possible to ask annually for the application of a base corresponding to one twelfth of the annual gross income, with a minimum of 50% of the SBI.

### **III.3. SLOVAK REPUBLIC**

There is both a minimum and a maximum contribution, defined by the minimum base (the value given in the column for the lower threshold in the table) and the upper threshold. As from 2010 the minimum base is defined as 44.2% of average wage in national economy two years prior to when the contribution is paid. The upper thresholds are the same as for employee social security contribution.

Social insurance assessment base for the self-employed is defined **as half** of their tax base (before tax allowances) in previous year. Health insurance assessment base is defined as the tax base (before allowances) in previous year plus paid health contributions, **divided by 2.14**.

As from 2013 minimum assessment base for social security of self-employees has been increased, social security contribution will be no longer deducted from their assessment base for social security contribution and the calculation of the assessment base for social security has been changed as well.

Minimum base has been increased to 50% of average wage in national economy two years prior to when the contribution is paid. Social insurance assessment base is defined as the tax base (before tax allowances) in previous year plus paid social contributions, **divided by 1.9**. Health insurance assessment base is defined as the tax base (before allowances) in previous year plus paid health contributions, **divided by 1.9**. It has been also legislated that both formulas for calculation of assessment bases will change in de-numerator from **1.9** in 2013 to **1.486** in 2015 (in 2014 it was **1.6**).

Self-employed are obliged to pay social insurance in the current year (year t), if their previous year's turnover (in year t-1) was higher than 12 x minimum assessment base. Obligation to pay these contributions for self-employed starts from 1<sup>st</sup> July of the current year (year t). Health insurance contributions have to be paid by every self-employed person.

### III.3. SLOVENIA

The compulsory social security insurance system consists of four schemes as follows:

- pension and disability insurance;
- health insurance;
- unemployment insurance;
- Maternity leave insurance.

Self-employed individuals-insured persons are obliged to pay social security contributions (SSC) on the basis of their profits. The amounts are assessed by applying the following contribution rates.

Scheme name	Rate of contribution (%)
Pension insurance	24.35
Health insurance	13.45
Unemployment insurance	0.20
Maternity leave	0.20
Total	38.20

From the 1<sup>st</sup> of January 2014 the SSC base for self-employed is determined differently as for the previous years. So the self-employed are obliged to pay social security contributions on the basis of their profits made in previous year, which is reduced by 25 % (no more sorting into insurance classes as for the previous years). However, the law provides for a transitional period to determine the amount of profit reduction, namely:

- in 2014 the profit made in the previous year is reduced by 30 %;
- in 2015 the profit is reduced by 28 %;
- from 2016 the profit is reduced by 25 %.

If the self-employed person creates a loss or a profit (reduced by 25%) that is less than the 60 % of the average wage (AW), the base is equal to the 60 % of the AW. However, the law provided a transitional period for the determination of profit for the calculation of the minimum insurance base , namely:

- in 2014: the minimum wage;
- in 2015: 54 % of the AW;
- in 2016: 56 % of the AW;
- in 2017: 58 % of the AW;
- in 2018: 60 % of the AW.

The maximum insurance (contribution) base is defined as the amount of 350 % of the AW. Self-employed individuals can opt to pay their SSC at a higher insurance (contribution) base than the one calculated on the basis of their profit but no higher than the amount equal to 350% of the AW.

When the insurance (contribution) base is determined, the contributions are paid monthly and there is no consolidation on a yearly level.

#### *INSURANCE BASE IN 2015*

##### **for pension, unemployment insurance and maternity leave**

PROFIT THRESHOLD (2014)	INSURANCE (contribution) BASE (2015)
Classification of the insurance base depending on the level of profit that is reduced by 28%	

Lower threshold	Upper threshold	Over	Up to		
	54% of AW		9.981,53	54% of AW	9.981,53
54% of AW	350% of AW	9.981,53	64.695,09	profit reduced for 28 %	
350% of AW		64.695,09		350% of AW of the one but pre-previous month	64.695,09

\*Data in Table are shown on the annual base in Euros.

### for health insurance

PROFIT THRESHOLD (2014)				INSURANCE (contribution) BASE (2015)	
Classification of the insurance base depending on the level of profit that is reduced by 28%					
Lower threshold	Upper threshold	Over	Up to		
	60% of AW		11.090,59	60% of AW	11.090,59
60% of AW	350% of AW	11.090,59	64.695,09	profit reduced for 28 %	
350% of AW		64.695,09		350% of AW of the one but pre-previous month	64.695,09

\*Data in Table are shown on the annual base in Euros.

### III.3. SPAIN

As of 1 January 2023, a new SS contribution system applies for self-employed workers based on the annual income obtained from their economic, business or professional activities.

Self-employed workers, when registering, are required to choose their SS contribution base according to the expected average monthly net annual income from the **general SS schedule** below. This schedule is made up of a set of monthly consecutive net annual income (as a monthly average) combined with a minimum and a maximum contribution base.

Self-employed workers who foresee that their annual income will be below the lower threshold of bracket 1 of the general table can choose a contribution base within the reduced SS table below, which implies a lower contribution rate.

The SS contribution bases chosen may be adjusted at a later period, taking the annual income obtained as communicated by the tax authorities.

Minimum base		950.98 €/month	
Maximum base		4,495.50 €/month	
Income and SS Contribution Base 2023 – Reduced Schedule			
Net Income Brackets (EUR/month)		Minimum Contribution Base (EUR/month)	Maximum Contribution Base (EUR/month)
Bracket 1	<= 670	751,63	849,66
Bracket 2	> 670 y <= 900	849,67	900
Bracket 3	> 900 y <1,166.70	898,69	1,166.70
Income and SS Contribution Base 2023 – General Schedule			
Net Income Brackets (EUR/month)		Minimum Contribution Base (EUR/month)	Maximum Contribution Base (EUR/month)
Bracket 1	>= 1,166.70 & <=1.300	950,98	1,300

<b>Bracket 2</b>	> 1,300 & <= 1,500	960,78	1,500
<b>Bracket 3</b>	> 1,500 & <= 1,700	960,78	1,700
<b>Bracket 4</b>	> 1,700 & <= 1,850	1,013.07	1,850
<b>Bracket 5</b>	> 1,850 & <= 2,030	1,029.41	2,030
<b>Bracket 6</b>	> 2,030 & <= 2,330	1,045.75	2,330
<b>Bracket 7</b>	> 2,330 & <= 2,760	1,078.43	2,760
<b>Bracket 8</b>	> 2,760 & <= 3,190	1,143.79	3,190
<b>Bracket 9</b>	> 3,190 & <= 3,620	1,209.15	3,620
<b>Bracket 10</b>	> 3,620 & <= 4,050	1,274.51	4,050
<b>Bracket 11</b>	> 4,050 & <= 6,000	1,372.55	4,495.50
<b>Bracket 12</b>	> 6,000	1,633.99	4,495.50
SSC rate (common contingencies)		28.30%	
SSC rate (professional contingencies)		1.30%	
SSC rate (cessation of activity)		0.90%	
SSC rate (professional training)		0.10%	
SSC rate (intergenerational equity mechanism)		0.6%	
Overall SSC rate		31.20%	

### III.3. SWEDEN

Social security contributions of the self-employed are based on total labour income and the rate is 28.97 per cent. The self-employed can opt for a reduced rate in which case they will receive less generous sick pay. On premiums for occupational pensions paid by the employer a reduced SSC rate (24.26 per cent) is applied. For self-employed who are over 65 years old and born after 1937 only the old age pension contribution (10.21 per cent) and a pay roll tax of 6.15 per cent is applicable. For self-employed persons born in 1937 or earlier only the pay roll tax of 6.15 per cent are applied. Self-employed under the age of 65 are entitled to a reduction of their social security contributions with 7.5 percentage points, up to a maximum of SEK 15 000 per year. In certain regions, a reduction of 10 per cent of the base, maximum SEK 18 000 per year, is granted.

### III.3. SWITZERLAND

Contributions for the self-employed are as follows:

Old age and survivors insurance	8.1%
Disability insurance	1.4%
Income compensation	0.45%
Total	10.00%

For lower incomes, these are phased in according to this table:

Annual earned income in CHF		SSC-contribution rate in %
From	Up to	
9,800	17,500	5.317
17,500	21,300	5.494
21,300	23,800	5.617
23,800	26,300	5.741

26,300	28,800	5.864
28,800	31,300	5.987
31,300	33,800	6.235
33,800	36,300	6.481
36,300	38,800	6.728
38,800	41,300	6.976
41,300	43,800	7.222
43,800	46,300	7.469
46,300	48,800	7.840
48,800	51,300	8.209
51,300	53,800	8.580
53,800	56,300	8.951
56,300	58,800	9.321
58,800		10.000

### **III.3. TÜRKİYE**

Monthly earning subject to premium is thirty times the daily earning to be declared by the individuals themselves, provided that it is in the range between the upper and lower limit of earning subject to premium determined pursuant to Article 82. Lower limit of the daily earning subject to premium in calculation of premiums to be collected and benefits to be granted by is one thirtieth of the minimum wage and the upper limit is 6.5 times the lower limit of daily earning.

Monthly earning subject to premium shall be declared by such insurance holders at times determined by the Social Security Institution (SGK). Monthly earnings subject to premium of the non - declaring insurance holders shall be determined as thirty times the lower limit of daily earning which subject to premium.

Where the insurance holder is also employer, then the earning subject to premium cannot be less than thirty times of the highest daily earning subject to premium of his employed insurance holders.

Self-employed insurance holder pays premium totally as 20% of old age, disability and death premium rates, 12.5% of general health insurance premium rate and 2% of short term insurance branches premium rate (Short term insurance branches premium rate shall be determined by the Institution pursuant to Article 83 of law no.5510, between 1% and 6.5% depending on the gravity of the danger of the work in terms of work accident and occupational disease. However with Article 9 of Law No. 6385, Short term insurance branches premium rate were fixed to 2% which implemented from the date 01.09.2013.

For further information, please look at the Social Insurance And Universal Health Insurance Law (code 5510) or contact to Social Security Institution (Sosyal Güvenlik Kurumu, SGK) ([www.sgk.gov.tr](http://www.sgk.gov.tr))

### **III.3. UNITED KINGDOM**

Self-employed individuals pay two distinct categories of contributions:

Class 2 contributions are flat-rate payments (£3.45 per week in 2023-24) payable by all self-employed people over 16 with profits in excess of the Lower Profits Limit (£12,570 in 2023-24).

Class 4 contributions are earnings-related payments which are paid if profits exceed a lower threshold. They are a percentage rate of the earnings (9 per cent) between the Lower Profits Limit (LPL - £12,570 in 2023-24) limits and the Upper Profits Limit (UPL - £ 50,270 in 2023-24). Profits above the UPL contribute at a rate of 2 per cent.

The structure of Class 4 contributions changed in April 2003 from 7 per cent to 8 per cent between the LPL and UPL, and from 0 per cent to 1 per cent above the UPL. This structure has remained unchanged to date, but the rates have changed to 9 per cent between the LPL and UPL and 2 per cent above the UPL from April 2011.

In April 2022, Class 4 contribution rates are increased by 1.25 percentage points to raise additional revenues for Health and Social Care. However, on November 6<sup>th</sup> 2022, this policy was reversed, so this increase was only partially applied to 2022-23 and does not apply to any subsequent years.