
Reduction of employer Social Security Contributions by 5 percentage points

23 September 2014

In brief

Law 123 amending Law 571/2003 regarding the Fiscal Code referring to the reduction by 5 percentage points of employer Social Security Contributions was published on 19 September 2014.

In detail

According to Law 123/2014, the new reduced mandatory social contributions rates due by employers are the following:

- 1) for normal working conditions: 15.8% (reduced from 20.8%);
- 2) for difficult working conditions: 20.8% (reduced from 25.8%);

3) for special working conditions: 25.8% (reduced from 30.8%);

Law 123/2014 enters into force on 22 September 2014, with the reduced rates being applicable starting with the October 2014 salary income.

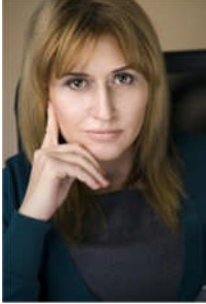
[Source: Official Gazette no. 687 from 19 September 2014]

The takeaway

The reduced rates only apply to mandatory employer social contributions and have no impact on the individual social contributions due by employees.

Let's talk

For a deeper discussion of how this issue might affect your business, please contact:



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