

Employment Law Alert
Legal contribution rules for 2018

February 2018

Last Monday, 29th January 2018, Order ESS/55/2018, of 26th January, was published in the Official State Gazette ("BOE"), by which the legal rules on social security contributions, unemployment, protection due to termination of activity, the Wage Guarantee Fund (FOGASA) and vocational training for 2018 were developed, with retroactive effect from 1st January 2018.

Brief comments are given below on the main modifications introduced by the aforementioned regulation approved by the Ministry of Employment and Social Security, regarding contributions for the year 2018.

a. - Objective of the regulation

In article 106 of Law 3/2017 of 27 June 1997 on the General State Budgets (PGE), it established the bases and types of social security contributions for unemployment, termination of the activity of self-employed workers, FOGASA and vocational training, for the year 2017.

However, since the PGEs for 2017 have been automatically extended by the Ministry of Employment and Social Security, within the scope of its powers, the aforementioned Order is published, by means of which the legal provisions on social contributions for 2018 are developed, and all of this in view of the need to adapt them to certain legal modifications made after the publication of the PGEs, with a special impact in this area.

b. - Main modifications introduced by the regulation

1. - The maximum contribution limit to the General Social Security System (RGSS) has been established from 1 January 2018 at **€3,751.20** and the minimum at **€858.60**.

Depending on each group of professional categories, the maximum and minimum ceilings of contributions to the RGSS for common contingencies are what are contemplated in the following table:



Contribution group	Professional Categories	Minimum Bases	Maximum Bases
		Euros/month	Euros/month
1	Engineers and Graduates. Senior management staff not covered by article 1.3 (c) of the Workers' Statute	1.199,10	3.751,20
2	Technical Engineers, Experts and Qualified Assistants	994,20	3.751,20
3	Administrative and Heads of Workshop	864,90	3.751,20
4	Unqualified Assistants	858,60	3.751,20
5	Administrative Officers	858,60	3.751,20
6	Juniors	858,60	3.751,20
7	Administrative Assistants	858,60	3.751,20

Contribution Group	Professional Categories	Minimum Bases	Minimum Bases
		Euros/day	Euros/day
8	First and Second Class Officials	28,62	125,04
9	Third Class Officials and Specialists	28,62	125,04
10	Labourers	28,62	125,04
11	Workers under the age of eighteen, irrespective of their occupational category	28,62	125,04

2. - As a general rule, as regards the types of contributions to the RGSS, for 2018 they are restated according to the following values:

a. - For common contingencies, a rate of 28.30% will be applied (23.60% employer and 4.70% employee).

b. - Contingencies due to accidents at work and occupational diseases, the rates of the premium rate established in the fourth additional provision of Law 42/2006, of 28 December, on General State Budgets for 2007 will be applied, the resulting premiums being paid exclusively by the company.

3. - With regard to overtime contributions, a distinction is made:

a. - Those motivated by force majeure, a rate of 14% (12% employer and 2% employee) will be applied.

b. - Those that do not comply with this requirement, 28.30% (23.60% employer and 4.70 worker) will be applied.

4. - With regard to self-employed workers, generally speaking, the contribution rates and the maximum and minimum bases are updated in accordance with the following values:

b. - For common contingencies, a rate of 29.80% will be applied. In the event that the worker does not have temporary invalidity protection, this rate will be reduced to 26.50%, and in the event of termination of employment or occupational contingencies, the rate will be 29.30%)

b. - The maximum contribution limit for own-account employees will be 3,751.20€ per month, and the minimum of 919.80€ per month.

5. - It should also be pointed out that the standard updates the minimum and maximum bases, as well as the types of contributions, for other special social security schemes, such as household employees, seafarers or agricultural workers.

Finally, in accordance with the provisions of Transitional Provision 2 of the Order, it should be pointed out that the differences in contribution that could have arisen as a result of the application of the provisions of the Order with respect to contributions made on or after 1 January 2018 may be paid without surcharge until 31 March 2018, the last day of the second month following that in which the Order was published in the Official State Gazette.

c. - Entry into force

The entry into force of this order took place on the day following its publication in the Official State Gazette, with effect from 1 January 2018.

With retroactive effect from 1 January 2018.

For further information, please contact:

[Alfredo Aspra](#)
alfredo.aspra@AndersenTaxLegal.es

[José Antonio Sanfulgencio](#)
jantonio.sanfulgencio@AndersenTaxLegal.es