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# Global Benefits Insights.

The latest insights on global benefit issues affecting your business and your people.

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**April 2021**



# Italian social security contribution reduction

As of January 1st 2021, employers in Italy may be entitled to a reduction of up to €6,000 per year of their social security contributions, excluding contributions to the National Insurance for Labour Accidents (INAIL).

This is only applicable if you meet one of the following criteria:

- If during 2021/22 you hire female employees who have been unemployed for 6 months to 2 years (depending on the company location) on a fixed-term or permanent contract. The reduction applies for 12-18 months depending on the employment contract.
- If during 2021/22 you hire new employees under the age of 35 on a permanent contract, who have never had a permanent job before. Further eligibility criteria apply.
- If your company location is within an area that is experiencing hardship (Southern Italy) due to the pandemic, you may be able to get a discount on employer-paid social security contributions until 2029 for all new hires under the age of 55.

Your local payroll advisor will be able to confirm your eligibility if you would like to benefit from any of the above.

Source: [www.inps.it](http://www.inps.it)

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# PPK in Poland, final stage

Poland's mandatory Employee Capital Plans (PPK) has slowly been rolled out based on employee size from 2019 to 2021.

Poland's mandatory Employee Capital Plans (PPK) has slowly been rolled out based on employee size from 2019 to 2021.

By April 23rd 2021, all companies with less than 20 employees are now required to implement a PPK agreement with a PPK provider. By May 10th 2021, employers need to have an agreement with their employees joining the PPK.

The mandatory contributions are as follows:

- Employers - 1.5% of salary
- Employees - 2% of salary

Both employees and employers can voluntarily increase the contribution amount to 4% each.

Eligibility and auto-enrolment criteria apply as follows:

- Employees are auto-enrolled after 3 months, however, they have a 3 month period to opt-out.
- If the employee has opted out, after 4 years they will be re-enrolled. They have a 2 month period to opt-out again.
- Auto-enrolment applies when the employee is aged between 18-54. From 55+ enrolment is voluntary.

The Government will provide an annual top-up and a start-up incentive for employees who remain in the PPK.

Source(s): [www.ecovis.com](http://www.ecovis.com) / [www.arpliaccounting.co](http://www.arpliaccounting.co)

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# France medical insurance change

Résiliation Infra-Annuelle came into force on December 1st 2020 and allows employers to cancel their mandatory supplemental health plans mid term.

This change allows employers to cancel their mandatory supplemental health plans with only one month's notice once they have completed their first year of cover with their incumbent provider.

Previous rulings stated that employers needed to give 2 months notice and they could only cancel from their renewal date.

Following this change, employers can now move their mandatory supplemental health insurance plans mid-year to a new provider, but they need to ensure they do not suffer a gap in cover.

Cancellation can be sent either by the employer or the new insurer. This is ideally done via email or letter.

Insurers can not charge companies an early termination fee so long as they have completed the first year of cover.

This change only applies to mandatory supplemental health plans. Life, disability or accident plans do not benefit from this change.

Source: [www.connexionrance.com](http://www.connexionrance.com)

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# Norway individual pension account (EPK)

Effective February 1st 2021 employees who are in a company DC pension plan will have their share of the savings transferred to an individual pension account (EPK) with the company's pension provider.

This pension reform has occurred in order to make pensions easier and more cost effective to members of company defined contribution (DC) pensions.

Company pension plans will have automatically created individual pension accounts for your enrolled employees (EPK).

Each individual's account will group together the employee's savings, any investment returns and will move with the employee should they move to a new employer in the future who also offers a DC pension.

Employees have 3 months to opt out of having their previous pension savings moved to their individual account. They also have the option to choose their pension provider at any time.

Should an employee choose to keep their EPK with their employer's pension provider, they will benefit from reduced management costs for transferred capital/funds and the employer will pay the administration costs.

Source(s): [www.info.soderbergpartnerts.no](http://www.info.soderbergpartnerts.no)

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# Putting it all together

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