

PAYROLL ALERT - 12/2023

Increase of social insurance fund contribution rates effective 1st January 2024

In accordance with the Cyprus Social Insurance Law of 59(I)/2010, as amended, the contribution rates to the Social Insurance Fund will increase as follows, effective as of 1st January 2024:

- In the case of employed persons, the contribution rates to the Social Insurance Fund by both the employer and the employee will increase from 8,3% to 8,8% on insurable earnings.
- In the case of self-employed persons, the contribution rate to the Social Insurance Fund will increase from 15,6% to 16,6% on insurable earnings.

Social insurance contributions applicable to employees effective 1st January 2024

The Department of Social Insurance Services lays down yearly the maximum amount of insurable earnings for 2024 has been revised upwards from the previous year to €1.209 per week, €5.239 per month and €62.868 per annum.

It is noted that contributions to the Social Cohesion Fund are calculated on actual earnings, not subject to the above caps.

Please refer to the below summary table for the applicable contribution rates which are payable by employers and employees for 2024:

Social Insurance Contribution Rates for 2024:

<i>Fund</i>	<i>Employer</i>	<i>Employee</i>
Social Insurance	8,8%	8,8%
Redundancy	1,2%	-
Training and Development	0,5%	-
Social Cohesion	2%	-
<i>Total</i>	<i>12,5%</i>	<i>8,8%</i>

Minimum insurable earnings by occupational category

The table which summarizes the minimum applicable insurable earnings of self-employed persons for 2024 by occupational category, as issued by the Department of Social Insurance Services, can be accessed [here](#).

Amounts of social insurance contributions due for 2024

The table issued by the Department of Social Insurance Services which summarizes the amounts of contributions due for each quarter of 2024, based on the minimum weekly insurable earnings of self-employed persons, according to the table referenced in the above immediate section, can be accessed [here](#).

PEK LTD

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