



Social Insurance and National Health contributions for 2021

15 January 2021 – Social Insurance and General Healthcare System contributions will this year remain the same as in 2020.

Social Insurance Contributions for 2021:

The Social Insurance Contributions for 2021 are summarized below:

Contributions	Employee	Employer	Self-Employed
Social Insurance Contributions	8,3%	8,3%	15,6%
Social Cohesion Fund		2,0%	
Redundancy Fund		1,2%	
Industrial Training Fund		0,5%	
Holiday Fund (if not exempt)		8,0%	

Note 1: Social cohesion fund is calculated on total emoluments and has no maximum level.

Note 2: As from 1st of January 2021, the maximum amount applicable for Social Insurance contribution purposes is €57.408 pa, €4.784 per month for monthly paid employees and €1.104 per week for weekly paid employees.

General Healthcare System Contributions for 2021:

Also, as from 1 March 2019 the General Healthcare System Law of 2001 (GHS), as amended, came into effect.

Individuals, employers and the government contribute to the GHS.

For the purposes of calculating the GHS contributions, gross emoluments are capped to €180.000 per annum.

Below is set a table summarizing the relevant contributions:

Ref	Category	Sources of Income	1/1/2021
(i)	Employees	Emoluments	2,65%
(ii)	Employers	Employees' emoluments	2,90%

(iii)	Self-Employed	Own Income	4,00%
(iv)	Pensioners	Pension	2,65%
(v)	Persons holding an office	Officers' Remuneration	2,65%
(vi)	Republic of Cyprus or Natural/ Legal person responsible for the remuneration of persons holding an office	Officers' Remuneration	2,90%
(vii)	Persons earning rental, interest, dividend and other income	Rent, interest and dividend	2,65%
(viii)	Republic's Consolidated Fund	Emoluments/pensions of persons in (i), (iii), (iv) and (v)	4,70%

It is noted that for General Health System Contributions purposes domicile of the individual is irrelevant.

We also note that the Social Insurance Department has provided written guidance to Costas Tsielepis & Co Ltd on whether specific Benefits in Kind fall within the definition of insurable earnings for Social Insurance purposes.

Please click [here](#) to access 12 examples of Benefits in Kind that are exempt from Social Insurance contributions with the exemption of scenarios 1, 2, 7 και 8, under which there is an obligation by the employer to pay only the 2% Social Cohesion Fund (SCF).

As always, the Taxation Department of Costas Tsielepis & Co Ltd is at your disposal should you require any further information or clarifications.