3-month exemption from social insurance contributions

The Covid-19 Act opens the possibility of seeking a temporary exemption from the duty to contribute to the public pensions and disability benefits scheme (ZUS) and compulsory health insurance scheme, the Labour Fund, the Solidarity Fund, the Guaranteed Employee Benefits Fund, and the Bridge Pensions Fund.

Who is eligible ?

The temporary exemption from ZUS contributions may be sought by business enterprises which, as at 29 February 2020, had registered less than 10 workers with the National Social Insurance Institution (ZUS), provided that such enterprise itself had been registered with ZUS as a contributions payer before 1 February 2020. The other eligible group comprises persons pursuing non-agricultural business operations who pay social insurance contributions for themselves only and who had been in business before 1 February 2020. For members of this group, an additional criterion applies: revenues in the first month for which the exemption is sought, which may not exceed the average gross remuneration in the Polish economy projected for 2020 by more than 300% (meaning that in may not be higher than PLN 15,681).

Duration

This exemption may be granted for 3 months – **from 1 March 2020 through 31 May 2020.**

Timeframe for application and exemption

The payer of ZUS contributions hoping to qualify for this exemption must file an application with ZUS **by 30 June 2020**.

ZUS shall rule on the exemption within 30 days following dispatch by the entrepreneur of the relevant paperwork for the final month covered by the application for exemption – presentation of the return forms and/or monthly reports for specific employees is, in effect, a prerequisite. Alternatively, where the given applicant entrepreneur is not subject to a duty of filing monthly social insurance paperwork, ZUS shall rule on his application within 30 days after the deadline for which contributions for the last month covered by the application would fall due. A decision refusing the application may be appealed.

Social insurance continuity in the context of the exemption

An individual benefiting from a temporary exemption from the duty to remit public health insurance contributions in accordance with the above, and likewise any family members / dependants covered by her/his insurance, shall remain entitled to publicly provided healthcare for the duration of the exemption.

Contact:

Aleksandra Głuszek

associate

a.gluszek@gessel.pl