



Law 4254/2014. "Measures for the Support and Development of the Greek Economy in the Context of the Application of Law 4046/2012 and Other Provisions"

According to the law 4254/2014 for the support "Measures for the Support and Development of the Greek Economy in the Context of the Application of Law 4046/2012 and Other Provisions", the effort to reduce the cost of social security contributions has resulted in the following:

Completely abolished (as of 01.07.2014)

- ▶ Employer's contribution 1% for the distributive fund serving family allowance
- ▶ Employee's contribution for the distributive fund serving family allowance
- ▶ Special employer's contribution 1% for the funding of conscript employees

Reduced (as of 01.07.2014)

- ▶ Contributions for LAEK (Special Fund for the Employment and the Vocational Training) from 0,81% to 0,46%
 - ▶ Employer's contribution 0,24% for ELPEKE (Special Fund for Vocational education and Training Programs)
 - ▶ Employer's contribution 0,12% for EKLA (Special Fund for Unemployment)
 - ▶ employee's contribution 0,10% for EKLA

- ▶ Employer's contribution for sickness and maternity benefits is reduced to 0,25%
- ▶ Furthermore, the new law provides the withholding of the due social security contributions from any payments such as subsidies, indemnities, grants etc which are owed by the State towards employers
- ▶ Finally, the new law provides the offsetting of any social security contributions due towards Social Security Funds with any amounts stemming from refunds of VAT and income tax.

Furthermore, according to the law 4254/2014, new employment law provisions were introduced, including among others:

- ▶ Obligation to upload each January on the On Line Information System of the Ministry of Employment "ERGANI" the employees data who received annual leave and leave allowance during the preceding calendar year
- ▶ Obligation to keep the special Book (book or computerized pages) of employees' leaves in working premises which includes among others, the company's data, the indication "Leave Book"
- ▶ The above issues remain to be further clarified by an upcoming Ministerial Decision
- ▶ Further, as far as the employer's obligation to provide payroll statements to the workforce by the after the repayment of their remuneration, the employee's signature on the receipt of the statement is no longer required
- ▶ Finally, for those that are officially under unemployment status for more than 12 consecutive months and are hired as clerks, the legal minimum salary of 586,08 euro is grossed up by 5% for every three years and up to 15% for past service of 9 and more years.

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