

By the present letter we would like to inform you about **changes that are valid as of 1st January 2015**, under reserve of the applicable law. These values will be taken into consideration for all of your employees.

Minimum Salary

The new minimum salary regarding articles L.223-1 and L.222-4 of the "Code du travail" valid from 01 January 2015. **The increase is 0,1%.**

New minimum salary to be paid to non-qualified employees (index 775,17)

18 years accomplished:

Monthly gross salary: 1.922,96 eur
Hourly rate: 11,1154 eur

17 years accomplished: 80%

Monthly gross salary: 1.538,37 eur
Hourly rate: 8,8923 eur

from 15 to 16 years: 75%

Monthly gross salary: 1.442,22 eur
Hourly rate: 8,3365 eur

New minimum salary to be paid to qualified employees (index 775,17)

Monthly gross salary: 2.307,56 eur
Hourly rate: 13,3385 eur

The **maximum amount liable to the social security** (Caisse nationale de Santé and Caisse de Pension) on 1st January 2015 is **9.614,82 € / month**.

Budget balancing tax

A **temporary budget balancing tax of 0,5%** is introduced as from 1st January 2015 and applies to income of resident and non resident individuals. The tax base is constituted by professional and replacement income as well as patrimony income. The tax is levied by the employer on the remuneration or replacement income. It is calculated on the basis of the gross income (without cap), after application of an abatement amounting to the social minimum wage.

For self-employed, the tax is calculated on the basis of the net income after application of an abatement of $\frac{3}{4}$ of the social minimum wage.

Employer's Mutuality

Class 1 (Financial absenteeism rate < 0,65 %)	0,51 %
Class 2 (Financial absenteeism rate < 1,60 %)	1,32 %
Class 3 (Financial absenteeism rate < 2,50 %)	1,94 %
Class 4 (Financial absenteeism rate ≥ 2,50 %)	3,04 %

Delivery of tax cards for non residents

The tax administration will not send anymore a validation letter to non residents. The tax cards will be established, just as for the residents, automatically and without a request by the taxpayer.

Changes related to the Address and Civil Status are still subject to a request via the 164 NR form, which is available at the tax office (Bureau RTS non-résidents).

Tax cards will be sent directly to the tax payer's private address.

Mandatory electronic transmission of salary/pension statements

As from 1st January 2015, the transmission of salary/pension statements must be done electronically at latest on 28th February 2015.

Thus, employers no longer need to return the tax cards with paper statements attached to the back page. They have to be archived in the same manner as every other commercial document.

The originals of the tax cards will be sent back to your attention in 2015.

The transmission of data will refer to the data for the tax year 2014 and has to be sent with structured files in XML format. We will take care of this transmission.

Automatic fiscal information transfer

The tax administration will proceed for an automatic fiscal information transfer to the country of residence of non resident taxpayers. The transfer has to be fulfilled by 30th June 2015 and will include the income a non resident earned in Luxembourg.