

PINBOARD

APRIL 2023

CONTENTS

1| [1ST APRIL 2023 : NEW WAGE INDEXATION](#) | [PAGE 2](#)

2| [NEW EARNINGS BRACKETS FOR SEIZURE AND ASSIGNMENT FOR WAGE](#) | [PAGE 4](#)

3| [NEW LAW ABOUT WORKPLACE MOBBING](#) | [PAGE 5](#)

4| [REMINDER ABOUT TAX CARDS](#) | [PAGE 6](#)

5| [NEWS ABOUT POSTING](#) | [PAGE 7](#)

6| [STM – MEDICAL QUESTIONNAIRE](#) | [PAGE 8](#)

7| [LAST MILE FOR YOUR INFPC FILE](#) | [PAGE 9](#)

8| [CONTRIBUTION TO THE CHAMBER OF EMPLOYEES](#) | [PAGE 10](#)

APRIL 2023

1 1ST APRIL 2023 : NEW WAGE INDEXATION

Following the indexation of salaries on 1 April 2023, you will find here the new rates to be taken into account.

The new salary sliding scale score is thus increased from 898.93 points to **921.40** points.

The automatic adjustment of wages to this scale is provided for in Article 223-1 of the Labour Code. This is a **public policy provision**, so the **employer is obliged to respect it** and the employee cannot waive it. Any prior waiver of the application of index changes cannot be enforced.

For social minimum wages, the amounts to be taken into consideration are now as follows :

		Monthly rate	Hourly rate
18 years completed	Not qualified	€2,508.24	€14.4985
	Qualified	€3.009,88	€17.3982
17 years completed		€2.006,59	€11.5988
15 & 16 years completed		€1.881,18	€10.8739

The remuneration of the pupil or student may not be less than 80% of the **social minimum wage**. In the index 921.40 the pupil/student is entitled to the minimum amounts shown in the table below, graduated on account of age :

Pupil and students salaries (index 921,40)		
	Monthly rate	Hourly rate
18 years completed	€2,006.59	€11.5988
17 years completed	€1,605.27	€9.2790
15 & 16 years completed	€1,504.94	€8.6991

Finally, the increase in the social minimum wage also affects the remuneration to be taken into account for **trainees**. So, if you have trainees in your workforce or for any new internship contract, here are the new minimum allowances to be taken into account:

[contents](#)

APRIL 2023

Compensation for trainees (index 921.40)		
	Monthly rate	Hourly rate
30% of the social minimum wage for unskilled employees if compulsory internship of \geq 4 weeks	€752.47	€4.3495
40% of the social minimum wage for unskilled employees if 4-12 weeks of practical training	€1,003.29	€5.7994
40% of the social minimum wage for qualified employees* if practical internship of 4-12 weeks	€1.203,95	€6.9593
75% of the social minimum wage for unskilled employees if \geq 12-26 weeks	€1.881,18	€10.8739
75% of the social minimum wage for skilled employees* if \geq 12-26 weeks	€2.257,41	€13.0486

*For trainees who have successfully completed a first cycle of higher or university education (BTS or Licence/Bachelor), the reference wage is the social minimum wage for qualified employees as provided for in Article L. 152-8. of the Labour Code.

This increase in the minimum social wage also leads to an **increase in the ceiling for contributions**. Above these ceilings, social security contributions (personal and employer's share) are no longer levied, with the exception of the 1.4% contribution for long-term care insurance.

Monthly ceiling for January 2023	€11,936.98
Monthly ceiling for February and March 2023	€12,235.34
Monthly ceiling from April 2023	€12,541.18
Annual ceiling for 2023	€149,278.28

[contents](#)

APRIL 2023

2 NEW EARNINGS BRACKETS FOR SEIZURE AND ASSIGNMENT FOR WAGE

As of 1 April 2023 new earnings brackets are applicable for seizure and assignment.

The seizable/assignable part of a salary is determined on the basis of the net monthly salary divided into 5 levels. A new Grand Ducal regulation of 7 March 2023 was enter into force on 1 April 2023. On that date, **new earnings brackets** are apply in accordance with the following table. These have been modified to take into account the increase of the sliding wage scale. For each earnings bracket, an attachable portion is defined by law.

Level	Monthly limits per salary level	Percentage of deduction
1	up to EUR 850 (inclusive)	unattachable portion of wages
2	From EUR 850.01 to EUR 1,300 (inclusive)	10 %
3	From 1,300.01 to EUR 1,600 (inclusive)	20 %
4	From EUR 1,600.01 to EUR 2,600 (inclusive)	25 %
5	From EUR 2,600.01	unlimited

Example: a debt of EUR 4,000 must be repaid by a worker earning a monthly net salary of EUR 3,000. In order to determine the monthly amount that can be seized, it is first necessary to determine the different levels of the net monthly salary and then calculate the total seizable amount:

Level 1: unseizable

Level 2: $(1,300 - 850.01) \times 10 \% = \text{EUR } 45$

Level 3: $(1,600 - 1,300.01) \times 20\% = \text{EUR } 60$

Level 4: $(2,600 - 1,600.01) \times 25 \% = \text{EUR } 250$

Level 5: $(3,000 - 2,600.01) = \text{EUR } 399.99$

The monthly amount that can be seized according to the different levels is $45 + 60 + 250 + 399.99 = \text{EUR } 754.99$. This amount will be seized each month from the salaried worker's salary until the debt is repaid in full.

[contents](#)

APRIL 2023

3 NEW LAW ABOUT WORKPLACE MOBING

On 9 March 2023, the Chamber of Deputies adopted the draft law on moral harassment in the context of labour relations. This new legislation fills the legal vacuum that existed until then and at the same time reinforces **the obligation of employers to prevent or stop any situation of harassment**.

The legislator wanted to extend the scope of application of this new obligation to the utmost. First of all, the scope is therefore not limited to acts committed by persons within the company. For example this might include clients or providers. Moreover, not only employees but also trainees, apprentices, pupils and students employed during the school holidays are now covered by the new protective measures. Furthermore, the scope of application covers business trips, professional training, communications in connection with or as a result of work by any means whatsoever and even outside normal working hours.

The employer must define all the measures to be taken to ensure the protection of his employees against behaviour or acts of workplace mobbing. Prior to doing so, the employer must have informed and consulted the staff delegation when it exists, or failing that, all the staff.

To this end, and even if no form is specified for the support of these new measures, they could be inserted in internal rules of procedure, when such a document is already in place in the company, or even via a separate charter.

The major novelty introduced by the new legislative framework is the **possibility of referring the matter to the Inspectorate of Labour and Mines (ITM)** when acts of workplace mobbing persist after the employer has taken measures to put an end to them or when the employer has not implemented any adequate and necessary measures to achieve this objective. This option is also open to the staff delegation, with the prior agreement of the employee who considers himself to be a victim of psychological harassment.

After the ITM's investigation, its Director may order the employer to take appropriate measures to put an effective end to the acts of workplace mobbing. If the employer fails to act within the time limit set following the injunction, an **administrative fine** of up to **€25,000 may** be imposed by the Director of the ITM.

Finally, it should be noted that **the employee who is the victim of workplace mobbing and the employee(s) who witness(es) the mobbing may not be subject to retaliation by the employer or other superior**. In such a case, any dismissal would be null and void by operation of law.

[contents](#)

APRIL 2023

Although this is not a new development, the employee will also be **able to refuse to continue to perform his or her employment contract and will be able to terminate it without notice**, i.e. for serious misconduct on the part of the employer who proceeded to said termination. The employee will moreover be able to claim compensation from the labour court for damages from his former employer.

In addition to the administrative fine, **criminal penalties of between €251 and €2,500** - *which may be doubled in the event of a repeat offence within two years* - may be imposed on the employer.

4 REMINDER ABOUT TAX CARDS

Since 1 January 2022 tax cards are multi-year and a new card will only be issued if the employee's situation changes. It is therefore **their responsibility to declare any changes to the Luxembourg Inland Revenue (ACD)**.

As of 1 January 2022, employees are no longer required to submit the withholding tax slip to their employer, which they continue to receive in paper form. Instead, employers are required to consult these slips directly in electronic format on the MyGuichet.lu platform.

Furthermore, the withholding tax slips have also become **multi-year and no longer contain an end date**. They therefore remain valid from year to year and will only be updated if there is a change in one or more elements of the form (address, tax class, tax rate, employer, place of work, deduction, etc.). Any changes must be reported by the employee to the DCO via form 164. Otherwise, the employee's tax card will remain unchanged.

Automatic notifications are sent to employers as soon as a change is made by **the Luxembourg Inland Revenue (ACD)**. As an exception, withholding tax slips issued for a fixed-term contract still contain an end date (i.e. the date of the end of the contract).

[contents](#)

APRIL 2023

5 NEWS ABOUT POSTING

With a view to facilitating these procedures for employers therefore, the **Act of 23 December 2022** transposing **Directive (EU) 2020/1057** into national law has adapted the general rules on posting to make the process more accessible for companies and more protective for posted employees.

First of all, the list of information to be provided to the Inspectorate of Labour and Mines (ITM) before the start of the posting on Luxembourg territory has been reduced. For instance, the copy of the accommodation register, the copy of the medical certificate of recruitment or the official documents attesting to the professional qualifications of the posted employees are consequently no longer required.

The Article L.142-2 of the Labour Code **lists the information to be sent to the ITM no later than the day on which the work begins on Luxembourg territory**. This information must be communicated via the electronic platform in order to obtain the social badge. This information includes in particular the identity, address, electronic and telephone contact details of the posting employer and the posted employee, the nature of the activity and the duration of the posting.

Any subsequent change must be reported in the same way to the Inspectorate of Labour and Mines.

Also, the posting company must **keep certain documents on paper or in electronic format at the workplace of the posted employee on Luxembourgish territory** or in any place accessible to the **reference person** throughout the period of posting so that they can be produced for the Inspectorate of Labour and Mines or to the other competent authorities within the stipulated time limit **in the event of an inspection**. This is the case, for example, with the Form A1, the payslips and clocking-in and clocking-out, or the service contract. The Inspectorate of Labour and Mines may in fact carry out spot or systematic checks on construction sites and in companies by day and by night, alone or together with one, several or all of the competent authorities.

Finally, in order to simplify even further the procedures relating to the posting of employees on Luxembourgish territory, the new law provides that the **joint and several liability** which applied in the context of a company or subcontracting contract is now **limited to the situation of subcontracting chains**.

[contents](#)

APRIL 2023

6 STM : MEDICAL QUESTIONNAIRE

For jobs other than those classified as "office work", employees who are not covered by an aptitude sheet, and for whom the santé au travail multisectoriel (STM) [multisectoral occupational health] service initially proposed a medical questionnaire, must undergo a medical examination at the STM.

Given the health crisis and in order to reduce the number of employee visits, some of the recruitment visits to the STM have been temporarily replaced by an opinion on file, based on the data of a medical questionnaire completed by the employee.

This information was sent to employers after receiving a request for an appointment. Some requests remained pending, however, awaiting the questionnaire to be sent by the employee concerned. Currently, only "office work" jobs are still eligible for a medical questionnaire.

Therefore, if one of your employees works in a job **other than "office work" and is still not covered by an aptitude sheet**, even though the STM had initially proposed a recruitment questionnaire, **an employer's request for this person must be sent back** without fail so as to be able to make an appointment for a recruitment examination at the STM premises.

[contents](#)

APRIL 2023

7 LAST MILE FOR YOUR INFPC FILE

As you know, each year employers can benefit from financial aid for the training costs invested in the previous year. To do so, it is imperative to submit your INFPC file before 31 May!

Employers can benefit from **financial aid of 15% of the cost invested in training their employees in 2022**.

The main costs eligible for reimbursement are:

- The salaries of participants and in-house trainers
- The costs of external training organisations
- Travel, accommodation and catering costs relating to training

The investment in training is capped according to the size of the company:

- 20% of the payroll for companies with 1 to 9 employees
- 3% of the payroll for companies with 10 to 249 employees
- 2% of the payroll for companies with more than 249 employees

This means that for a company with 5 employees, a reimbursement of up to 15% of the 20% of your payroll invested in training is possible, or for a company with 100 employees, a reimbursement of up to 15% of the 3% of your payroll invested in training.

The aid is increased by 20% for employees trained without a diploma and with less than 10 years' seniority, or if they are over 45 years old.

In order to obtain this reimbursement, a specific file must be compiled and documented, including invoices, signed attendance lists, employee data and payroll.

This year, the usual deadline applies. An application for co-financing must therefore be submitted to the National Institute for the Development of Continuing Vocational Training (INFPC) by **31 May 2023 at the latest**.

[contents](#)

APRIL 2023

8 CONTRIBUTION TO THE CHAMBER OF EMPLOYEES

As every year, employers will be required to pay the contribution to the Chamber of Employees. This contribution will be claimed from the employers by the statement of account sent in July by the Centre Commun de la Sécurité Sociale [Joint Social Security Centre].

This contribution, which has long been set at €31, is now **€35 per employee**. This amount was deducted from the employees' net salary during the March payroll.

It should be noted that this contribution is payable **only once for each employee**. In the case of multiple employers, the contribution for the Chamber of Employees is payable by the employer with whom the employee works the longest. In the event of equal working hours, the oldest membership determines which employer is responsible for collecting the contribution.

In May, the Joint Social Security Centre will send a statement to all employers listing the employees for whom they must pay contributions for the Chamber of Employees and the amount of the contribution. Any adjustments concerning the affiliation of these employees can therefore still be made before the invoice is sent in July.

[contents](#)

The sole purpose of the Pinboard of Securex Luxembourg is to keep our customers informed about legal administrative changes and new developments that fall under the purview of Securex Luxembourg SA. It is not intended as legal advice and does not dispense consulting a qualified legal expert before any specific action. Securex Luxembourg SA may under no circumstances be held liable for the consequences of the use made by third parties of the information it contains.