

6. SOCIAL SECURITY

Luxembourg has a highly developed and efficient social security system that covers a wide range of situations.

SOCIAL SECURITY SYSTEM

Luxembourg's social security system covers the risks of illness, maternity, disability, death, age and insures accidents as in private life as well as in a professional framework.

All companies need to fill in an operating declaration and a declaration of start of employment to the Joint Social Security Centre, which handles the data, registration of affiliations and collection of contributions for the different insurance funds.

They can voluntarily join the Employers' Mutual Insurance Scheme (Mutualité des Employeurs) to meet any financial liabilities resulting from a loss of income due to sickness.

Family members to a self-employed person who depend on the self-employed worker benefit from health insurance are co-insured, on condition that they are not personally registered to the joint social security. The conditions for co-registration under one insurance scheme vary depending on whether the insured person is a Luxembourg resident or not.



SOCIAL SECURITY CONTRIBUTION

The social security contribution accounts for 25% of the gross salary. A contribution of 16% of the gross salary is made to pension insurance. Half of this provision (included in the total social security contribution) is covered by the employer, while the other half is deduced directly from the salary of the employee.