

Approval of the laws on compulsory health insurance funds and state social security for 2018

10 January 2018

In brief

The Parliament of the Republic of Moldova recently approved the Law on compulsory health insurance funds for 2018 (“Law on CHIF 2018”) and the Law on the state social security budget for 2018 (“Law on SSSB 2018”), as well as amendments on Law no. 1585/1998 on compulsory health insurance, Law no. 489/1999 on public social security system and Law no. 1593/2002 on amount, methodology and terms of payment of compulsory health insurance contributions.

In detail

Compulsory health insurance

According to the approved law, health insurance contribution rates have been maintained at 9% of the labour remuneration fund and other forms of remuneration (i.e. 4.5% for employees and 4.5% for employers).

The fixed amount of health insurance contribution has been maintained at MDL 4,056 per year.

Compulsory health insurance contributions as a percentage applied to the remuneration fund and other forms of remuneration have to be paid by the twenty-fifth day of the month following that in which the payments are performed.

The limitation period for cancellation of overpayments registered is set at three years.

If the insured event (illness or other effect on insured employees) occurs by submission of IPC18 Form, companies have to submit to

the State Fiscal Authority (i.e. in electronic format) or to the National Medical Insurance Company (i.e. on paper) the information regarding the initiation of the labour relationship according to the nominal list of insured employees.

Compulsory state social security

The employee social security contribution (SSC) rate has been maintained at 6%, without the cap for its taxable base being reintroduced.

The SSC rates applicable to employers in all fields have also been maintained.

The annual fixed SSC has been increased from MDL 7,512 to MDL 8,424.

Material aid granted by trade unions and employer unions are exempted from SSC up to one forecasted national average salary per employee per year, except aid granted for death and / or illness of an employee or their relatives (direct and through marriage).

As of 1 January 2018, taxpayers have to submit the

IPC18 Form monthly by the twenty-fifth of the month following the reporting one. This replaces the BASS and REV5 reports, which are now used only for previous periods.

IT park residents have to apply specific reporting rules.

[Source: Law on compulsory health insurance funds for 2018 no. 280 dated 15 December 2017, Law on the state social security budget for 2018 no. 281 dated 15 December 2017, Law no. 288 dated 15 December 2017 amending and supplementing certain legislative acts, Monitorul Oficial no. 464-470 dated 29 December 2017]

The takeaway

The Law on CHIF 2018 maintains the compulsory health insurance contribution rates for employers and employees.

The deadline for payment of health insurance contributions has been changed.

The Law on SSSB 2018 maintains the percentage rates for mandatory SSC. The cap for

taxable base for individual SSC
has not been reintroduced.

These laws apply as of 1
January 2018.

Let's talk

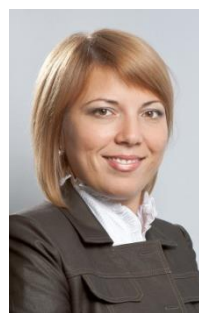
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