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POLAND PROPOSES PENSION AUTOENROLLMENT CONTRIBUTION CHANGE

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A proposed [amendment](#) (Polish) to the recently effective [pension autoenrollment \(PPK\) law](#) (Polish) would remove the contribution cap and require PPK contributions to be calculated on employees' total remuneration. The political party behind the proposal says it would reduce the burden of administering the PPK, but the change would significantly increase employers' costs.

The current law requires the calculation of employee and employer contributions on the employee's gross salary but capped at the applicable amount for social security contributions. For 2019, the social security contribution cap is 30 times the value of the average Polish wage — PLN 142,950. The PPK law applies from 1 July 2019 to companies employing more than 250 employees. Employers with between 50 and 250 employees will be covered from 1 Jan 2020, and smaller organizations at a later date.

RELATED RESOURCES

- [Proposed Bill](#) (Polish) (Polish parliament, 7 Mar 2019)
- [PPK Law](#) (Polish) (Polish official journal, 28 Nov 2018)

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