

WORTH KNOWING ABOUT

# Danish social security contributions



Danish employers must - like employers in other countries - pay social security contributions for their employees. However, compared to most other countries, the Danish contributions are quite modest with average contributions of approximately EUR 2,000 per year per full-time employee.

Danish employers are obligated to pay contributions to the following seven types of social security schemes.

## ATP

A mandatory pension scheme, to which employers as well as employees must contribute. For monthly paid full-time employees, the annual contribution to be paid by the employer is approximately EUR 305. The annual employee contribution is approximately EUR 152.

## AUB

An educational scheme financing vocational training placements for young people. The annual contribution to be paid by the employer is approximately EUR 384, however, employers may obtain refund from the scheme for a share of the costs of hiring trainees.

## AES

A scheme financing compensation to employees with recognized work-related diseases. The annual contribution will depend upon the employer's line of business and will amount to approximately EUR 42 - 861 per year per employee.

## AFU

The Danish Labour Market Fund for Posted Workers is a fund ensuring that employees posted to Denmark receive wages owing to them. The annual contribution to be paid by the employer is approximately EUR 603.

## Pension Finance Scheme

A scheme financing the government's cost of pension contributions to unemployed and sick people. The annual contribution is approximately EUR 78 per full time employee.

## Maternity Leave Fund

All Danish employers are obligated to contribute to a maternity leave fund. There are public as well as private maternity leave funds. The annual contribution is approximately EUR 128 per full time employee.

**TAX AND VAT**  
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**Danish employers are obligated to take out an industrial injury insurance.**

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## Industrial Injury Insurance

Danish employers are obligated to take out an industrial injury insurance with a private insurance company. The annual insurance premium will vary depending on the number of employees and the line of business and will amount to approximately EUR 139 - 3,150 per employee for businesses with up to five employees.

### Payment terms

The social security contributions are payable on a quarterly basis. All entities with a CVR-number will receive invoices in their Digital Mandatory Mailbox from ATP and Samlet Betaling.

The insurance premium for the industrial injury insurance will normally be payable once a year.

**DO YOU HAVE ANY  
QUESTIONS?  
PLEASE CONTACT**



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