

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 430, 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 - 932 per year per employee working full time.

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 EUR 1 per employee working full time.

Pension Finance Scheme

A scheme financing the government's cost of pension contributions to unemployed and sick people. The annual contribution is approximately EUR 77 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 181 per full time employee.

TAX AND VAT
February 2022

”

Danish employers are obligated to take out an industrial injury insurance.

”

This publication has been written in general terms and should be seen as a broad guidance only. The publication does not cover specific situations and you should not act, or refrain from acting, without obtaining professional advice. Please contact BDO to discuss the specific matters. BDO, its partners and employees do not accept or assume any liability for any loss arising from any action taken or not taken in reliance on the information in this publication.


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**



Tanja Stocholm
Director, Tax
Tel. +45 30 93 64 22
tst@bdo.dk



Cecilie Frandsen
Manager, Tax
Tel. +45 30 93 44 01
cec@bdo.dk

BDO Statsautoriseret revisionsaktieselskab, a Danish limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. BDO Denmark employs more than 1,300 people and the worldwide BDO network has more than 100,000 partners and staff in more than 165 countries.

WWW.BDO.DK

