

NEW CAPS OVER SOCIAL SECURITY CONTRIBUTIONS

On January 11th the Chilean Superintendence of Pensions (“Superintendencia de Pensiones”) published the caps applicable over social security contributions for year 2021, which were afterwards published in the Official Gazette on January 14th.

- 1 In the case of contributions for pension funds (AFP); health insurance (Isapre/Fonasa); compensation for work-related accidents and professional diseases (mutual aid fund); insurance for the accompaniment of children with serious illnesses (mutual aid fund); heavy works (AFP); and disability and survival insurance (AFP), the new cap is 81.7 Unidades de Fomento (USD3,200 approximately).
- 2 On the other hand, the contribution for unemployment insurance (AFC) will be subject to a cap of 122.7 Unidades de Fomento (USD4,800 approximately).

Notwithstanding the above, in accordance with the policy for “Rectification of Figures of the Monthly Survey of Remuneration and Workforce Cost” of the National Statistics Institute, these figures could be adjusted during the month of February, at which time the definitive caps over social security contributions applicable for this year will be established. In any case, even if there is an adjustment to these figures during the month of February, the abovesaid caps will still be applicable to remunerations corresponding to January, 2021.



If you have any questions regarding the matters discussed in this news alert, please contact the following attorneys or call your regular Carey contact.

This news alert is provided by Carey y Cía. Ltda. for educational and informational purposes only and is not intended and should not be construed as legal advice.

*Carey y Cía. Ltda.
Isidora Goyenechea 2800, 43rd Floor.
Las Condes, Santiago, Chile.
www.carey.cl*