

Flash Report

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Parliament adopted Draft Budget Law for 2012

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Parliament adopted Draft Budget Law for 2012

On 22 December 2011, the Parliament adopted the Draft State Budget Law for 2012.

The subsistence minimum salaries set for able-bodied individuals increases to UAH 1,073 (**USD 134***) from 1 January 2012, to UAH 1,094 (**USD 137**) from 1 April 2012, to UAH 1,102 (**USD 138**) from 1 July 2012, to UAH 1,118 (**USD 140**) from 1 October 2012 and further to UAH 1,134 (**USD 142**) from 1 December 2012.

The maximum monthly basis for the Unified Social Contribution (USC) is calculated as 17 subsistence minimum salaries above and amounts to UAH 18,241 (**USD 2,280**) from 1 January 2012, UAH 18,598 (**USD 2,325**) from 1 April 2012, UAH 18,734 (**USD 2,342**) from 1 July 2012, UAH 19,006 (**USD 2,376**) from 1 October 2012 and further UAH 19,278 (**USD 2,410**) from 1 December 2012. As a result, USC will increase as follows.

- Employee's monthly USC (3.6%) will be:

- from 1 January 2012 - min UAH 38.63 (**USD 5**) to max UAH 656.68 (**USD 82**);
- from 1 April 2012 – min UAH 39.38 (**USD 5**) to max UAH 669.53 (**USD 84**);
- from 1 July 2012 – min UAH 39.67 (**USD 5**) to max UAH 674.42 (**USD 84**);
- from 1 October 2012 – min UAH 40.25 (**USD 5**) to max UAH 684.22 (**USD 86**);
- from 1 December 2012 – min UAH 40.82 (**USD 5**) to max UAH 694.01 (**USD 87**).

- Employer's monthly USC (based on approximate 38% rate) will be:

- from 1 January 2012 - min UAH 407.74 (**USD 51**) to max UAH 6,931.58 (**USD 866**);
- from 1 April 2012 – min UAH 415.72 (**USD 52**) to max UAH 7,067.24 (**USD 883**);
- from 1 July 2012 – min UAH 418.76 (**USD 52**) to max UAH 7,118.92 (**USD 890**);
- from 1 October 2012 – min UAH 424.84 (**USD 53**) to max UAH 7,222.28 (**USD 903**);
- from 1 December 2012 – min UAH 430.92 (**USD 54**) to max UAH 7,325.64 (**USD 916**).

* For converting amounts into USD we used the rounded exchange rate of 8 UAH per 1 USD set by the National Bank of Ukraine as of 27 December 2011.



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