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Tax Alert

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Minimum Wage Increases Effective from 1 September 2013

The Ministry of Labour announced on 12 April 2013 that the minimum wage level will be increased to MNT 1,142.85 per hour (MNT 192,000 per month) effective from 1 September 2013.

The minimum wage level was last adjusted in April 2011 and was set to be at least MNT 835.71 per hour (MNT 140,400 per month).

According to the Law on Minimum Wage Level, minimum level of wage should be adjusted once every 2 years.

Impact of the change to companies and individuals

This change will affect the Personal Income Tax base of employment income and Social Insurance employee contribution cap level. As such, it is expected that companies make adjustment to their payroll calculation accordingly.

We will keep you updated for the further changes and amendments to the Mongolian tax legislation.

Source: <http://mol.gov.mn/nodes/index/type:news>