

Changes to the payroll calculation effective January 2022

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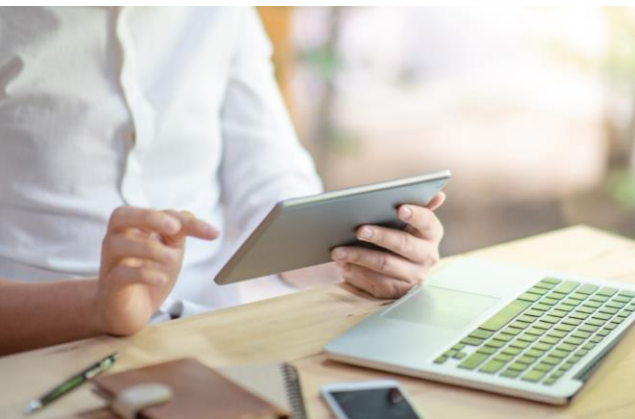
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If you are interested in additional information, please contact us.

1. According to the Law "On Obligatory Social Medical Insurance" dated 16 November 2015 No. 405-VC, **the rate for the calculation of employer Contributions to Obligatory Social Medical Insurance (OSMI) has changed from 2% to 3% effective 1 January 2022;**
2. Based on the Law "On Amendments and Additions to the Tax Code of the RK "On Taxes and Other Mandatory Payments to the Budget" No. 85-VII dated 20 December 2021 and the Law "On the entering into force the Code of the RK "On Taxes and Other Mandatory Payments to the Budget", **the minimum monthly wage ("MMW") is replaced with monthly calculation index ("MCI") for the purposes of calculation of payroll charges;**
3. According to the Law "On the Republican Budget for 2022-2024" dated 2 December 2021 No. 77-VII, **due to MMW increase as of 1 January 2022 the income thresholds are increased accordingly for the purposes of calculation of Obligatory Pension Contributions ("OPC"), Social Contributions ("SC"), Employer and Employee Contributions' to OSMI. Ниже приведена сравнительная таблица вышеуказанных изменений за 2021 и 2022 гг.:**

The comparative table of the above changes for 2021 and 2022 is presented below :

Comparative table for		2021	2022
MCI	amount	2 917	3 063
MMW	amount	42 500	60 000
Standard deduction applied for calculating individual income tax	amount	1 MMW = 42 500	14 MCI = 42 882
OPC	rate	10%	10%
	min. income limit	n/a	n/a
	max. income limit 50 MMW	2 125 000	3 000 000
	min. limit size	n/a	n/a
	max. limit size	212 500	300 000
Employee contributions to OSMI	rate	2%	2%
	min. income limit	n/a	n/a
	max. income limit 10 MMW	425 000	600 000
	min. limit size	n/a	n/a
	max. limit size	8 500	12 000



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Employer contributions to OSMI	rate	2%	3%
	min. income limit	n/a	n/a
	max. income limit 10 MMW	425 000	600 000
	min. limit size	n/a	n/a
	max. limit size	8 500	18 000
Social Tax	rate	9,5%	9,5%
	min. income limit	1 MMW=42 500	14 MCI=42 882
	max. income limit	n/a	n/a
	min. limit size (befor SC deduction)	4 037,5	4 073,79
	max. limit size	n/a	n/a
SC	rate	3,5%	3,5%
	min. income limit 1 MMW	42 500	60 000
	max. income limit 7 MMW	297 500	420 000
	min. limit size	1 488	2 100
	max. limit size	10 413	14 700

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