
Social Security

Social security in the Czech Republic

Every employee in the Czech Republic is a participant in the social security system. Social insurance is automatically deducted from the salary of employees. Social deductions are 5.5% of wages and 25% that the employer pays from the employee's gross wages, of which 21.5% goes to pension insurance, 2.3% to sickness insurance, and 1.2% to the state employment policy.

A detailed manual of the Czech social security system issued by the European Commission can be found [here](#)



Total wage deductions

Total wage deductions are always calculated from gross wages. In total, employers pay on behalf of employees 34% for compulsory insurance premiums, of which 25% is for social insurance and 9% is for health insurance. Employees receive from their employer net wages on their account, which differs from gross wages because the payroll accountant deducts from the employee personal income tax, social insurance (6.5% of gross wages), and health insurance (4.5% of gross wages). Income tax amounts to 15% of supergross wages, and tax rebates the employee is entitled to are applied during the calculation as well as any tax credits for children.

[Net salary calculator](#)

Forms

[Information on commencing employment – EU citizen, third-country national with free entry](#)

[Information on terminating the employment of an EU citizen, a third-country national with free entry](#)

[Information on the secondment of an employee](#)

Social security in the EU

Each EU country has its own social security legislation, which applies to all employees who work in the specific country, regardless of their nationality.

The aim of the European regulations on the coordination of social security is to ensure that EU citizens working and residing in a Member State other than their country of origin do not lose their social security entitlement (e.g. pension or healthcare entitlements) and that they know which national regulations apply to them.

According to EU rules, each employee pays social security contributions in only one country at a time. The place of work usually determines to which social security system the employee belongs (regardless of the residence or registered office of the employer).

Basic regulations:

[Regulation \(EC\) No 883/2004 of the European Parliament and of the Council on the coordination of social security systems](#)

[Implementing Regulation \(EC\) No 987/2009 of the European Parliament and of the Council](#)

[Regulation \(EU\) No 465/2012 of the European Parliament and of the Council amending both regulations \(from 28 June 2012\)](#)

- from 1 April 2012 applying also to the citizens of Switzerland, from 1 June 2012 applying to the citizens of Liechtenstein, and from 1 July 2013 applying to the citizens of Croatia

[Regulation \(EU\) No 1231/2010 of the European Parliament and of the Council extending Regulation \(EC\) No 883/2004 to nationals of third countries](#)

[Regulation \(EU\) No 500/2019 of the European Parliament and of the Council – alternative approach for Brexit](#)



Social security with third countries

The Czech Republic has concluded treaties with several third countries on social security. You can find an overview of these treaties [here](#) . The basic rules applied to these treaties is that an employee is subject to the regulations of the country where they perform activity.