

SUBJECT	LEGAL CHANGE	ACTION REQUIRED
Working Time		
Changes to the working time rules	<p>(1) The maximum working time increases to 12 hours per day and 60 hours per week. Employees can refuse to work the 11th and 12th daily working hours without giving a reason.</p> <p>(2) The maximum overtime hours per week is increased from 10 to 20 hours. Employees can choose whether the overtime is to be paid in cash or as time in lieu.</p> <p>(3) If there is an increased need for work, it is possible to employ (each) employee on a maximum of 4 weekends or public holidays per year (a shop agreement or written agreement is required).</p> <p>(4) It is now possible to increase the maximum normal working time from 10 to 12 hours per day for flexible working hours (gleitende Arbeitszeit).</p> <p>(5) Excluded from the Working Time rules are both “executive employees” (leitende Angestellte) and other employees to whom “significant independent decision-making authority has been delegated”. The pre-requisite for both is that the working time is neither measured nor determined in advance or can be determined by the employee himself.</p> <p>Effective date: September 2018.</p>	<p>(1) Become familiar with the new rules and ensure compliance.</p> <p>(2) Please note that workers who refuse to work overtime must not be disadvantaged!</p>
Social Insurance		
Monthly contribution base notification (Monatliche Beitragsgrundlagenmeldung - mBGM)	<p>Changes will simplify the structure of payroll accounting and reduce the number of notification types. A new tariff system will replace the previous contribution group scheme.</p> <p>Effective date: January 1st, 2019.</p>	<p>Ensure that one mBGM per month (per employee) is sent to social insurance. This must be sent by the 15th of the following month at the latest.</p>
Age-related part-time working (Altersteilzeit)		
Monthly contribution rule changes delay access	<p>As of January 2019 access to “Age-related Part-time” will be possible 6 years before reaching the standard retirement age (instead of 7) and from 2020, 5 years before the standard retirement age.</p> <p>Effective date: January 2019 (and January 2020).</p>	<p>No action required.</p>
Family		
Payroll accounting: “Family Bonus Plus”	<p>“Family Bonus Plus” (tax deductible amount) can now be included in monthly payroll accounting. The employee must apply to the employer for “Family Bonus Plus” to be considered and submit the appropriate signed form to the employer.</p> <p>Effective date: January 2019.</p>	<p>(1) Your payroll provider should become familiar with the settlement process.</p> <p>(2) Your employees should be informed about this possibility.</p>

This is a high level general update only. Legal advice should be obtained on specific circumstances.