

iGlobal Law : 2022 Annual Update : Germany

Legal Change	Effective Date	Action required
<p>Gradual increase of the minimum wage</p> <p>The minimum wage has been in force in Germany since 2015 and has been gradually increased annually since 2018.</p> <ul style="list-style-type: none"> From 1 January 2022, the statutory minimum wage is 9.82 euros gross per hour actually worked. From 1 July 2022, the minimum wage will increase again to 10.45 euros gross per hour actually worked. <p>However, the German Federal Minister of Labour has announced that the minimum wage shall be raised to 12 euros gross per hour actually worked by 1 October 2022. After that, the minimum wage commission will again decide on future increases.</p>	<p>1 January 2022</p>	<p>Review and accordingly adjust future wage tax preparation and accounting.</p>
<p>Covid-19 Vaccination Prevention Strengthening Act and regulations related to the Covid-19 pandemic</p> <p>On 12 December 2021, the pandemic-related special regulations on the conduct of virtual works meetings and meetings of executive employees were re-introduced. This includes the conduct of meetings of the conciliation committee, the homework committees and the bodies under the European Works Councils Act, the SE Employee Involvement Act and the SCE Employee Involvement Act within the framework of information and consultation. The regulations will be in force until 19 March 2022 with the possibility of a one-time extension by resolution of the German Bundestag.</p>	<p>12 December 2021</p>	<p>Keep up to date with the rules and deadlines.</p>
<p>Extension of the special regulations on short-time allowance ("Kurzarbeitergeld"):</p> <ul style="list-style-type: none"> The possibility of being able to use the maximum entitlement period of short-time allowance of up to 24 months exists for a further three months. Extension of the special regulations on facilitated access, whereby 10%, rather than a third, of the workforce must be affected by a loss of pay, with no requirement for negative working time balances to be established by the company, before short-time allowance is granted. Employers are reimbursed for the social security contributions they have to pay alone during short-time work in the amount of 50% in a lump-sum form upon application. Temporary agency workers can also continue to receive short-time allowance. 		<p>Keep up to date with the rules and deadlines.</p>

<ul style="list-style-type: none"> • Additional earnings from marginal employment ("geringfügige Beschäftigung") will not be counted towards short-time allowance in the future. • In addition, the entitlement to the increased benefit rates of the short-time allowance for longer periods of short-time work (from the fourth month of receipt 70% of the net difference in remuneration, or 77% if a child lives in the household; from the seventh month of receipt 80% or 87%) will be extended. The entitlement is also extended to employees who have been on short-time work for the first time since April 2021. 		
<p>Further development of the status determination procedure ("Statusfeststellungsverfahren")</p> <ul style="list-style-type: none"> • The status determination procedure will be further developed through the following reform modules. <ul style="list-style-type: none"> • The introduction of a prognosis decision makes it possible to determine the employment status before taking up employment. • In future, employment status will be determined instead of the insurance obligation. This will relieve the parties involved and the clearing office of bureaucratic work and the procedure will be simplified and accelerated. • A group determination is made possible for the same contractual relationships. This relieves the contractor in particular in the case of identical contracts; they no longer have to carry out separate status determination procedures for this. • In future, certain triangular relationships (Arbeitnehmerüberlassung), e.g. "employee leasing" (lender / hirer / temporary worker), can be examined. This will also make it possible to avoid separate status determination procedures. • An oral hearing is possible in opposition proceedings. <p>The new regulations will come into force on 1 April 2022. Essential reform modules will be tested for a limited period of time until 30 June 2027. The reform modules will be evaluated in due time before the end of this time limit.</p>	<p>1 April 2022</p>	<p>Keep up to date with the rules and deadlines.</p>
<p>Electronic Unemployment Registration</p> <p>On 1 January 2022, the new regulation on electronic unemployment registration will come into force. In addition to the personal visit to the competent employment agency, there will be a legally secure electronic form for registering unemployment in the future. The electronic unemployment registration is based on the electronic proof of identity according to</p>	<p>1 January 2022</p>	

<p>the Identity Card Act, i.e. the use of the "online identity card function" of the identity card.</p>		
<p>Social security calculation variables</p> <p>The relevant calculation parameters of social insurance were adjusted in rotation according to the income development in the past year (2021). The regulation procedure and the determination of the values are carried out in an annual routine on the basis of legal provisions.</p> <p><u>Contribution assessment ceiling in the general pension insurance:</u> 7,050 € per month and 84,600.- € per year (west); 6,750.- € per month and 81,000.- € per year (east)</p>	<p>1 January 2022</p>	<p>Keep up to date with the rules and deadlines.</p>
<p>Non-cash remuneration values 2022</p> <p>The Federal Ministry of Labour and Social Affairs must annually adjust the value of remuneration in kind in advance according to the actual market value, ensuring as far as possible conformity with the regulations of tax law. The values for meals and accommodation are therefore adjusted annually to the development of consumer prices. The consumer price index rose by 2.8 percentage points in the relevant period from June 2020 to June 2021. On this basis, the value for meals was increased from 263 euros to 270 euros (breakfast to 56 euros, lunch and dinner to 107 euros each). The value for rent and accommodation will increase by 1.7% from 237 euros to 241 euros.</p>	<p>1 January 2022</p>	<p>Keep up to date with the rules and deadlines.</p>