

## Newsflash

# Yearly premium - replacement by equivalent benefits (JC 200)



Within Joint Committee (JC) 200 (formerly JC 218), employees will be entitled to a yearly gross premium of EUR 250 from June 2016. This premium can be replaced by equivalent benefits.

According to the NSSO, no social security contributions are due if premiums are replaced by luncheon and/or eco-vouchers, provided this is done before **1 January 2016**.

### Yearly premium of EUR 250 in JC 200

To increase purchasing power, a yearly premium of EUR 250 gross has been introduced in JC 200 by virtue of the collective bargaining agreement (CBA) of 9 July 2015. The premium is calculated on the basis of days worked in the reference period, which runs from 1 June of the previous year until 31 May of the following year. This means that the first premium will be granted in June 2016.

The CBA of 9 July 2015 foresees that the yearly premium does not apply to employees having received equivalent benefits (in view of increasing their purchasing power) during the reference period.

In such case, the total cost of the equivalent benefits needs to be offset against the total wage cost of the yearly premium (i.e. EUR 337.50).

### Luncheon and eco-vouchers

Many employers in JC 200 envisage to pay the gross yearly EUR 250 premium using partly luncheon and partly eco-vouchers, which would allow an increase of purchasing power by EUR 337.50 net (instead of EUR 250 gross).

The question remains whether this replacement is possible, and if so, whether the payment in luncheon and eco-vouchers could be done without paying social security benefits.

## No social security contributions

The matter is not clear-cut since an article in the Royal Decree of 28 November 1969<sup>1</sup> stipulates that eco-vouchers are exempt from social security contributions under specific conditions. One of these conditions is that eco-vouchers cannot be granted “*to replace remuneration, premiums, benefits in kind or any other benefit subject to social security contributions*”.

The same condition applies for luncheon vouchers to be exempt.

The question is thus whether such luncheon and eco-vouchers are indeed granted as a *replacement for remuneration, premiums, benefits in kind or any other benefit*, and, more specifically, as a replacement for the EUR 250 yearly premium.

The NSSO took the position that if an employer replaces the yearly premium with luncheon and/or eco-vouchers **before 1 January 2016**, no replacement of an *existing* benefit is present, since the CBA of 9 July 2015 only enters into force from 1 January 2016. Consequently, no social security contributions are due.

## Conclusion

Employers within JC 200 have the possibility to replace the gross yearly premium by equivalent benefits allowing an increase of purchasing power.

The NSSO accepts a replacement of the premium by net luncheon and/or eco-vouchers, provided this conversion is implemented before 1 January 2016.

This allows employers to award a purchasing power increase of up to EUR 337.50 net instead of EUR 250 gross.

**Stijn Demeestere, Advocaat-vennoot/Avocat associé, Tel.: + 32 2 800 71 42, E-mail: [sdemeestere@laga.be](mailto:sdemeestere@laga.be)**

**Valérie Vuurstaek, Advocaat/Avocat, Tel.: + 32 2 800 70 17, E-mail: [vvuurstaek@laga.be](mailto:vvuurstaek@laga.be)**

**Heleen Franco, Advocaat/Avocat, Tel.: + 32 2 800 71 42; E-mail: [hfranco@laga.be](mailto:hfranco@laga.be)**

---

<sup>1</sup> Article 19quater, §2, Royal Decree of 28 November 1969 (“RSZ K.B.”)