

# The Summary of Social Insurance in Korea

Jan. 4, 2016

Item		National Pension (NP)	National Health Insurance (NHI)	Employment Insurance (EI)	Industrial Accident Comp Ins (IACI)
Entitlement	Eligibility	Employee & Employer 18~ 60 years old	All of the Employee & Employer	All of the Employee	All of the Employee
	Exemption	- Less than 1 month of service Employee - Less than 60 hours/month	- Less than 1 month of service Employee - Less than 60 hours/month	- Less than 1 month of service Employee - Less than 60 hours/month	N/A
	Foreigner	Different by case by case upon the Nationality & Visa type	Different by case by case upon the Nationality & Medical insurance covered	Applicable (Mandatory for F2(Resident) & F5(Permanent Resident) Visa	All of the Foreign Employee
Rate	Total	9.0%	① NHI: 6.12% ② Long-Term Care: 6.55% of NHI	① Unemployment: 1.3% ② Security / Vocational training: 0.25% *	0.7% ~ 3.2% **
	Employer	4.5%	① NHI: 3.06% ② Long-term Care: 6.55% of NHI	① Unemployment: 0.65% ② Security / Vocational training: 0.25% *	0.7% ~ 3.2% **
	Employee	4.5%	① NHI: 3.06% ② Long-term Care: 6.55% of NHI	① Unemployment: 0.65%:	N/A
				* differentiated by business category and size	** differentiated by business category
Calculation	Base	Total Taxable Income (based on Standard Monthly Salary)	Total Taxable Income (based on Monthly Salary)	Total Taxable Income	
	Bottom Salary	KRW 270,000 / month	KRW 280,000 / month	N/A	
	Ceiling Salary	KRW 4,210,000 / Month	KRW 78,100,000 / month		
	Adjustment	Set up new 'Standard Monthly Salary' based on "Total income of previous year (from July)	Set up new 'Monthly' and Adjust "Final" based on "Total income of previous year (in April)	Adjust "Final Premium" based on "Total income of previous year (in April)	N/A
Payment	Entry	1 <sup>st</sup> day of the Month: Monthly premium required Other day: Optional	1 <sup>st</sup> day of the Month: Monthly premium required Other day: next month	Premium calculated on daily basis from the entry day	
	Exit	1 <sup>st</sup> day of the Month: N/A Other dates: Monthly premium required	Adjustment is required for "Final Premium" with Total income reported	Adjustment is required for the "Final Premium" with Total income report	N/A
	Payment	Entry/Exit status is required to be report by 15 <sup>th</sup> every month, And the premium is required to be paid by 10 <sup>th</sup> next month			

## Regulation of the Imposition of a "Fine" for negligence (Employment Insurance & Industrial Accident Compensation Insurance)

- This applies to the Company or the Agency delegated from Company do not file within the reporting deadline which have to join or file the report for EI and IACI
- Applies to all Company (including Company with number of Employee less than 5 – applied since July 2014) where the reporting is delayed more than one(1) month

(Location of the Korean version: No.6, 4 대보험요약 \ 4 대보험업무(PAYROLL) \ 신고&세무실무)