

Retirement Income Tax Calculation (revision Jan. 1, 2016)

Feb, 29, 2016

■ Retirement Income Tax Calculation

Before Revision (A)	After Revision (B)												
① Retirement Income – Basic deduction – Deduction for Service Year ② ① x 5* ÷ Service year ③ ② x Standard rate*** ④ ③ x Service year ÷ 5*	① Retirement Income – Deduction for Service Year** <i>(Basic deduction: abolished)</i> ② Converted salary = ① x 12* ÷ Service year ③ (② – Converted salary deduction) x Standard rate*** <table border="1" style="width: 100%; border-collapse: collapse; margin: 5px 0;"> <thead> <tr style="background-color: #e1f5fe;"> <th style="width: 50%;">Converted salary</th> <th>Deductions</th> </tr> </thead> <tbody> <tr> <td>KRW 8 million or less</td> <td>100% of Converted salary</td> </tr> <tr> <td>KRW 8~70 million or less</td> <td>KRW 8.0 million + (60% of the amount over KRW 8 million)</td> </tr> <tr> <td>KRW 70~100 million or less</td> <td>KRW 45.2 million + (55% of the amount over KRW 70 million)</td> </tr> <tr> <td>KRW 100~300 million or less</td> <td>KRW 61.7 million + (45% of the amount over KRW 100 million)</td> </tr> <tr> <td>Over KRW 300 million</td> <td>KRW 151.7 million + (35% of the amount over KRW 300 million)</td> </tr> </tbody> </table> ④ ③ x 12* ÷ Service year	Converted salary	Deductions	KRW 8 million or less	100% of Converted salary	KRW 8~70 million or less	KRW 8.0 million + (60% of the amount over KRW 8 million)	KRW 70~100 million or less	KRW 45.2 million + (55% of the amount over KRW 70 million)	KRW 100~300 million or less	KRW 61.7 million + (45% of the amount over KRW 100 million)	Over KRW 300 million	KRW 151.7 million + (35% of the amount over KRW 300 million)
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Over KRW 300 million	KRW 151.7 million + (35% of the amount over KRW 300 million)												

* The annual tax multiplied years method applied

** Deduction for Service Year:

Service Year	Deductions
5 years or less	KRW 3 million x service year(s)
over 5 years~10 years or less	KRW 1,500,000 + (KRW 0.5 million x (service years – 5 years))
over 10 years~20 years or less	KRW 4,000,000 + (KRW 0.8 million x (service years – 10 years))
over 20 years	KRW 12,000,000 + (KRW 1.2 million x (service years – 20 years))

*** Standard Rate:

Income Amount	Tax Rate
KRW 12 million or less	6%
over KRW 12~46 million or less	KRW 720,000 + 15% of the amount over KRW 12 million
over KRW 46~88 million or less	KRW 5,820,000 + 24% of the amount over KRW 46 million
over KRW 88~150 million or less	KRW 15,900,000 + 35% of the amount over KRW 88 million
over KRW 150 million won	KRW 37,600,000 + 38% of the amount over KRW 150 million

**** Special calculation method for the overlapping period:

If retirement date falls on Jan. 1, 2016 ~ Dec. 31, 2019 period, the calculation formula is as follows.
 (Tax amount calculated by the process of "Before Revision (A)" x Rate applied) + (Tax amount calculated by the process of "After Revision (B)" x Rate applied)

Rate	Taxation Period of Retirement Date			
	2016	2017	2018	2019
Before Revision (A)	80%	60%	40%	20%
After Revision (B)	20%	40%	60%	80%

퇴직소득세 과세방식 (2016.01.01 개정)

2016. 02. 29

■ 퇴직소득 과세방식

종전규정 (A)	개정규정 (B)												
① 퇴직소득 - 기본공제(40%) - 근속공제** ② ① x 5* ÷ 근속연수 ③ ② x 기본세율*** ④ ③ x 근속연수 ÷ 5*	① 퇴직소득 - 근속공제** (기본공제폐지) ② 환산급여 = ① x 12* ÷ 근속연수 ③ (② - 환산급여공제) x 기본세율*** <table border="1" style="width: 100%; margin-top: 5px;"> <thead> <tr> <th style="width: 50%; text-align: center;">환산급여</th> <th style="width: 50%; text-align: center;">환산급여공제액</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">8백만원이하</td> <td style="text-align: center;">환산급여의 100%</td> </tr> <tr> <td style="text-align: center;">8백만원초과 7천만원이하</td> <td style="text-align: center;">8백만원 + (8백만원초과분의 60%)</td> </tr> <tr> <td style="text-align: center;">7천만원초과 1억원이하</td> <td style="text-align: center;">4천520만원 + (7천만원초과분의 55%)</td> </tr> <tr> <td style="text-align: center;">1억원초과 3억원이하</td> <td style="text-align: center;">6천170만원 + (1억원초과분의 45%)</td> </tr> <tr> <td style="text-align: center;">3억원초과</td> <td style="text-align: center;">1억5천170만원 + (3억원초과분의 35%)</td> </tr> </tbody> </table> ④ ③ x 12* ÷ 근속연수	환산급여	환산급여공제액	8백만원이하	환산급여의 100%	8백만원초과 7천만원이하	8백만원 + (8백만원초과분의 60%)	7천만원초과 1억원이하	4천520만원 + (7천만원초과분의 55%)	1억원초과 3억원이하	6천170만원 + (1억원초과분의 45%)	3억원초과	1억5천170만원 + (3억원초과분의 35%)
환산급여	환산급여공제액												
8백만원이하	환산급여의 100%												
8백만원초과 7천만원이하	8백만원 + (8백만원초과분의 60%)												
7천만원초과 1억원이하	4천520만원 + (7천만원초과분의 55%)												
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3억원초과	1억5천170만원 + (3억원초과분의 35%)												

* 연승연분비율적용

** 근속공제

근속연수	공제
5년 이하	30만원 X 근속연수
5년 초과 10년 이하	150만원 + (50만원 X (근속연수 - 5년))
10년 초과 20년 이하	400만원 + (80만원 X (근속연수 - 10년))
20년 초과	1200만원 + (120만원 X (근속연수 - 20년))

*** 기본세율

퇴직소득과세표준	세율
1,200만원 이하	6%
1,200만원 초과 4,600만원 이하	72만원 + 1,200만원을 초과하는 금액의 15%
4,600만원 초과 8,800만원 이하	582만원 + 4,600만원을 초과하는 금액의 24%
8,800만원 초과 1.5억원 이하	1590만원 + 8,800만원을 초과하는 금액의 35%
1.5억원 초과	3760만원 + 1.5억원을 초과하는 금액의 38%

**** 세액계산특례

2016. 1. 1 ~ 2019. 12.31 퇴직의 경우, 아래 계산식에 따른 금액으로 함.

(종전규정(A)에 따른 퇴직소득 산출세액 x 적용비율) + (개정규정(B)에 따른 퇴직소득 산출세액 x 적용비율)

적용비율	퇴직일이 속하는 과세기간			
	2016년	2017년	2018년	2019년
종전규정 (A)	80%	60%	40%	20%
개정규정 (B)	20%	40%	60%	80%