



# Social Security Contributions in 2026

## Employers' extra costs on top of gross salary

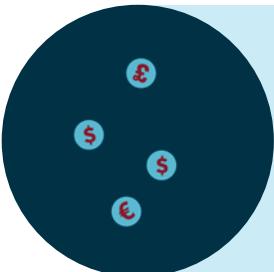




As an employer in Germany, you do not only pay an employees' salary – there are social security contributions that you have to pay on top.



Again for 2026, contribution assessment thresholds for pension and unemployment insurance and also for health & nursing care insurance **increased** (harmonised nationwide values apply in all branches of insurance since last year 2025).



We present to you a comprehensive overview over these additional contributions as well as examples both for salaries above and below the contribution assessment ceiling.



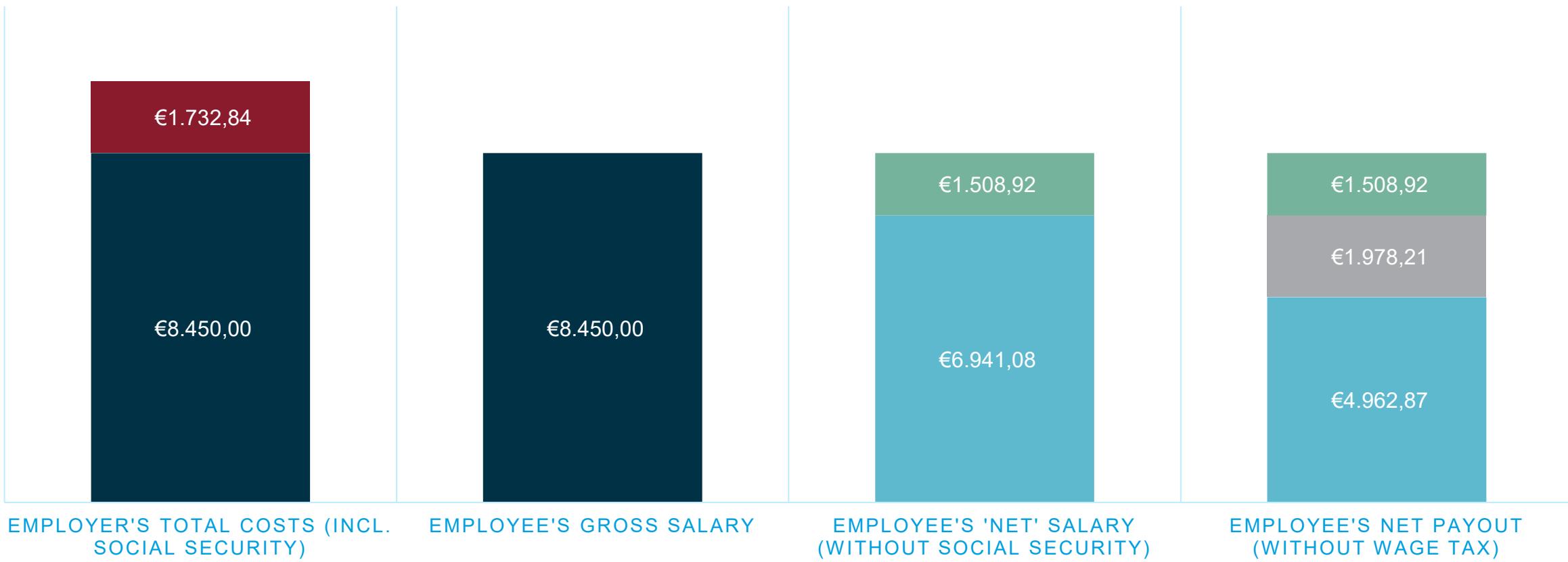
Additionally, we give you some ideas for alternatives to salary or bonus payments that are both tax free and will not incur additional social security contributions. So employees will receive more net payout at less employer's costs.

# Social Security Contributions in 2026

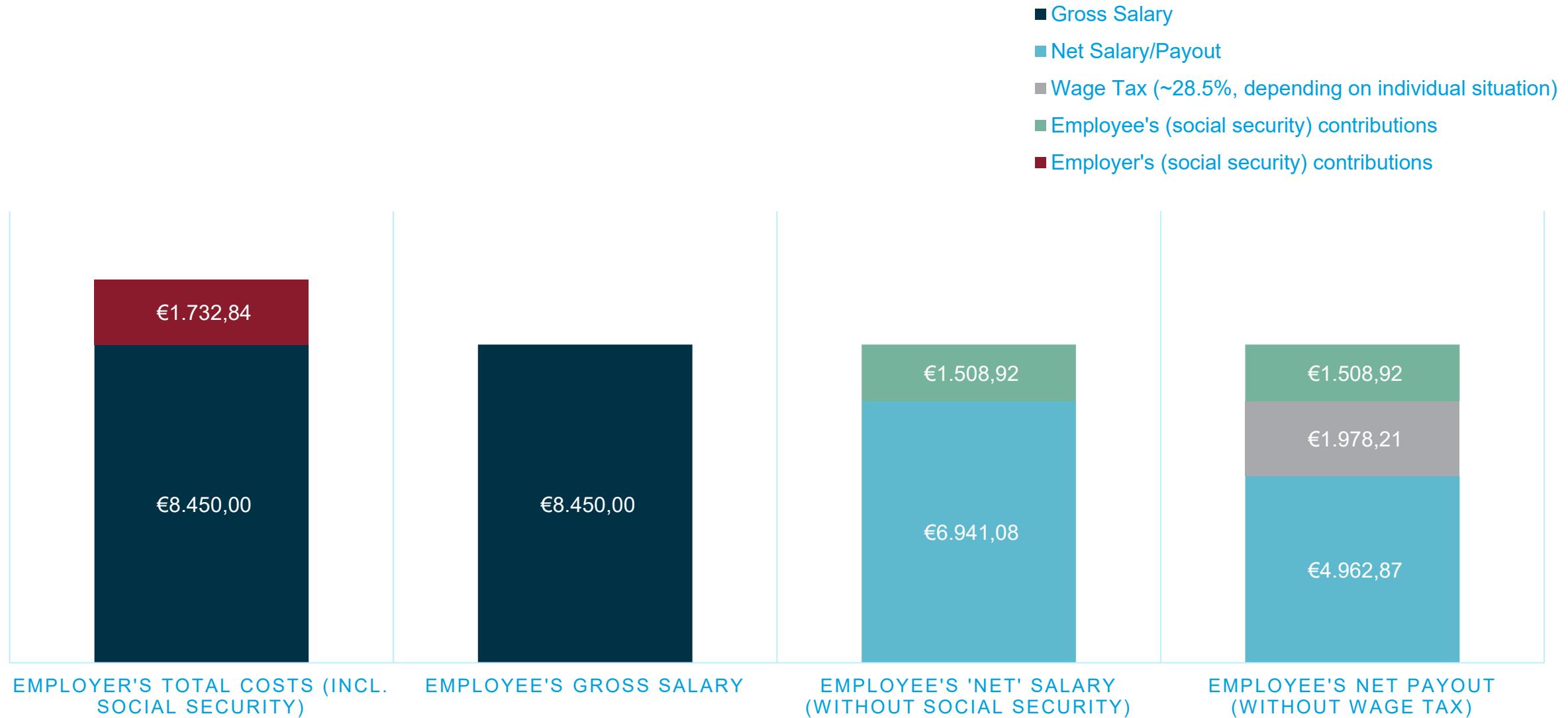
Insurance	% Total Contribution Rate (of employee's gross salary)	%-rate paid by employer	Calculation Threshold (social contribution assessment ceiling)	max. employers' additional costs
Health Insurance	14.6% (+ typically 2.9%) = 17.5%	7.3 % (+ typically 1.45%) = 8.75%		EUR 424.31 p.m. + EUR 84.28 p.m
Nursing Care	3.6 % (- 0.25 % per child for 2-5 children)  + 0.6 % by childless employees over age 23)	1.8 % (Saxony only 1.3 %)	EUR 5,812.50 p.m.  (EUR 69,750 p.a.)	EUR 104,63 p.m.
Pension	18.6 %	9.3 %		EUR 785.85 p.m.
Unemployment	2.6 %	1.3 %	EUR 8,450 p.m.  (EUR 101,400 p.a.)	EUR 109.85 p.m.
Contributions to refund pools  U1 (sick pay 40-80% refund), U2 (maternity pay), and BG (work accidents) + insolvency pay ("U3")	U1, U2 + BG ~2.5% (depending on insurance)  + 0.15%	paid only by employer: ~2.5%  + 0.15%	different for "Knappschaft"	~ EUR 211.25 p.m.  + EUR 12.68 p.m.
= TOTAL		~ 23.8%		~ EUR 1,733 p.m.

# Monthly salary of EUR 8,450 gross (max. calculation ceiling)

- Gross Salary
- Net Salary/Payout
- Wage Tax (~28.5%, depending on individual situation)
- Employee's (social security) contributions
- Employer's (social security) contributions

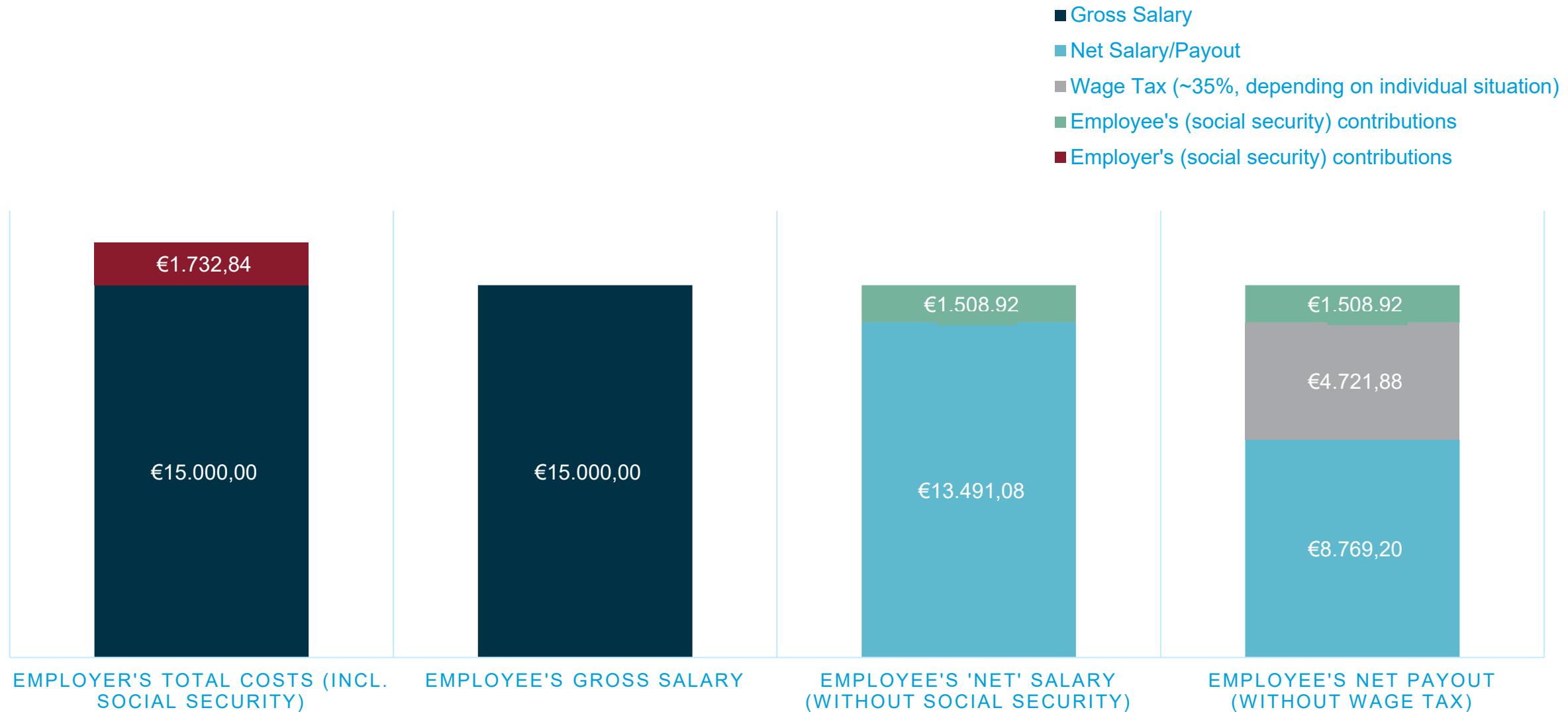


# Monthly salary of EUR 8,450 gross (max. calculation ceiling)



# Monthly salary of EUR 15,000 gross

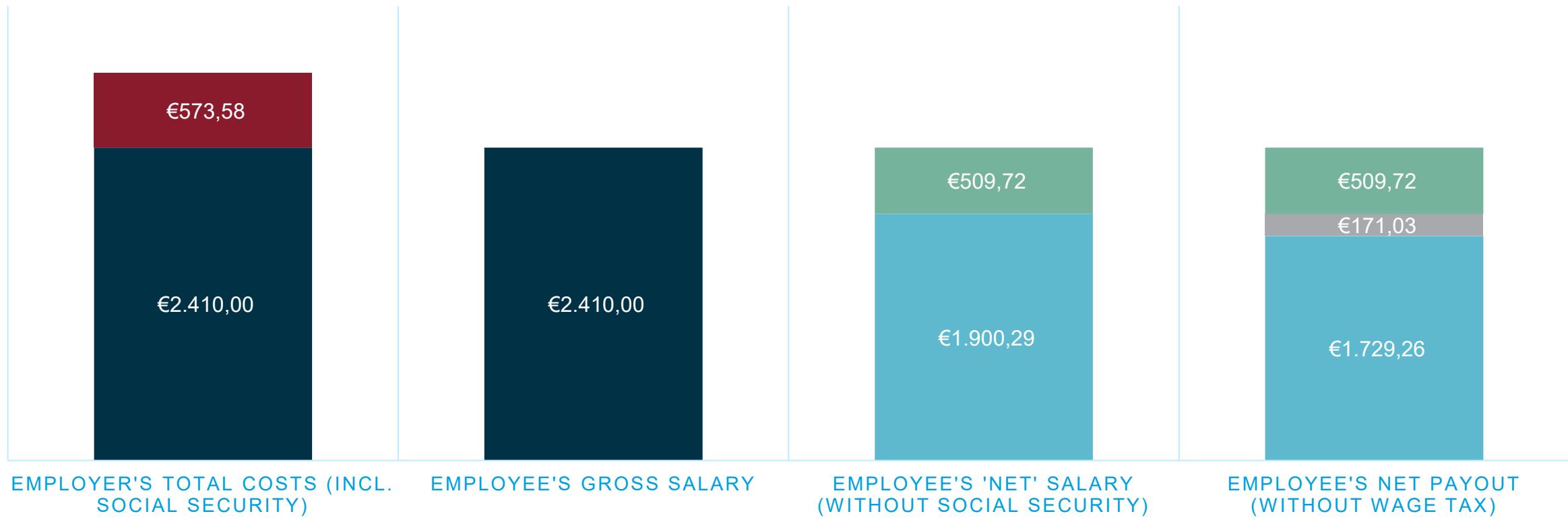
(threshold / calculation ceiling)



# Monthly salary of EUR 2,410 gross

(minimum wage only – below threshold / calculation ceiling)

- Gross Salary
- Net Salary/Payout
- Wage Tax (~9%, depending on individual situation)
- Employee's (social security) contributions
- Employer's (social security) contributions



# Tax free alternatives to salary and bonus payments

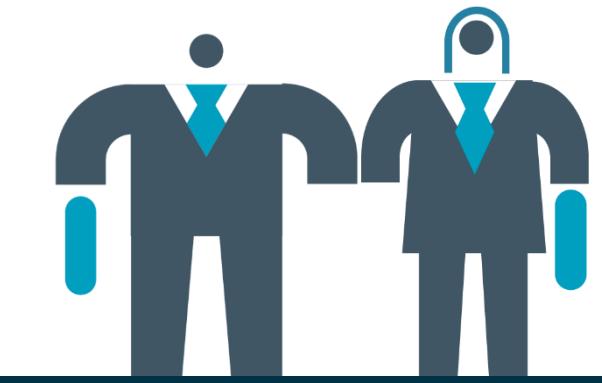
## Classic: The company pension scheme

This scheme is financed by employees' deferred compensation, with the employer only making a financially neutral or voluntarily an additional contribution.

## Popular: Mobility, Daycare, lunch and sport

For all salaries – both above and below the contribution assessment ceiling – tax and social security-free benefits (or at reduced rates) are financially attractive measures for employees. Examples include payment or subsidies for children's daycare, contributions to lunch and company sports & other health offers.

All mobility allowances, including travel tickets or subsidies for *Deutschlandticket*, and discounted leasing of 'job bikes' (especially e-bikes) are especially popular as is the provision of company cars to employees also for private use.



Employees will receive more net payout at less employer's costs.

# Need legal advice on employment law?

We are happy to advise you on all matters of employee compensation. Get in touch with our experts today!



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