

MEMENTO

SOCIAL SECURITY PARAMETERS ON 01.06.2026

Further to the increase of the index on 1 June 2026, the **new salary index** is set at **992,24 points**.

I. Social minimum wage

A. Non-qualified wage-earners

The social minimum wage (SMW) for non-qualified wage-earners amounts to €279,30 per month at cost-of-living index 100, i.e. **€2.771,33** per month at cost-of-living index 992,24. It is reduced for employees under 18 years.

Age	%	Monthly gross amount	Hourly gross amount
18 years on	100%	€2.771,33	€16,0192
17 to 18 years	80%	€2.217,06	€12,8154
15 to 17 years	75%	€2.078,49	€12,0144

B. Qualified wage-earners

The social minimum wage for qualified wage-earners amounts to **€3.325,59** per month at cost-of-living index 992,24.

C. Students occupied during school holidays

The minimum remuneration of students occupied during school holidays cannot be lower than 80% of the social minimum salary wage for non-qualified wage-earners. It is applicable to students under the age of 27.

Age	%	Monthly gross amount	Hourly gross amount
18 years on	80% of €2.771,33	€2.217,06	€12,8154
17 to 18 years	80% of €2.217,06	€1.773,65	€10,2523
15 to 17 years	80% of €2.078,49	€1.662,80	€9,6115

MEMENTO

D. Interns

The allowance for interns depends on the type of internship, its duration, and the intern's level of training.

Type of internship	Duration	%	Monthly gross amount	Hourly gross amount
Internship as part of one's studies (1)	Equal to or more than 4 weeks (4)	30% of SMW for non-qualified wage-earners	€831,40	€4,8058
Practical internship (2)	Between 4 and 12 weeks (4)	40% of SMW for non-qualified wage-earners	€1.108,53	€6,4077
		40% of SMW for qualified wage-earners (3)	€1.330,24	€7,6892
	Between 12 and 26 weeks	75% of SMW for non-qualified wage-earners	€2.078,49	€12,0144
		75% of SMW for qualified wage-earners (3)	€2.494,19	€14,4173

- (1) An internship as part of one's studies is one intended as an integral part of a study programme at a Luxembourgish or foreign educational establishment. On request and under certain conditions, the employer may be exempt entirely from withholding tax on the internship allowance provided that this allowance does not exceed 18 euros per working hour (applicable as of 1 January 2026). This exemption is only valid for the first 6 months of the internship period.
- (2) A practical internship (*stage pratique*) is a voluntary internship undertaken on the intern's own initiative in order to acquire work experience.
- (3) This applies to interns who have successfully completed their first cycle of higher or university education.
- (4) Remuneration is optional for internships lasting less than 4 weeks.

MEMENTO

II. Social security

A. Ceiling applicable as of 1st June 2026

Social minimum wage for non-qualified wage-earners	Wage index 01.06.2026	Multiplier	Income ceiling for social security contributions
€2.771,33	992,24	5	€13.856,63

B. Social security contribution rates for 2026

Coverage	Ceiling		Contribution rate	
	Per year	Per month	Employee's part	Employer's part
Health Insurance - Rate Caisse Nationale de Santé (1)	€164.589,81 (7)	€13.856,63	2,80% / 3,05%	2,80% / 3,05%
Health Insurance - Rate Mutual Insurance (2)	€164.589,81	€13.856,63	/	0,23% to 2,66%
Pension insurance (3)	€164.589,81	€13.856,63	8,50%	8,50%
Care Insurance (4)	/	/	1,40%	/
Health at work Insurance (5)	€164.589,81	€13.856,63	/	0,14%
Accident Insurance (6)	€164.589,81	€13.856,63	/	0,65%
Total			12,70% to 12,95%	12,32% to 15%

Rate of absenteeism	0% to < 0,65%	≥0,65% to <1,60%	≥1,60% to <2,50%	≥2,50%
Contribution rate	0,23%	0,95%	1,56%	2,66%



MEMENTO

- (1) Rate of 3.05% applicable to base salary and to monthly supplements in cash. Rate of 2.80% applicable to benefits in kind and to bonuses.
- (2) The contribution rate depends on the average rate of absenteeism in the company.
- (3) In case an old age pension pensioner is employed after the age of 65, full contributions are due. However, upon request, the contributions paid by the insured person are reimbursed to him per calendar year.
- (4) No ceiling applies to the care insurance contribution. Nevertheless, the assessable basis is reduced by an abatement equal to $\frac{1}{4}$ of the social minimum wage, i.e. €692,83 at cost of living index 992,24.
- (5) For employers affiliated to the Multisector service for health at work.
- (6) The accident insurance contribution rate is multiplied for each insured person by a bonus-malus factor which is calculated on the basis of the contributor's work-related accident allowances.
- (7) Annual maximum contributory ceiling known as of 1st January 2026.

III. Family allowances

The below table summarises the family allowances applicable as of 1 August 2016, following to the law of 23 July 2016 which reformed the family allowances.

The new system applies to children born as from 1 August 2016 and having their actual permanent residence or legal domicile in Luxembourg, or who have one parent who began to work in Luxembourg as from 1 August 2016. Households with at least two children on 1 August 2016 remain subject to the former system of family allowances. Households having one child at this date transit to the new system.

MEMENTO

	€	Periodicity of the payments	
Family allowance for:			
▶ new system (child bonus included) - per child	€ 315,04	} Monthly	
▶ old system	€ 315,04		
per child in a family group of 1 child	€ 353,34		
per child in a family group of 2 children	€ 409,40		
per child in a family group of 3 children	€ 437,48		
per child in a family group of 4 children	€ 454,25		
Increase due to age (per child):			
6-11 years	€ 23,81	} Monthly	
12 years and above	€ 59,44		
Special additional allowance (disabled child)	€ 200,00	} Monthly	
School year allowance per child :			
▶ child aged 6-11 years	€ 115,00		
▶ child aged as from 12 years and more	€ 235,00		
Childbirth allowance:			
▶ amount per instalment	€ 580,03		
Parental leave:			
▶ new system (full-time parental leave for a full-time employment contract)		} Monthly	
Minimum	€ 2.771,33		
Maximum	€ 4.618,88		

MEMENTO

INTERESTED?

Get in touch with our People Services experts:



Sandra Claro
Partner

+352 45 123 284
sandra.claro@bdo.lu



Sylvie Leick
Partner

+352 45 123 724
sylvie.leick@bdo.lu



Karine Pontet Curtat
Partner

+352 45 123 636
karine.pontet@bdo.lu

BDO IN LUXEMBOURG

▼
**Audit &
Assurance**

▼
Advisory

▼
**Business Services &
Outsourcing**

▼
Tax



This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad guidance only.

This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication herein without obtaining specific professional advice.

Please contact the appropriate BDO Member Firm to discuss these matters in the context of your particular circumstances.

No entity of the BDO network, nor the BDO Member Firms or their partners, employees or agents accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

BDO is an international network of public accounting firms, the BDO Member Firms, which perform professional services under the name of BDO. Each BDO Member Firm is a member of BDO International Limited, a UK company limited by guarantee that is the governing entity of the international BDO network.

Service provision within the BDO network is coordinated by Brussels Worldwide Services BVBA, a limited liability company incorporated in Belgium with its statutory seat in Brussels.

Each of BDO International Limited (the governing entity of the BDO network), Brussels Worldwide Services BVBA and the member firms of the BDO network is a separate legal entity and has no liability for another such entity's acts or omissions. Nothing in the arrangements or rules of the BDO network shall constitute or imply an agency relationship or a partnership between BDO International Limited, Brussels Worldwide Services BVBA and/or the member firms of the BDO network.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

© 2026 BDO Advisory

All rights reserved.

www.bdo.lu

