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SOCIAL



April 2023

The new heading on the pay slip : the Net Social Amount

A new heading will appear on the pay slip as of July 1, 2023: "Net social amount". The purpose of this new heading is to simplify the procedures for employees who are eligible for certain social benefits, to facilitate access to these benefits, and also to limit fraud. From 2024 onwards, this amount will be automatically transmitted to the social organizations via the DSN.

What is the "Net Social Amount"?

The purpose of the "Net Social Amount" is to identify the reference income of employees to be taken into account in determining their entitlement or in calculating the amount of certain benefits. As such, it is a common reference for all employees, regardless of their status, branch or company, in order to simplify their dealings the procedures with social security organizations.

Thus, employees will no longer have to make any calculation concerning their salary income, they will only have to declare the cumulative net social amounts displayed on the pay slip.

Initially, this reference amount will be used for the RSA and the activity bonus, and will eventually be used for other benefits such as family allowances and personalized housing assistance (API)

The implementation schedule

The display of the "Net social amount" on a dedicated line of the payslip will be mandatory as of **July 1, 2023** (concerns all remunerations paid as of July 1, 2023).

From this date **until December 31, 2024**, the current pay slip model will be adapted to show this item. Thus, recipients will have the possibility to report, in their quarterly declaration of resources (DTR), the "Net social amount" transmitted by their employer.

As of **January 1, 2024**, the declaration of the "Net Social Amount" in DSN will be mandatory for all employees. The amount will therefore be communicated directly to the social organizations.

Recipients will be able to visit the mesdroits sociaux.gouv.fr website to consult the total amount of their net social income.



Note that the administration recommends adding the mention of this portal on the pay slips. As of January 1, 2025, a new model of pay slip with a renovated structure will be implemented (separation of mandatory social contributions common to all employees and contributions to optional schemes; harmonization of the display of certain benefits, reimbursements or deductions; deletion of certain information). However, it will be possible to switch to this new model before this date.

Calculation of the "Net Social Amount"

The "Net Social Amount" is equal to the difference between:

- All amounts corresponding to sums, as well as benefits and accessories in kind or in money associated therewith, due in return for or on the occasion of work, an activity or the exercise of a mandate or an elective office, as well as sums intended to compensate for the loss of income from the activity, paid in any form whatsoever and by whatever name,
- And the total amount of social contributions of legal or conventional origin payable by the employee.

The first component of the "net social amount" therefore corresponds to all types of income paid by the employer, regardless of whether they are subject to tax or social security contributions (see tables on page 2).

Therefore, the following are taken into account :

- The gross salary subject to contributions, but also the income exempted from contributions such as the value-sharing bonus, the trainee's gratuity or the termination indemnities,
- Replacement income paid by the employer such as partial activity or bad weather unemployment benefits, with the exception of social security benefits, even if there is subrogation,
- Employer contributions financing complementary social protection guarantees (supplementary pension and provident fund), with the exception of employer contributions to health costs (mutual insurance).

The second component of the "Net Social Amount", to be deducted from the gross, corresponds to :

- Social security contributions (social security, supplementary pension AGIRC-ARRCO, unemployment insurance, employee health contribution specific to Alsace-Moselle, CSG, CRDS...),

- Including employee contributions to finance health costs (mutual insurance),
- But excluding employee contributions for supplementary social protection (supplementary pension and provident fund).

The "Net Social Amount" is related to the date of payment of the salary and not to the period of employment (case of salary adjustments).

Garnishments are not deducted from the "Net Social Amount".

**Main elements to be taken into account in the gross amount of the "Net social amount" (non-exhaustive list)
Independently of the applicable exemptions, deductions, allowances or deductibles and the tax or social security liability**

The gross amount of income from work (basic salary, bonuses, premiums of all kinds)

The gross amount of the remuneration of apprentices and employment support contracts

Gratuities paid on the occasion of internships (in full)

Bonuses of all kinds (including those paid in the event of impatriation or expatriation, or those exempted such as the value sharing)

All taxable benefits in kind, assessed on an actual or flat-rate basis

Employer participation in vacation vouchers and the financing of personal services (including the socially exempted portion)

The gross amounts paid for salary maintenance, supplementary allowances to daily social security benefits, supplementary allowances for partial activity, and additional partial activity allowances

Remuneration received in return for periods of leave or rest not taken from the time savings account

The gross amount of overtime, additional hours, monetized JRTT and additional days worked by employees on fixed-term contracts days in exchange for the renunciation of rest days

The paid leave allowances paid by the employer which appear on the pay slip (the net social amount relating to the allowances paid directly by the paid leave funds to employees will be notified and declared by these funds)

The employer's share for the financing of all other complementary social protection guarantees that are not aimed at covering the employee's "health costs" (in particular providence, supplementary pension), whether they are optional or made compulsory by agreement or unilateral decision of the employee

Participation and profit-sharing, only when the amounts are paid directly by the employer to the employee (the net social amount relating to participation or profit-sharing that is not paid by the employer but by an external body will be notified and declared directly by this body).

Directors' fees

Termination indemnities of all kinds

Main items to be excluded from the gross "Social Net Amount"

Reimbursements of professional expenses (actual or flat-rate) within the limit of each of their exemption ceilings (e.g.: food, long-distance travel, home-work commute, flat-rate telework allowance, maintenance allowances for childcare assistants etc.). Reimbursements that do not meet the conditions for being considered as such are income items.

Socially and fiscally exempted benefits in kind linked to social activities (food, tariff advantages, social and cultural activities of the CSE)

The employer's share of the financing of collective guarantees for compulsory supplementary health insurance (coverage of expenses incurred as a result of illness, maternity or accident, known as "health expenses") provided for in III of Article L. 911-7 of the Social Security Code, as well as the health payment provided for in Article L. 911-7-1 of the Social Security Code.

Incentive and profit-sharing payments placed in savings plans

Employer contributions to savings plans.

The daily social security benefits (IJSS), including for cases of subrogation by the employer (these benefits will be integrated by the primary health insurance funds in the net social amount of the insured).

Pay slip model applicable as of January 1, 2025

GROSS AMOUNT ¹	Value			
MANDATORY SOCIAL SECURITY CONTRIBUTIONS				
Health				
Social Security Sickness Maternity Disability Death	Value	Value	Value	Value
Compulsory supplementary health insurance	Value	Value	Value	Value
Workplace accidents and occupational diseases	Value	-	-	Value
Retirement				
Social Security Old Age Ceiling	Value	Value	Value	Value
Social Security Unfunded old age pension	Value	Value	Value	Value
Supplementary pension, CEG and CET T1	Value	Value	Value	Value
Supplementary pension, CEG and CET T2	Value	Value	Value	Value
Family	Value	-	-	Value
Unemployment insurance	Value	Value	Value	Value
Apec	Value	Value	Value	Value
Other expenses due by the employer	-	-	-	Value
Statutory or collective agreement contributions	Value	Value	Value	Value
CSG deductible from income tax	Value	Value	Value	-
CSG/ CRDS not deductible from income tax	Value	Value	Value	-
CSG/ CRDS on non-taxable income	Value	Value	Value	-
TOTAL MANDATORY CONTRIBUTIONS AND FEES		2	Value	Value
EXEMPTIONS AND REDUCTIONS IN CONTRIBUTIONS		3	Value	Value
OPTIONAL SOCIAL CONTRIBUTIONS AND FEES	Base	Rates	Employee	Employer
Pension, Disability, Death, Other	Value	Value	Value	3 Value
Supplementary Retirement	Value	Value	Value	3 Value
NET SOCIAL AMOUNT			Value	
REFUNDS AND MISCELLANEOUS DEDUCTIONS	Base	Rates	Employee	Employer
Transportation costs	Value	Value	Value	Value
Restaurant vouchers	Value	Value	Value	Value
Vacation vouchers	Value	Value	Value	Value
Other	Value	Value	Value	Value
NET AMOUNT TO PAY BEFORE INCOME TAX			Value	
INCOME TAX	Base	Rates	Employee	Year-to-date
Net taxable amount			Value	Value
Net amount of exempted HC/ HS/ RTT			Value	Value
INCOME TAX DEDUCTED AT SOURCE			Value	Value
NET AMOUNT TO BE PAID (in Euros)	Value	Value	Value	
TOTAL PAID BY THE EMPLOYER			Value	
The "Net Social Amount" is equal to 1 - 2 + 3				Value

Reminder: the **1** value includes, in particular, the value-sharing bonus exempt from social security contributions, severance pay, statutory partial activity allowances, bad weather unemployment allowances...



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