



Automatic enrollment in the Employee Capital Plans (PPK) program

An employee who has opted out of making contributions to the PPK will be re-enrolled in the program. This is known as auto-enrollment, which, according to regulations, takes place every 4 years. The first auto-enrollment in the PPK scheme will take place on April 1, 2023.

It is important to note that declarations by employees to opt out of making contributions to the PPK are not indefinite. They cease to be effective on a certain date, which the same for all employing entities, regardless of the date of implementation of the PPK, the date the employee was hired, or the date the employee resigned from making PPK contributions.

According to the PPK Act, every employer, regardless of when it entered into an agreement to participate in the PPK program, is obliged to:

- by February 28, 2023, inform employees who have previously submitted declarations to opt out of PPK contributions that a PPK agreement must be concluded on their behalf and that PPK payments must be made for them starting April 1, 2023,
- accrue and, as of April 1, 2023, make PPK contributions for these employees, unless they opt out again and submit an opt-out declaration to the employer.

Crucial deadlines

Until when should employees be informed about auto-enrollment in the PPK program?

By February 28, 2023

Since when can an employee make a declaration of opting out from contributing to the PPK so as not to be subject to auto-enrollment?

As of March 1, 2023

Until when are the declarations submitted beforehand to opt out of PPK contributions valid?

Until February 28, 2023

From when should the PPK contributions be paid to TFI PZU SA?

As of April 1, 2023

*If you are an Employer who makes salary payments by the 10th of the following month then the first PPK accrual according to the above rules will apply to payments accrued for February 2023 with a payment date in March 2023. The key date is the month of making PPK payments to the financial institution, which for the example provided above is April 1-17, 2023.

Things to keep in mind



Adhere to deadlines:

- for informing employees about the auto-enrollment,
- for accrual and making contributions to the PPK



Reserve budget funds:

- additional funds should be budgeted in 2023 for contributions to the PPK,
- The base PPK contribution financed by the employer is 1.5% of gross remuneration.

CONTACT

Should you be interested and are looking for support in the above topic, please feel free to contact us.



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