

Aid following the increase in the social minimum wage

The aid to compensate for the increase in the social minimum wage is intended to support companies in the sectors most severely affected by the COVID-19 pandemic and find themselves in a financial situation that makes it more difficult to bear the new burden resulting from the increase in the social minimum wage since 1 January 2021.

The aid is intended only for companies that carry out certain activities and operate in the following sectors in particular:

- companies in the tourism sector;
- companies in the events sector;
- the hospitality industry;
- companies in the culture and entertainment sectors;
- companies operating retail shops and similar businesses.

The aid takes the form of a **one-off, tax-free capital subsidy**. It is calculated by multiplying the number of employees covered by the subsidy who are employed in a monthly period between 1 January and 30 June 2021 by €500.

The employees of the company taken into account to calculate the aid are those:

- whose monthly remuneration is equal to or higher than the minimum social wage and equal to or lower than the minimum qualified social wage;
- who were hired before 31 December 2020;
- who are employed during a monthly period between 1 January and 30 June 2021;
- who are assigned to an eligible activity.

Good to know:

It should be noted that companies need submit **only one application** for this aid. Furthermore, employees on short-time work are excluded from the calculation of the amount of aid.



In order to **maximize the aid** that will be granted therefore, it may be advisable to wait until **the end of June before applying for it** and to choose in the period from January to June 2021 the month during which your company had the fewest employees on short-time work.

Aid applications must be submitted via MyGuichet.lu by **30 September 2021 at the latest**. This deadline will therefore enable the company to analyse, after the above-mentioned period, which month is the most beneficial to claim.

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