

Interim Provisions on the Collection and Payment of Social Insurance Premiums of the PRC

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

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Article 1 — These Provisions are formulated for the purposes of strengthening and regulating the collection and payment of social insurance premiums and safeguarding the lawful rights and interests of social insurance participants.

Article 2 — The collection and payment of basic old-age insurance premiums, basic medical insurance premiums, and unemployment insurance premiums shall be governed by these Provisions. The specific measures for the collection and payment of work-related injury insurance premiums and maternity insurance premiums shall be formulated by the labor and social security administrative department under the State Council in conjunction with the relevant departments.

Article 3 — The administrative departments of labor and social security under the local people's governments at or above the county level shall be responsible for the supervision and administration of the collection and payment of social insurance premiums within their respective administrative areas. The local tax authorities shall collect social insurance premiums on behalf of the social insurance agencies. The social insurance agencies shall be responsible for the registration of social insurance, the declaration and verification of social insurance premiums, and the handling of social insurance benefits.

Article 4 — All types of enterprises, public institutions, state organs, social organizations, and privately-run non-enterprise units within the territory shall participate in social insurance and pay social insurance premiums for all their employees. Individual industrial and commercial households without employees, part-time employees who have not participated in social insurance through their employers, and other persons in flexible employment may participate in social insurance and pay social insurance premiums on a voluntary basis.

Article 5 — The social insurance premium rate shall be determined in accordance with the provisions of relevant laws, administrative regulations, and State Council regulations. Social insurance agencies shall determine the base amount for the payment of social insurance premiums in accordance with the law, and the employing units and individuals shall truthfully declare the base amount for the payment of social insurance premiums.

Article 6 — An employing unit shall, within 30 days from the date of establishment, apply to the local social insurance agency for social insurance registration with its business license, registration certificate, or seal of the unit. The social insurance agency shall examine the application and issue a social insurance registration certificate within 15 days of receiving the application. Where there is a change in the social insurance registration or the employing unit is lawfully terminated, it shall, within 30 days of the change or termination, go through the formalities for the change or cancellation of social insurance registration.

Article 7 — An employing unit shall, before the 5th day of each month, declare to the social insurance agency the amount of social insurance premiums payable and the number of insured persons. Where the

employing unit fails to declare as required, the social insurance agency may temporarily determine the amount of social insurance premiums payable based on 110 percent of the amount paid by the unit in the previous month. After the employing unit completes the supplementary declaration procedures, the social insurance agency shall settle the account accordingly.

Article 8 — Social insurance premiums shall be collected in full and on time. The social insurance premiums payable by an employing unit shall be withheld and remitted by the employing unit from the wages of its employees. The employing unit shall notify its employees of the details of the payment of social insurance premiums on a monthly basis.

Article 9 — An employing unit shall pay social insurance premiums in full and on time, and shall not reduce, defer, or refuse payment without justification. Where an employing unit fails to pay social insurance premiums in full and on time, the social insurance agency shall order it to pay the overdue amount within a specified time limit and shall impose a late payment surcharge of 0.2 percent of the overdue amount per day from the date of default. The late payment surcharge shall be incorporated into the social insurance fund.

Article 10 — Social insurance agencies shall establish records of the payment of social insurance premiums, recording the basic information of the insured persons, the records of the payment of social insurance premiums, and records of personal accounts. Social insurance agencies shall be responsible for keeping the records of the payment of social insurance premiums and personal account records, and shall issue proof of the payment of social insurance premiums on request by the insured persons or their employers.

Article 11 — Social insurance agencies shall, at least once a year, send a personal account notice to the insured persons or make such information available for inquiry. The insured persons and their employing units may inquire about the records of the payment of social insurance premiums with the social insurance agencies in accordance with the law.

Article 12 — The labor and social security administrative departments, tax authorities, and social insurance agencies shall establish a regular reporting system for the payment of social insurance premiums, and shall adopt effective measures to ensure the lawful collection of social insurance premiums and the smooth operation of social insurance funds.

Article 13 — The social insurance fund shall be deposited in a special account opened with a state-owned commercial bank, and shall be managed on a separate account for each type of insurance. No unit or individual may misappropriate, embezzle, or divert social insurance funds. Social insurance funds shall not be used for any purpose other than the payment of social insurance benefits and the expenses necessary for the administration of social insurance.

Article 14 — The labor and social security administrative departments, tax authorities, and social insurance agencies shall have the right to inspect the payment of social insurance premiums by employing units. The employing unit being inspected shall truthfully provide information relating to the payment of social insurance premiums and shall not refuse inspection or make false reports or concealments.

Article 15 — Where an employing unit fails to register for social insurance or pay social insurance premiums in accordance with the law, the labor and social security administrative department shall order it to correct the violation within a specified time limit. Where the unit fails to correct the violation within the time limit, the labor and social security administrative department may impose an administrative penalty on the employing unit and the directly responsible person in charge and other directly responsible persons. The specific measures shall be formulated by the labor and social security administrative department under the State Council.

Article 16 — Any unit or individual that misappropriates, embezzles, or diverts social insurance funds shall be ordered to return the misappropriated funds; illegal gains shall be confiscated; the directly responsible person in charge and other directly responsible persons shall be subject to administrative sanctions in

accordance with the law; and where the violation constitutes a crime, criminal liability shall be pursued in accordance with the law.

Article 17 — These Provisions shall take effect as of the date of promulgation.

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