

Interim Regulation on the Collection and Payment of Social Insurance Fees of the People’s Republic of China (2019 Amendment)

Dan Young Business Consultancy — www.danyoungcpa.com
Unofficial English translation prepared for reference only. The official Chinese text prevails.

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Adopted at the 13th Executive Meeting of the State Council on January 14, 1999, promulgated by Decree No. 259 of the State Council of the People’s Republic of China on January 22, 1999, and amended in accordance with the Decision of the State Council on Amending Certain Administrative Regulations on March 1, 2019.

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Chapter I — General Provisions

Article 1 — This Regulation is formulated for the purposes of strengthening and regulating the collection and payment of social insurance fees and safeguarding the payment of social insurance benefits.

Article 2 — This Regulation shall apply to the collection and payment of basic old-age insurance fees, basic medical insurance fees and unemployment insurance fees (hereinafter collectively referred to as “social insurance fees”).

Article 3 — The collection and payment of basic old-age insurance fees shall be governed by the provisions of the State Council on the establishment of a unified basic old-age insurance system for enterprise employees, on the basis of provinces, autonomous regions and municipalities directly under the Central

Government.

Article 4 — The payers of social insurance fees (hereinafter referred to as “payers”) and the beneficiaries shall have the right to inquire about the records of payment and enjoyment of social insurance benefits in accordance with the provisions, and shall have the right to request social insurance agencies to provide social insurance consultation and other related services.

Article 5 — The labor security administrative department of the State Council shall be responsible for the management and supervision of the collection and payment of social insurance fees nationwide. The labor security administrative departments of local people’s governments at or above the county level shall be responsible for the management and supervision of the collection and payment of social insurance fees within their respective administrative regions.

Chapter II — Registration for Social Insurance Fee Payment

Article 6 — Payers shall register for social insurance with the local social insurance agency within 30 days from the date of obtaining their business license or establishment.

Article 7 — Payers must participate in social insurance for all their employees and pay social insurance fees on time and in full.

Article 8 — Where a payer’s social insurance registration particulars change or the payer is dissolved, it shall, within 30 days from the date of the change or dissolution, go through the formalities for changing or canceling its social insurance registration with the social insurance agency.

Article 9 — The specific measures for the social insurance registration of payers shall be formulated by the labor security administrative department of the State Council.

Chapter III — Declaration and Payment of Fees

Article 10 — Payers shall declare the amount of social insurance fees payable to the social insurance agency on a monthly basis and pay the social insurance fees in full within the prescribed time limit after examination by the social insurance agency.

Article 11 — Social insurance agencies shall establish payment records for payers and individual accounts for employees in accordance with the provisions.

Article 12 — Payers shall pay social insurance fees at the rates determined by the people’s governments of provinces, autonomous regions and municipalities directly under the Central Government, based on the total wages of their employees and in accordance with the provisions of the State Council.

Article 13 — Where a payer fails to pay social insurance fees on time, the collection agency shall order it to pay within a specified time limit, and a late payment surcharge of 0.5 per mille per day shall be imposed on a daily basis.

Article 14 — Where a payer is unable to pay social insurance fees due to special difficulties, it may apply for a deferral of payment with the approval of the labor security administrative department of the people’s government at or above the county level.

Article 15 — The social insurance fees collected shall be deposited into the social security fund financial special account. No entity or individual shall misappropriate social insurance fees.

Chapter IV — Supervision and Inspection

Article 16 — Payers shall announce the payment of social insurance fees to their employees on an annual basis and accept supervision by employees.

Article 17 — The labor security administrative departments of people's governments at or above the county level shall supervise and inspect the collection and payment of social insurance fees in accordance with the law.

Article 18 — Social insurance agencies shall accept the supervision and inspection of the labor security administrative departments and shall not refuse or impede such supervision and inspection.

Article 19 — Social insurance agencies shall establish and improve internal control systems.

Article 20 — The labor security administrative departments and social insurance agencies shall establish reporting systems, accept reports from the public, and handle such reports in a timely manner.

Chapter V — Penalties

Article 21 — Where a payer fails to register for social insurance, fails to declare the amount of social insurance fees payable, or fails to pay social insurance fees, the labor security administrative department shall order it to make corrections within a specified time limit.

Article 22 — Where a payer forges, alters or intentionally destroys relevant records, the labor security administrative department shall impose a warning and may impose a fine.

Article 23 — Where a payer fails to pay social insurance fees within the time limit, the labor security administrative department shall order it to make corrections within a specified time limit and may impose a fine.

Article 24 — Where a payer fails to pay social insurance fees in full, the collection agency may apply to the people's court for compulsory enforcement in accordance with the law.

Article 25 — Where staff members of labor security administrative departments or social insurance agencies abuse their powers, neglect their duties or engage in favoritism, they shall be subject to administrative sanctions. Where the circumstances constitute a crime, criminal liability shall be pursued in accordance with the law.

Chapter VI — Supplementary Provisions

Article 26 — The collection of work-related injury insurance fees and maternity insurance fees shall be governed by this Regulation.

Article 27 — The specific measures for the collection of social insurance fees by collection agencies shall be formulated by the State Council.

Article 28 — The specific measures for the collection of social insurance fees by provinces, autonomous regions and municipalities directly under the Central Government shall be formulated by the local people's governments in accordance with this Regulation and the relevant provisions of the State Council.

Article 29 — This Regulation shall come into force on January 22, 1999.

This translation is provided for informational purposes only. For legal matters, please consult the original Chinese text or seek professional legal advice. For assistance with social insurance compliance and employer obligations in China, please contact Dan Young Business Consultancy.