

Compulsory social insurance

Invalidated Unofficial translation

Law of the Republic of Kazakhstan dated December 26, 2019 № 286-VI LRK. It became invalid by the Code of the Republic of Kazakhstan № 224-VII dated April 20, 2023.

Unofficial translation

Footnote. It became invalid by the Code of the Republic of Kazakhstan No. 224-VII dated 20.04.2023 (effective from 01.07.2023).

Footnote. Throughout the text: the words “oralmans”, “oralmans” and “oralman” are replaced by words “kandas”, “kandas”, and “kandas” correspondingly, in accordance with the Law of the Republic of Kazakhstan dated 13.05.2020 No. 327-VI (shall be enforced after the date of entry into force of the relevant amendments and additions to the Code of the Republic of Kazakhstan "On Taxes and Other Obligatory Payments to the Budget" (Tax Code)).

This Law establishes the legal, economic and organizational foundations of compulsory social insurance of citizens and regulates relations related to the creation of an additional form of social security for participants in the compulsory social insurance system in the event of a case of social risk.

Chapter 1. GENERAL PROVISIONS

Article 1. Basic concepts used in this Law

The following basic concepts are used in this Law:

1) State Corporation "Government for Citizens" (hereinafter referred to as the State Corporation) is a legal entity created by the decision of the Government of the Republic of Kazakhstan for the provision of public services, services for the issuance of technical conditions for connecting natural monopoly entities to the networks and services of quasi-public sector entities in accordance with the legislation of the Republic of Kazakhstan, the organization of work on receiving applications for the provision of public services, services for the issuance of technical specifications for connection to the networks of natural monopoly entities, services of quasi-public sector entities and the issuance of their results to the service recipient on the principle of "one window", as well as ensuring the provision of public services in electronic form, carrying out state registration of rights to real estate at the place of its location;

2) the coefficient of the number of dependents - a coefficient that is determined depending on the number of family members of the deceased (recognized by the court as missing or declared deceased) of the breadwinner, who were dependent on him;

3) breadwinner - a person who supports disabled family members who are dependent on his or her income;

4) social contributions - money paid by payers of social contributions to the State Social Insurance Fund in the manner prescribed by the legislation of the Republic of Kazakhstan;

5) debt on social contributions - calculated and not paid within the time frame established by the legislation of the Republic of Kazakhstan, the amount of social contributions, as well as unpaid penalties;

6) the rate of social contributions - a fixed amount of mandatory payments to the State Social Insurance Fund, expressed as a percentage of the value of the object of calculation of social contributions;

Note!

This version of subparagraph 7) of Article 1 is suspended till 01.01.2024 by the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI (for the valid version see s-p. 1) p. 4 Art. 39 of this Law)

7) payer of social contributions (hereinafter referred to as the payer) - an employer, an individual entrepreneur, including a peasant or farm enterprise, a person engaged in private practice, calculating and paying social contributions to the State Social Insurance Fund in the manner prescribed by the legislation of the Republic of Kazakhstan;

8) social risk - the occurrence of an event that entails disability and (or) loss of employment, loss of a breadwinner, loss of income in connection with pregnancy and childbirth, adoption of a newborn child (children) and care for a child upon reaching the age of one and a half years, as a result of which a participant in the system of compulsory social insurance, or the event of his/her death, family members who were dependent on him/her, acquire the right to receive social benefits in accordance with this Law;

9) social payments - payments made by the State Social Insurance Fund in favor of the recipient of social payments;

10) recipient of social benefits (hereinafter - recipient) - an individual for whom social contributions were made to the State Social Insurance Fund before the occurrence of social risk and in respect of whom the State Social Insurance Fund issued a decision on the appointment of social payments, and in the event of the death of the person, being a member of the compulsory social insurance system - family members of the deceased (recognized by the court as missing or declared dead) of the breadwinner, who were dependent on him;

10-1) payer of a single payment - a tax agent, defined by Article 776-1 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code);

11) the coefficient of the number of days of incapacity for work - the coefficient that is determined depending on the number of days indicated in the sheet of temporary incapacity for work issued in connection with pregnancy and childbirth, as well as the adoption (adoption) of a newborn child (children);

12) the coefficient of disability - a coefficient that is determined depending on the degree of loss of general working ability of a participant in the compulsory social insurance system;

13) a person engaged in private practice - a private notary, a private bailiff, a lawyer, a professional mediator;

14) investment declaration - a document defining goals, strategy, a list of objects for investment within the framework of the legislation of the Republic of Kazakhstan, conditions and restrictions on investment activities in relation to the assets of the State Social Insurance Fund, conditions for hedging and diversification of assets of the State Social Insurance Fund;

15) investment income - money received (to be received) as a result of investing the assets of the State Social Insurance Fund;

16) income replacement rate - a coefficient that is determined depending on the case of social risk;

17) the coefficient of the length of service - a coefficient that is determined depending on the total length of service in the compulsory social insurance system;

18) fund assets - money, securities, other financial instruments intended for the purposes provided for by this Law;

19) subdivision of medical and social expertise (hereinafter referred to as the ITU subdivision) - a structural subdivision of the authorized body for control in the field of compulsory social insurance that conducts medical and social expertise;

20) The State Social Insurance Fund (hereinafter referred to as the fund) is a legal entity that accumulates social contributions, assigns and makes social payments to participants in the compulsory social insurance system, in respect of whom there has been a case of social risk, including family members - dependents in case of loss of a breadwinner;

21) compulsory social insurance - a set of measures organized, controlled and guaranteed by the state to compensate for part of the income accounted for as the object of calculating social contributions, in order to make social payments in the event of social risk provided for by this Law;

22) the system of compulsory social insurance - a set of rules and regulations established and guaranteed by the state, regulating relations between the subjects of the compulsory social insurance system;

23) total length of service in the compulsory social insurance system - the total number of months for which social contributions were received;

24) a participant in the compulsory social insurance system - an individual for whom social contributions are paid and who has the right to receive social benefits in the event of social risk cases provided for by this Law;

25) subjects of the compulsory social insurance system - the payer; member of the compulsory social insurance system; recipient; State corporation; fund; National Bank of the Republic of Kazakhstan; central executive body; the authorized body for control in the field of compulsory social insurance; state revenue authorities; employment center;

26) the authorized body for control in the field of compulsory social insurance - a territorial subdivision of a state body that implements state policy in the field of social protection of the population;

27) central executive body – the state body that exercises guidance in the field of social protection of population, regulation, control and supervisory functions over the activities of the fund;

28) employment center - a legal entity created by the local executive body of districts, cities of regional and republican significance, the capital in order to implement active measures to promote employment, organize social protection against unemployment and other measures to promote employment in accordance with the Law of the Republic of Kazakhstan "On Employment of the Population".

29) state informational portal "Electronic Labor Exchange" – information system containing a unified information base of the labor market.

Footnote. Article 1 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 2. Legislation of the Republic of Kazakhstan on compulsory social insurance

1. The legislation of the Republic of Kazakhstan on compulsory social insurance is based on the Constitution of the Republic of Kazakhstan and consists of this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. If an international treaty ratified by the Republic of Kazakhstan establishes rules other than those contained in this Law, then the rules of the international treaty shall apply.

3. Legal relations regulated by the legislation of the Republic of Kazakhstan on compulsory social insurance are not subject to the legislation of the Republic of Kazakhstan on insurance and insurance activities.

Article 3. Types of compulsory social insurance

Compulsory social insurance is subdivided into the following types:

- 1) in case of disability;
- 2) in case of loss of a breadwinner;
- 3) in case of job loss;
- 4) in case of loss of income due to pregnancy and childbirth;
- 5) in case of loss of income in connection with the adoption (adoption) of a newborn child (children);
- 6) in case of loss of income in connection with caring for a child upon reaching the age of one and a half years.

Footnote. Article 3 as amended by the Law of the Republic of Kazakhstan dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 4. Basic principles of compulsory social insurance

The main principles of compulsory social insurance are:

- 1) guaranteeing by the state of the measures applied to ensure social benefits;
- 2) the obligation to pay social contributions under the conditions provided for by this Law;
- 3) use of the fund's assets for the purposes established by this Law;
- 4) the obligation of social payments on the conditions provided for by this Law;
- 5) differentiation of the size of social payments;
- 6) publicity in the activities of state bodies and organizations that provide compulsory social insurance.

Article 5. Right to receive social benefits

The state guarantees citizens the right to receive social benefits in the event of cases of social risk by types of compulsory social insurance under the conditions provided for by this Law.

Foreigners and stateless persons permanently residing in the territory of the Republic of Kazakhstan, oralmans enjoy the right to receive social benefits on an equal basis with citizens of the Republic of Kazakhstan, unless otherwise provided by the Constitution, laws and international treaties ratified by the Republic of Kazakhstan.

Article 6. Ensuring the safety of fund assets

1. The state guarantees the safety and targeted use of the fund's assets.
2. The safety of the fund's assets is ensured by:
 - 1) regulation of the fund's activities by establishing appropriate norms and limits to ensure its financial stability;

- 2) implementation of investment activities through the National Bank of the Republic of Kazakhstan;
- 3) accounting of all operations on investment management of the fund's assets in the National Bank of the Republic of Kazakhstan;
- 4) maintaining separate accounting of the fund's own funds and assets;
- 5) the introduction of restrictions on the costs of ensuring the activities of the fund;
- 6) the obligation to conduct an annual audit;
- 7) regular financial reporting of the fund in the manner prescribed by the legislation of the Republic of Kazakhstan;
- 8) determining the list and limit of financial instruments for investing the fund's assets;
- 9) establishing requirements for diversification and risk reduction when placing fund assets in an investment declaration;
- 10) establishing requirements for the fund's executives in accordance with this Law

Article 7. Persons subject to compulsory social insurance

Compulsory social insurance is subject to:

- 1) employees, as well as persons with other paid work (elected, appointed or approved);
- 2) individual entrepreneurs, including heads of peasant or farm enterprises;
- 3) persons engaged in private practice;

Note!

Subparagraph 4) shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

4) individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code);

5) foreigners and stateless persons, as well as oralmans permanently residing in the territory of the Republic of Kazakhstan and carrying out activities that generate income in the territory of the Republic of Kazakhstan.

Persons who have reached the age provided for by paragraph 1 of Article 11 of the Law of the Republic of Kazakhstan "On Pension Provision in the Republic of Kazakhstan" are not subject to compulsory social insurance.

Article 8. Competence of the Government of the Republic of Kazakhstan in the field of compulsory social insurance

The Government of the Republic of Kazakhstan in the field of compulsory social insurance:

- 1) makes decisions on the creation, reorganization or liquidation of the fund in the manner prescribed by the laws of the Republic of Kazakhstan;

- 2) sets the limit for the interest rate of the fund's commission;
- 3) makes a decision to increase the amount of social payments from the fund in cases of disability and loss of the breadwinner;
- 4) determines the list and limits of financial instruments for investing the fund's assets;
- 5) establish norms and limits to ensure the financial stability of the fund;
- 6) perform other functions assigned to it by the Constitution of the Republic of Kazakhstan, this Law, other laws of the Republic of Kazakhstan and acts of the President of the Republic of Kazakhstan.

Article 9. Competence of the authorized body for control in the field of compulsory social insurance

The authorized body for control in the field of compulsory social insurance:

- 1) establishes the degree of loss of general working capacity;
- 2) ensures control over the timely and correct assignment of social payments by the fund;
- 3) ensures control over the timely and complete transfer of social payments to the recipient by the State Corporation;
- 4) considers complaints of participants in the compulsory social insurance system and recipients about actions (inaction), decisions of the fund and other state bodies or organizations.

Article 10. Competence of the central executive body

Footnote. The heading of Article 10 - as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Central executive body:

- 1) carries out analysis, assessment and control of the financial stability of the fund;
- 2) determines the list, forms, terms of submission of financial and other reports by the fund;
- 3) agrees to the appointment (refusal to appoint) the fund's executives;
- 4) has the right to receive information about the activities of the fund, as well as from state bodies and organizations the information necessary for the implementation of its control functions;
- 5) carries out internal control of the fund's activities in accordance with the procedure, established by the Administrative Procedural and Process-Related Code of the Republic of Kazakhstan;
- 6) develops norms and limits to ensure the financial stability of the fund;
- 7) develops a list and limits of financial instruments for investing the fund's assets;
- 8) develops a proposal on the establishment of the maximum value of the interest rate of the fund's commission;

9) annually sets the amount of the interest rate of the fund's commission, but not more than twice a year;

10) develops and approves the rules for collecting commission fees by the fund;

11) develops and approves the rules for the calculation and payment of social contributions to the fund and penalties for them;

12) develops and approves the rules for calculating (determining) the amount of social payments, assignment, recalculation, suspension, renewal, termination and implementation of social payments from the fund;

13) develops a proposal to increase the size of social payments from the fund in cases of disability and loss of the breadwinner;

14) checks the activities of the State Corporation within the competence;

15) develops and approves the rules for maintaining information systems in the field of compulsory social insurance;

16) develops and approves the rules for access to information systems and databases in the field of compulsory social insurance;

17) develops and approves the rules for maintaining personalized records of participants in the compulsory social insurance system, their social contributions and social benefits;

18) exercise other powers provided for by this Law, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Footnote. Article 10 as amended by the laws of the Republic of Kazakhstan dated 29.06.2020 No. 351-VI (shall be enforced from 01.07.2021); dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 11. Competence of the State Corporation in the field of compulsory social insurance

1. The state corporation in the field of compulsory social insurance carries out the following types of activities related to the state monopoly:

1) personalized registration of participants in the compulsory social insurance system, their social contributions and social benefits;

2) organization of social payments from the fund;

3) filling and updating information systems in the field of compulsory social insurance;

4) the formation of monthly needs, schedules for the implementation of social payments and the direction of applications for the need for funds for social payments to the fund;

5) providing information to participants in the compulsory social insurance system and payers on the status and movement of social contributions and social payments, as

well as the procedure for assigning and receiving social payments in accordance with the activities of the State Corporation, taking into account the requirements of the legislation of the Republic of Kazakhstan on personal data and their protection;

6) transfers of social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions from payers, refunds of overly credited (paid) amounts of social payments and mandatory pension contributions withheld from them, to the fund no later than one operating day, the next by the day of their receipt to the account of the State Corporation;

7) ensuring refunds to payers of excessively (erroneously) paid amounts of social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions no later than one operating day following the day the fund's funds are received on the account of the State Corporation;

8) submission to the state revenue authority of the registers of received and returned social contributions of payers;

9) return to the payer of the amounts of social contributions paid for a participant in the compulsory social insurance system who does not have an individual identification number and (or) in the details of which mistakes were made.

2. The state corporation interacts and exchanges information with the fund on accounting and translation issues:

1) social contributions and penalties for untimely and (or) incomplete payment of social contributions;

2) refunds of excessively (erroneously) paid amounts of social contributions and penalties on them;

3) social payments and mandatory pension contributions withheld from them;

4) refunds of overly credited (paid) amounts of social payments and mandatory pension contributions withheld from them.

3. The state corporation has the right to receive, in the manner prescribed by the legislation of the Republic of Kazakhstan, budget funds for the provision of services provided for by this Law.

At the same time, prices for services provided by the State Corporation, shall be established by the authorized body, determined by the Government of the Republic of Kazakhstan from among the central state bodies, in agreement with the antimonopoly body and the central executive body.

4. The state corporation is obliged:

1) receive and verify the completeness of documents necessary for the appointment of social payments, form layouts of cases for appointment and transfer them to the fund ;

2) in the absence of information in the information systems of state bodies and organizations, receive and verify the completeness of documents required for

recalculation, suspension, renewal and termination of social payments, and transfer them to the fund;

3) notify the recipient of the need to return the excessively credited (paid) amounts of social benefits;

4) ensure equal conditions of service to persons subject to compulsory social insurance and entitled to social benefits;

5) ensure timely and complete transfer of social benefits to recipients;

6) carry out, suspend, renew and terminate social payments on the basis of the decision of the fund;

7) ensure the confidentiality of information on the status and movement of social contributions and social payments, except for the cases provided for by the laws of the Republic of Kazakhstan;

8) give the necessary clarifications on the issues of compulsory social insurance;

9) when forming an electronic layout of a case for the appointment of a social payment, do not take into account the amounts of social contributions recognized as illegal (unreasonable) in the manner prescribed by the legislation of the Republic of Kazakhstan.

Footnote. Article 11 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 12. Rights and obligations of the participant of the compulsory social insurance system and the recipient

1. A participant in the compulsory social insurance system, and in the event of his death (recognized by the court as missing or declared dead), family members who were dependent on him and the recipient have the right:

1) submit an application to the fund for the appointment of social benefits in case of disability:

through a medical and social assessment division at the initial determination of the degree of general disability;

through the State Corporation at the determination of the degree of general disability at the time of applying;

2) submit an application to the fund for the appointment of a social benefit in case of loss of a breadwinner through the State Corporation;

3) submit an application to the fund for the appointment of a social benefit in case of loss of work:

through the State Corporation, if the person is registered as unemployed;

through an employment center when registering as unemployed;

through the web portal of "electronic government" when the data on registration as unemployed is available;

through “Electronic Labor Exchange” portal when registering as unemployed at the named portal;

4) submit an application on the appointment of social benefits in case of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) through the State Corporation;

4-1) apply for the appointment of a social benefit in case of loss of income in connection with caring for a child upon reaching the age of one and a half years to the fund:

through the State Corporation;

through the web portal of "electronic government";

5) receive social payments, including in electronic money to electronic wallets of electronic money from the fund, in accordance with the procedure, provided for by this Law, regardless of the receipt of state social benefits;

6) request and receive information free of charge from the payer, the State Corporation, the fund, as well as through the web portal of "electronic government" on the status and movement of social contributions;

7) request and receive free of charge information from the State Corporation and the fund on the procedure for assigning and receiving social benefits;

8) appeal against decisions, actions (inaction) of the foundation and other state bodies or organizations specified in this paragraph related to the restriction of the rights established by this Law.

2. A participant in the compulsory social insurance system, and in the event of his death (recognized by the court as missing or declared dead), family members who were dependent on him and the recipient must:

1) submit reliable documents (information) necessary for the appointment of social benefits, in the manner prescribed by the legislation of the Republic of Kazakhstan;

2) make a return of overly credited (paid) amounts of social benefits;

3) during the period of receiving social payments, notify the State Corporation of all changes affecting the fulfillment of the fund's obligations for social payments within ten calendar days from the date of such changes.

Footnote. Article 12 as amended by the laws of the Republic of Kazakhstan dated 30.12.2020 No. 397-V (shall be enforced upon expiry of six months after the date of its first official publication); dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 13. Rights and obligations of the payer

1. The payer has the right:

1) for the return of excessively (erroneously) paid amounts of social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions in the manner, determined by the central executive body;

2) request and receive free of charge the necessary information from the State Corporation on the paid amounts of social contributions and (or) penalties on them in the manner prescribed by the legislation of the Republic of Kazakhstan;

3) to exercise other rights in accordance with this Law.

Note!

This version of item one of paragraph 2 is suspended till 01.01.2024 by the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI (for the valid version see s-p. 2) p. 4 Art. 39 of this Law).

2. The payer is obliged:

1) timely and in full pay social contributions and penalties for untimely and (or) incomplete payment of social contributions;

2) independently carry out the calculation and recalculation of the amounts of social contributions paid to the fund, as well as the calculation of penalties in case of untimely and (or) incomplete payment of social contributions;

3) submit tax reports to the state revenue authorities in the manner and terms that are established by the tax legislation of the Republic of Kazakhstan;

4) keep primary records of the calculated and paid amounts of social contributions and (or) penalties for each employee in accordance with the legislation of the Republic of Kazakhstan;

5) provide the employee with information on the calculated amounts of social contributions to the fund with a monthly notification of the components of the wages due to him for the relevant period;

6) provide information at the request of the fund, necessary for the appointment of social benefits;

7) at the request of the state revenue authorities, submit a list of participants in the compulsory social insurance system, in favor of whom the debt on social contributions is collected, in the manner prescribed by Article 17 of this Law.

Footnote. Article 13 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 2. SOCIAL DEPOSITS

Article 14. Rate of social security contributions

1. Social contributions payable by payers to the fund for participants in the compulsory social insurance system and (or) in their favor are set at 3.5 percent of the

object of calculation of social contributions, from January 1, 2025 - 5 percent of the object of calculation of social contributions.

Note!

Paragraph 2 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

2. For individuals who are payers of a single aggregate payment in accordance with article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), the amount of social contributions paid by them in their favor is 20 percent of the object of calculation social contributions.

3. For single payment payers, the share of social contributions in the single payment rate established by paragraph 1 of Article 776-3 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) is:

- from January 1, 2023 - 16.0 percent;
- from January 1, 2024 - 14.9 percent;
- from January 1, 2025 - 18.9 percent;
- from January 1, 2026 - 18.1 percent;
- from January 1, 2027 - 17.4 percent;
- from January 1, 2028 - 17.1 percent.

Footnote. Article 14 as amended by the Law of the Republic of Kazakhstan dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 15. Object of calculation of social contributions

1. The object of calculating social contributions for employees, as well as persons who have other paid work (elected, appointed or approved), are the employer's expenses paid by him in the form of income as remuneration, with the exception of income from which social contributions are not paid in fund.

At the same time, the employer's expenses include the salaries of military personnel , employees of special state and law enforcement agencies.

2. The object of the calculation of social contributions for persons engaged in private practice, individual entrepreneurs, including peasant or farm households, are:

for themselves - the amount of income received, determined by them independently for the purpose of calculating social contributions in their favor, but not more than income determined for tax purposes in accordance with the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code);

for employees - expenses paid to the employee in the form of income as remuneration for labor, with the exception of income from which social contributions to the fund are not paid.

Note!

Paragraph 2 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

3. The objects of calculation of social contributions for individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) are 1-fold size of the monthly calculation index in the cities of the republican and regional significance, the capital and 0.5 times the size of the monthly calculation indicator in other settlements.

In this case, the size of the monthly calculation index established by the law on the republican budget and valid as of January 1 of the corresponding financial year is applied.

4. The object of calculating social contributions for foreigners and stateless persons, as well as persons permanently residing in the territory of the Republic of Kazakhstan and carrying out activities that generate income in the territory of the Republic of Kazakhstan, are the employer's expenses paid to them in the form of income as remuneration, with the exception of income from which social contributions to the fund are not paid.

4-1. The object of calculating a single payment is the employee's income, defined by Article 776-2 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

In this case, the calculation and payment of social contributions that are part of the single payment shall be made at the expense of the payer of the single payment.

5. The monthly object of calculating social contributions from one payer should not exceed 7 times the minimum wage established for the corresponding financial year by the law on the republican budget.

Note!

This version of part two of paragraph 5 is suspended till 01.01.2024 by the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI (for the valid version see s-p. 3) p. 4 Art. 39 of this Law).

If the object of calculating social contributions for a calendar month is less than the minimum wage established by the law on the republican budget and effective as of January 1 of the corresponding financial year, then social contributions are calculated and paid based on the minimum wage.

6. Social contributions to the fund are not paid from income:

1) established by paragraph 2 of Article 319 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), except for the income specified in subparagraphs 3) and 4) of paragraph 2 of Article 319 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code);

2) established by paragraph 1 of Article 341 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code),

except for the income specified in subparagraphs 9) , 10) , 12) , 14) , paragraph six of subparagraph 17) , subparagraphs 21) and 50) of paragraph 1 of Article 341 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

3) established by subparagraph 1) of paragraph 3 of Article 484 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

This paragraph shall not apply to the income of employees from which a single payment is calculated in accordance with Chapter 89-1 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 16. Payment of social security contributions

1. Social contributions to the fund are paid by the payer on a monthly basis by making payments through the bank account of the State Corporation no later than the 25th day of the month following the reporting month, indicating the month for which social contributions are paid, unless otherwise provided by this article.

2. Peasant or farm enterprises applying a special tax regime, individual entrepreneurs and legal entities applying a special tax regime based on a simplified declaration, individual entrepreneurs applying a special tax regime based on a patent or using a special mobile application, pay the amount of social contributions within the time limits stipulated by the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

Note!

Paragraph 3 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

3. Individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), pay social contributions in the manner determined by the Government of the Republic of Kazakhstan.

3-1. Payers of a single payment shall pay social contributions within the time limits established by paragraph 5 of Article 776-4 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

The procedure for payment, transfer and distribution, as well as the return of a single payment, shall be determined by the central executive body in agreement with

the National Bank of the Republic of Kazakhstan, as well as the authorized state body that manages the provision of taxes and payments to the budget, and authorized state bodies for state planning, in health and digital development.

4. The day of payment of social contributions made in a non-cash form is the day of receipt of the acceptance of a payment order for the amount of social contributions from a bank or an organization carrying out certain types of banking operations, in cash - the day the payer makes social contributions to a bank or an organization carrying out certain types banking operations.

5. Social security contributions are paid in the national currency of the Republic of Kazakhstan.

6. Control over the completeness and timeliness of payment of social contributions and (or) penalties calculated in accordance with paragraph 1 of Article 17 of this Law is carried out by state revenue bodies in accordance with the legislation of the Republic of Kazakhstan.

Footnote. Article 16 as amended by the Law of the Republic of Kazakhstan dated 24.06.2021 No. 52-VII (shall be enforced from 01.01.2022); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 17. Liability of the payer for untimely and (or) incomplete payment of social contributions

Note!

This version of paragraph 1 is suspended till 01.01.2024 by the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI (for the valid version see s-p. 4) p. 4 Art. 39 of this Law).

1. The amounts of social contributions that have not been paid in a timely manner and (or) in full are collected by the state revenue authorities or are subject to transfer by the payer from the accrued penalty interest to the fund account in the amount of 1.25-fold base rate of the National Bank of the Republic of Kazakhstan per each day of delay (including the day of payment to the fund).

2. Not later than five working days from the date of the formation of arrears on social contributions from the payer, classified in accordance with the risk management system provided for by the tax legislation of the Republic of Kazakhstan, to the category of high or medium risk level, the state revenue body shall send the payer a notification on the amount of arrears on social security contributions. deductions.

The notification form is approved by the state body in charge of ensuring the receipt of taxes and other mandatory payments to the budget.

3. In case of non-payment of arrears on social contributions, the state revenue body shall suspend expenditure transactions on bank accounts and cash desk:

1) a payer classified in accordance with the risk management system provided for by the tax legislation of the Republic of Kazakhstan to the category of a high level of risk - after one business day from the date of delivery of the notification;

2) a payer classified in accordance with the risk management system provided for by the tax legislation of the Republic of Kazakhstan to the category of medium risk level - after ten working days from the date of delivery of the notification.

By order of the state revenue authorities, banks and organizations engaged in certain types of banking operations are obliged to suspend debit transactions on the bank accounts of payers and follow instructions regarding the transfer of mandatory pension contributions, mandatory professional pension contributions, social contributions, deductions and (or) contributions to the social medical insurance, tax debts and debts for customs payments, taxes and penalties, in the manner prescribed by the legislation of the Republic of Kazakhstan.

The order of the state revenue authority on the suspension of expenditure transactions at the cash desk is subject to unconditional execution by the payer by transferring the incoming cash to the fund no later than one business day following the day of their receipt.

The form of an order to suspend expenditure transactions at the payer's cash desk is approved by the state body in charge of ensuring the receipt of taxes and other obligatory payments to the budget.

4. Orders of the state revenue authority on the suspension of expenditure transactions on bank accounts and the payer's cash desk shall be canceled by the state revenue authority that issued such orders no later than one business day following the day of repayment of arrears on social contributions.

5. In case of non-repayment of arrears on social contributions, the list of participants in the compulsory social insurance system, in favor of whom the arrears of social contributions are collected, shall be submitted to the state revenue authority that sent the notification:

1) by a payer classified as a high risk category in accordance with the risk management system provided for by the tax legislation of the Republic of Kazakhstan - within five working days from the date of delivery of the notification;

2) by a payer classified in accordance with the risk management system provided for by the tax legislation of the Republic of Kazakhstan to the category of medium risk level - within fifteen working days from the date of delivery of the notification.

6. On the basis of the list of participants in the compulsory social insurance system submitted by the payer in accordance with paragraph 5 of this article, the state revenue authority collects the amount of arrears on social contributions compulsorily from the payer's bank accounts no later than five working days from the date of receipt of the list.

Debt collection on social contributions from the bank accounts of payers is carried out on the basis of a collection order of the state revenue authority with the attachment of a list of participants in the compulsory social insurance system provided by the payer.

If there is no or insufficient money in the bank (bank) account (accounts) to meet all the requirements for the client, the bank withdraws the client's money in the order of priority established by the Civil Code of the Republic of Kazakhstan.

In the absence of money in the payer's bank account in national currency, debt collection on social contributions is made from the payer's bank accounts in foreign currency on the basis of collection orders issued in national currency by the state revenue authorities.

7. Banks and organizations carrying out certain types of banking operations are obliged to transfer the amounts of social contributions to the fund through the State Corporation on the day these amounts are debited from the bank accounts of payers.

8. State revenue bodies annually publish in the mass media lists of payers who have arrears on social contributions that have not been repaid within more than six months from the date of their occurrence, indicating the payer's identification number, last name, first name, patronymic (if it is indicated in the document, identity) of the head and the amount of debt on social contributions.

Footnote. Article 17 as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 No. 399-VI (shall be enforced from 01.01.2021).

Article 18. Refund of excessively (erroneously) paid social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions

1. The amounts of social security contributions and (or) penalties for untimely and (or) incomplete payment of social security contributions paid by the payer in excess (erroneously) must be transferred to the bank account of the State Corporation within seven banking days from the date of receipt of the payer's application to the fund for subsequent transfer by the State Corporation no later than one operational day following the day of receipt of the fund's funds, to the payer in the manner, determined by the central executive body.

2. The sums of social security contributions paid in excess (erroneously) by the payer, calculated for the period that was taken into account for the appointment of social benefits, are not subject to refund.

Footnote. Article 18 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 3. SOCIAL PAYMENTS

Article 19. Application for the appointment of social payments and the terms of consideration of documents for the appointment of social payments

1. The application for the appointment of social payments shall be carried out by submitting an application in the form established by the central executive body to the relevant state bodies or organizations provided for in paragraph 1 of Article 12 of this Law, with an identity document of the applicant. The application is accompanied by documents, the list of which is determined by the central executive body.

The submission of an application for the appointment of social benefits is not required for their appointment through a proactive service in accordance with the Law of the Republic of Kazakhstan "On public services".

2. When state bodies and (or) organizations submit electronic documents confirming the absence of the requested information in information systems, the state body or organization that made the request notifies the applicant of the need to submit original documents in hard copy.

3. The State Corporation within four working days from the date of acceptance of the documents necessary for the appointment of social benefits, or from the day of receipt of consent to the appointment of social benefits through a proactive service transfers them to the fund, except for the documents, required for the appointment of a social payment in case of loss of work, the period of transfer of which shall be no more than two working days.

4. The Fund, within four working days from the date of receipt of the documents, examines them and makes a decision on the appointment or refusal to assign social benefits.

In case of refusal to assign social benefits, the fund notifies the applicant of the reasons for the refusal and returns the submitted documents to the applicant through the State Corporation.

5. The Fund has the right to check the accuracy of documents (information) required for the appointment, recalculation, suspension, renewal and termination of social payments. For these purposes, the fund has the right to send inquiries to state bodies and relevant organizations, to the payer and the applicant. At the same time, the applicant must be notified in writing and (or) electronic forms about the delay in making a decision on the appointment, recalculation, suspension, renewal and termination of social payments and the timing of the extension of the decision, but not more than one month.

6. Upon subsequent appeals, social payments are assigned in the manner and terms established by paragraphs 3, 4 and 5 of this article.

The fund's decision can be appealed in the manner prescribed by the laws of the Republic of Kazakhstan.

7. Social payments from the fund are assigned from the day the right to social payments from the fund arises.

The right to social benefits from the fund arises:

in the event of disability - from the day the ITU unit establishes the degree of total disability of a participant in the compulsory social insurance system;

in case of loss of a breadwinner - from the date of death indicated in the certificate or notice of death, or from the date of entry into force of the court decision on declaring the citizen - participant of the compulsory social insurance system dead, or from the date indicated in the court decision on declaring him missing or declaring him dead;

in case of job loss - from the date of registration of a participant in the compulsory social insurance system as unemployed in accordance with the legislation of the Republic of Kazakhstan on employment of the population;

in case of loss of income due to pregnancy and childbirth - from the date of maternity leave indicated in the sheet of temporary disability;

in case of loss of income in connection with the adoption (adoption) of a newborn child (children) - from the date of leave to employees who have adopted (adopted) a newborn child (children) indicated in the sheet of temporary disability;

in case of loss of income in connection with caring for a child upon reaching the age of one and a half years - from the date of birth indicated in the birth certificate of the child, in cases of adoption of a child (children) and appointment of custody of a child left without parental care, in under the age of one and a half years - from the date of entry into force of the court decision on the adoption of the child (children) or from the date of appointment of a guardian.

Deadlines for applying for the appointment of social benefits from the fund in case of job loss, in case of loss of income due to pregnancy and childbirth, adoption of a newborn child (children), as well as for recalculation of social benefits in case of loss of income due to pregnancy and childbirth in case of complicated childbirth, the birth of two or more children, they may not exceed twelve months, in case of loss of income in connection with caring for a child upon reaching the age of one and a half years - eighteen months from the date of the emergence of the right to social payments from the fund.

The term for applying for the appointment of a social benefit in case of loss of a breadwinner may not exceed the period of reaching the age of twenty-three by children , including adopted, brothers, sisters and grandchildren who were dependent on the deceased (recognized by the court as missing or declared dead) breadwinner, on the date applications for the appointment of social benefits, except for persons who have been diagnosed with a disability before reaching the age of eighteen years.

8. The day of applying for the appointment of social payments from the fund is the day of registration of the application with the state body or organization specified in paragraph 1 of Article 12 of this Law, or the day of obtaining consent to the appointment of social payments through a proactive service in accordance with the Law of the Republic of Kazakhstan "On public services ".

The term for assigning social payments shall not exceed eight working days, with the exception of a social payment in case of loss of work, the term for assigning which does not exceed six working days from the date of registration of the application with all the necessary documents with the State Corporation or from the date of receipt of consent to the assignment of social payments through a proactive service in accordance with the Law of the Republic of Kazakhstan "On State Services", unless otherwise provided by paragraph 5 of this article.

9. Sums of social payments not received in a timely manner or received incompletely through the fault of the State Corporation and (or) the fund are paid for the past time from the date of the emergence of the right to social benefits without time limits.

Footnote. Article 19 as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 No. 399-VI (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated 27.06.2022 No. 129-VII (shall come into effect upon the expiration of ten calendar days after the day of its first official publication); dated 14.07.2022 No. 141-VII (shall come into effect upon the expiration of ten calendar days after the day of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 20. Social payment in case of disability

1. A social payment in case of disability is assigned to a participant in the compulsory social insurance system, regardless of whether work is stopped at the time of applying for a social payment or continues.

2. Examination and determination of the degree of loss of the general working capacity of a person shall be carried out by conducting a medical and social examination by a division of the MSE in accordance with the legislation of the Republic of Kazakhstan on the social protection of persons with disabilities.

3. Social payment in case of disability is assigned from the date of the emergence of the right to social benefits from the fund for the entire period of disability.

In the event of a change in the degree of loss of general ability to work, the social payment is carried out in an amount corresponding to the newly established degree of

loss of general ability to work, from the date of change in the degree of loss of general ability to work. In this case, the fund within three working days notifies the State Corporation of the decision to change the amount of social benefits.

4. The amount of monthly social payment in case of disability is determined by multiplying the average monthly income taken into account as an object of calculating social contributions, minus 50 percent of the minimum wage established by the law on the republican budget on the date of the emergence of the right to social payment, by the corresponding replacement rates of income, disability and length of service.

The average monthly amount of income accounted for as an object of calculating social contributions is determined by dividing the amount of income from which social contributions were made for the last twenty-four calendar months (regardless of whether there were breaks in social contributions during this period) preceding the month in which came the right to social benefits, at twenty-four.

Herewith, income received during periods of labour, entrepreneurial activity, and private practice by type of activity, to which, by decision of the Government of the Republic of Kazakhstan, a correction factor of 0 was applied to the rate of social contributions, income excluded from the income of an individual subject to taxation, in accordance with subparagraph 51) paragraph 1 of Article 341 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) shall be taken into account when determining the average monthly income based on the income statement issued by the payer.

The periods of receiving social benefits in case of loss of income due to restrictions on activities for the period of the state of emergency, restrictive measures shall be excluded from the calculation of the average monthly income and are replaced by other months immediately preceding the beginning of the period for determining the average monthly income.

For participants in the system of compulsory social insurance, for which social contributions were paid by the payer of a single payment, the maximum limit of the average monthly income, taken into account as an object of calculation of social contributions, should not exceed 7 times the minimum wage established by the law on the republican budget on the date of the emergence of the right for social benefits.

Note!

Part five of paragraph 4 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

For individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On Taxes and Other Mandatory Payments to the Budget" (Tax Code), income for each month from which

social contributions were made is taken at the level of one minimum wage fees established for the relevant financial year by the law on the republican budget, except for the case provided for in part four of this paragraph.

Note!

Part six of paragraph 4 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

In case of receipt of social contributions for the same period from an employer and an individual who is a payer of a single aggregate payment in accordance with article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), when calculating social payments for In case of disability, the income of an individual who is a payer of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) is taken at the level of income from which social contributions to the fund were made.

In this case, the income replacement rate is 0.6.

The coefficient of disability corresponds to the established degree of total disability from 30 percent to 100 percent.

The coefficient of the length of service for a participant in the compulsory social insurance system is:

less than six months - 0.1;

from six to twelve months - 0.7;

from twelve to twenty four months - 0.75;

from twenty four to thirty six months - 0.85;

from thirty six to forty eight months - 0.9;

from forty-eight to sixty months - 0.95;

from sixty to seventy two months - 1.0;

from sixty or more months - 0.02 is added to 1.0 for every twelve months of experience in the compulsory social insurance system.

When determining the coefficient of participation, the periods of receiving social benefits in case of loss of income due to restrictions on activities for the period of the state of emergency, restrictive measures, as well as periods of labour, entrepreneurial activity, and private practice for types of activity, to which, by decision of the Government of the Republic of Kazakhstan a correction factor of 0 was applied to the rate of social contributions, the period of carrying out activities, the income from which is excluded from the income of an individual subject to taxation, in accordance with subparagraph 51) of paragraph 1 of Article 341 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax code).

Footnote. Article 20 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after

the date of its first official publication); dated 27.06.2022 No. 129-VII (shall come into effect upon the expiration of ten calendar days after the day of its first official publication); dated 04.07.2022 No. 134-VII (shall come into effect from 04.07.2022); dated December 26, 2022 No. 168-VII (shall come into effect from 01.01.2023).

Article 21. Social payment in case of loss of breadwinner

1. The following family members who were dependent on the deceased (recognized as missing by the court or declared deceased) of the breadwinner - a participant in the compulsory social insurance system have the right to assign and receive social benefits in case of loss of the breadwinner :

1) children, including adopted, brothers, sisters and grandchildren under the age of eighteen and older than this age, if they have been diagnosed with a disability before reaching eighteen years of age.

Moreover, brothers, sisters and grandchildren - provided that they do not have able-bodied parents or if they do not receive alimony from their parents. The persons specified in this sub-clause over eighteen years old, studying or studying full-time in organizations of secondary, technical and vocational, post-secondary , higher and (or) postgraduate education, have the right to assign and receive social benefits until the time of graduation, but no more than before reaching the age of twenty-three;

2) one of the parents or spouse or grandfather, grandmother, brother or sister, regardless of age and ability to work, if he (she) is (is) busy (busy) looking after the children, brothers, sisters or grandchildren of the deceased (recognized by the court as missing or declared dead) of the breadwinner under three years old.

2. Social benefits assigned to children without parental care - participants of the obligatory social insurance system, paid by the son-adopter (daughter- adopter), the trustee for each lost a parent in accordance with the laws of the Republic of Kazakhstan.

3. Persons with disabilities from the childhood of the first or second group of social payments shall be assigned for the period of establishing disability.

4. For all family members who were dependent on the deceased (recognized by the court as missing or declared deceased) breadwinner, who have the right to appoint and receive social benefits in case of loss of the breadwinner, one social benefit is assigned.

5. Upon a written application from a family member who was dependent on the deceased (recognized as missing or declared deceased by the court) breadwinner, his share of social benefits is allocated and paid to him separately.

The allocation of a share of social payments is made from the day of contacting the fund.

6. In the event of a change in the number of family members who were dependent on the deceased (recognized by the court as missing or declared dead) breadwinner, the fund makes a decision on recalculation of social benefits. In this case, the amount of

social benefits increases or decreases, respectively, according to the number of family members entitled to receive social benefits.

7. The size of the monthly social payment in case of loss of the breadwinner is determined by multiplying the average monthly income taken into account as the object of calculating social contributions, minus 50 percent of the minimum wage established by the law on the republican budget as of the date of the emergence of the right to social payment, by the corresponding replacement rates for income, number of dependents and length of service.

Note!

This part of paragraph 7 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

For individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On Taxes and Other Mandatory Payments to the Budget" (Tax Code), income for each month from which social contributions were made is taken at the level of one minimum wage fees established for the relevant financial year by the law on the republican budget, except for the case provided for in part four of this paragraph.

Note!

This part of paragraph 7 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

In case of receipt of social contributions for the same period from an employer and an individual who is a payer of a single aggregate payment in accordance with article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), when calculating social payments for In case of loss of the breadwinner, the income of an individual who is a payer of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) is taken at the level of income from which social contributions to the fund were made.

Social benefits in case of loss of the breadwinner are paid to family members of the deceased (recognized by the court as missing or declared dead) of the breadwinner, who were dependent on him, monthly during the period of time during which the family member (members) of the deceased (recognized by the court as missing or declared dead) the breadwinner retains (retain) the right to receive social benefits.

8. The coefficient of the number of dependents is determined depending on the number of persons who were dependent on the breadwinner - a participant in the compulsory social insurance system before death, and amounts to 0.5 for one dependent; two dependents - 0.65; three dependents - 0.8; four or more dependents - 1.0.

At the same time, the average monthly amount of income taken into account as an object of calculation of social contributions, the income replacement rate and the coefficient of participation experience shall be determined in accordance with paragraph 4 of Article 20 of this Law.

Footnote. Article 21 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated 27.06.2022 No. 129-VII (shall come into effect upon the expiration of ten calendar days after the day of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 22. Social benefits in case of job loss

1. Social payment in case of loss of work is assigned from the date of registration of a participant in the compulsory social insurance system as unemployed in accordance with the legislation of the Republic of Kazakhstan on employment.

Note!

Part two of paragraph 1 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

The provisions of part one of this clause do not apply to individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code).

2. The amount of social benefits in case of job loss is determined by multiplying the average monthly income, taken into account as the object of calculating social contributions, by the corresponding coefficients of replacement of income and length of service.

At the same time, the income replacement rate is 0,45, and the average monthly amount of income taken into account as an object of calculation of social contributions and the coefficient of participation shall be determined in accordance with paragraph 4 of Article 20 of this Law.

3. A participant in the compulsory social insurance system shall receive social payments in case of job loss:

for one month - in the case when social contributions were made for him from six to twelve months;

for two months - in the case when social contributions were made for him from twelve to twenty four months;

for three months - in the case when social contributions were made for him from twenty four to thirty six months;

for four months - in the case when social contributions were made for him from thirty six to forty eight months;

for five months - in the case when social contributions were made for him from forty-eight to sixty months;

for six months - in the case when social contributions were made for it from sixty or more months.

4. Social benefits in case of job loss upon subsequent application is assigned on the basis that for each month of previously received social benefits in case of job loss, twelve months are deducted from the total length of service in the compulsory social insurance system.

5. In cases where the unemployed is sent by the employment center within the framework of active measures to promote employment to social jobs, public works and vocational training, social payments in case of job loss shall not be stopped.

Footnote. Article 22 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 23. Social payment in cases of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children)

1. Social benefits in cases of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) shall be assigned to a member of the compulsory social insurance system who is entitled to receive social benefits from the fund.

2. Social benefits in cases of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) shall be assigned for the entire period specified in the certificate of temporary disability issued in the manner determined by the authorized state body in the field of health.

Residents of the city of Baikonur, who are participants in the compulsory social insurance system, are assigned a social payment in case of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) on the basis of a sheet of temporary disability issued in the manner prescribed by part one of this paragraph, or issued by federal healthcare organizations of the Russian Federation and their subdivisions located in the city of Baikonur for the period of leave in connection with pregnancy and childbirth, adoption (adoption) of a newborn child (children) in accordance with the Labor Code of the Republic of Kazakhstan.

3. The amount of social benefits in cases of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) is determined by multiplying the average monthly income taken into account as the object of calculating social contributions by the corresponding coefficient of the number of days of incapacity for work.

The average monthly income recorded as an object of calculating social contributions is determined by dividing the amount of income from which social contributions were made for the last twelve calendar months (regardless of whether there were breaks in social contributions during this period) preceding the month in which the right to social security payments, at twelve.

When determining the average monthly income taken into account as an object of calculation of social contributions, the provisions provided for in parts three and four of paragraph 4 of Article 20 of this Law shall be taken into account.

For participants in the compulsory social insurance system for whom social contributions were paid by a single payment payer, the average monthly income recorded as an object of calculation of social contributions should not exceed 7 times the minimum wage established by the law on the republican budget on the date of the emergence of the right to social security payment.

Note!

Part four of paragraph 3 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

For individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On Taxes and Other Mandatory Payments to the Budget" (Tax Code), income for each month from which social contributions were made is taken at the level of one minimum wage fees established for the relevant financial year by the law on the republican budget, except for the case provided for in part four of this paragraph.

Note!

Part five of paragraph 3 shall be valid till 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

In case of receipt of social contributions for the same period from an employer and an individual who is a payer of a single aggregate payment in accordance with article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), when calculating social payments for cases of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) income of an individual who is a payer of a single aggregate payment in accordance with article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) , is taken at the level of income from which social contributions to the fund were made.

The coefficient of the number of days of incapacity for work is determined by dividing the number of days for which a certificate of temporary incapacity for work in connection with pregnancy and childbirth, as well as the adoption (adoption) of a newborn child (children), was issued by thirty calendar days.

4. The employer pays maternity leave, leave to employees who have adopted (adopted) a newborn child (children), with the preservation of the average wage, if this is provided for by the terms of the labor and (or) collective agreements, the employer's act, minus the amount of social payments for cases of loss of income due to pregnancy and childbirth, adoption (adoption) of a newborn child (children) in accordance with the labor legislation of the Republic of Kazakhstan.

Footnote. Article 23 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 24. Social benefit in case of loss of income due to caring for a child upon reaching the age of one and a half years

Footnote. The heading of Article 24 as amended by the Law of the Republic of Kazakhstan dated 26.12.2022 No. 168-VII (shall come into effect from 01.01.2023).

1. Social benefit in case of loss of income due to caring for a child upon reaching the age of one and a half years shall be assigned to a participant in the compulsory social insurance system who cares for a child (children) and has the right to receive social payments from the fund.

Herewith, if the child is cared for by several participants in the compulsory social insurance system, the social payment in case of loss of income in connection with caring for the child upon reaching the age of one and a half years shall be assigned to only one of these persons.

2. When two or more children are born, the social benefit in case of loss of income in connection with caring for a child upon reaching the age of one and a half years shall be assigned to each child separately.

3. Social benefit in case of loss of income due to caring for a child upon reaching the age of one and a half years shall be assigned from the date of birth indicated in the child's birth certificate, until the day he reaches the age of one and a half years inclusive.

In the event of the death of a child under the age of one and a half years, social payments shall be made up to the month of death inclusive.

In cases of adoption of a child (children) and the appointment of custody of a child left without parental care, under the age of one and a half years, the social payment shall be assigned from the date the court decision on the adoption of the child (children) enters into legal force or from the date of appointment guardian until the day he reaches the age of one and a half years inclusive.

4. Monthly social payments in case of loss of income in connection with caring for a child upon reaching the age of one and a half years shall be determined by

multiplying the average monthly income taken into account as an object of calculating social contributions by the income replacement coefficient.

Herewith, the income replacement ratio shall be 0.4, and the average monthly amount of income taken into account as an object of calculation of social contributions shall be determined in accordance with parts two, three, four and five of paragraph 4 of Article 20 of this Law.

Note!

Part three of paragraph 4 shall be valid until 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

For individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), income for each month from which social contributions were made shall be taken at the level of one minimum wage payment established for the corresponding financial year by the law on the republican budget, except for the case provided for by part four of this paragraph.

Note!

Part four of paragraph 4 shall be valid until 01.01.2024 in accordance with the Law of the Republic of Kazakhstan dated 26.12.2019 No. 286-VI.

In the event of receipt of social contributions for the same period from the employer and an individual who is the payer of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), when calculating social payments on the case of loss of income in connection with caring for a child upon reaching the age of one and a half years, the income of an individual who is a payer of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code) shall be taken at the level income from which social contributions were made to the fund.

The amount of social payment in case of loss of income in connection with caring for a child upon reaching the age of one and a half years may not be less than the amount of the monthly state allowance assigned and paid for caring for a child upon reaching the age of one and a half years, established depending on the order of birth of the child in accordance with the Law of the Republic of Kazakhstan "On State Benefits to Families with Children", with an additional calculation of mandatory pension contributions subject to withholding in accordance with Article 26 of this Law.

The maximum amount of social payment in case of loss of income in connection with caring for a child upon reaching the age of one and a half years should not exceed 40 percent of the 7-fold minimum wage established by the law on the republican budget on the date the right to social payment arises.

5. In cases of death (recognition by the court as missing or declared dead), deprivation or restriction of parental rights, serving a sentence in places of deprivation of liberty of the recipient, social payment in case of loss of income in connection with caring for a child upon reaching the age of one and a half years shall be made to the person who cares for a child upon reaching the age of one and a half years, except for cases when the child is placed on full state support, based on the documents provided for by the legislation of the Republic of Kazakhstan.

Footnote. Article 24 as amended by the Laws of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII 3PK (shall come into effect ten calendar days after the day of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 25. Procedure for making social payments

Social payments shall be made for the current month through the State Corporation by transferring to the recipient's bank accounts or in kind of electronic money to electronic wallets of electronic money of the recipient.

Footnote. Article 25 as amended by the Law of the Republic of Kazakhstan dated 30.12.2020 No. 397-V (shall be enforced upon expiry of six months after the date of its first official publication).

Article 26. Deductions from social benefits

1. From social payments in cases of disability and (or) loss of work, in cases of loss of income in connection with pregnancy and childbirth, adoption of a newborn child (children) and caring for a child upon reaching the age of one and a half years, mandatory pension contributions shall be withheld and sent to a single accumulative pension fund in accordance with the legislation of the Republic of Kazakhstan on pension provision.

2. Deductions from social payments may be made in the order of enforcement proceedings, except for cases of excessively credited (paid) amounts of social benefits, when the deductions are made on the basis of the recipient's application.

Deductions in the order of enforcement proceedings from social payments in cases of loss of income in connection with pregnancy and childbirth, adoption of a newborn child (children) and care for a child upon reaching the age of one and a half years are not made.

3. Deductions from social benefits are made from the amount due.

4. From social payments in cases of disability and loss of the breadwinner, more than 25 percent of the amount due to be paid cannot be withheld.

Footnote. Article 26 as amended by the Law of the Republic of Kazakhstan dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Article 27. Suspension and resumption of social payments

1. Social payment is suspended from the first day of the month following the month of receipt of information:

1) on the departure of the recipient for permanent residence outside the Republic of Kazakhstan;

2) on the serving by the recipient of a criminal punishment imposed by a court in the form of imprisonment;

3) on the expiration of the identity document of a foreigner or stateless person, an oralman's certificate, including from information systems;

4) on the identification of the fact of recognition as missing persons on the wanted list, including from information systems;

5) on the identification of facts, including from information systems, of the recipient's loss of citizenship of the Republic of Kazakhstan according to the grounds provided for by the Law of the Republic of Kazakhstan "On citizenship of the Republic of Kazakhstan" until obtaining a permit for permanent residence in the territory of the Republic of Kazakhstan.

2. Social payment in case of disability shall be suspended on the grounds specified in paragraph 1 of this article, as well as from the date of the end of the established period of disability of the recipient until the establishment of the next period of disability.

3. Social payment in case of loss of the breadwinner shall be suspended on the grounds specified in paragraph 1 of this article, as well as:

1) from the date of expiration of the term for establishing disability for persons with disabilities from the childhood of the first or second group, who were dependent on the deceased (recognized by the court as missing or declared dead) breadwinner, until re-examination;

2) from the date of expiration of the certificate issued by the organization of secondary, technical and professional, post-secondary, higher and (or) postgraduate education, stating that family members of the deceased (recognized as missing by the court or declared dead) of the breadwinner are full-time students or students form of training.

4. Social payment shall be resumed on the basis of documents and (or) information received from information systems confirming the expiration of the circumstances that caused the suspension of social payment.

Footnote. Article 27 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication); dated 27.06.2022 No. 129-VII (shall come into effect ten calendar days after the day of its first official publication).

Article 28. Termination of social payments

1. Social payments are terminated:

1) in connection with the death of the recipient (recognition by the court as missing or declared dead). In this case, the social payment is carried out up to the month of death of the recipient (from the date of entry into force of the court decision on recognition as missing or declared dead) inclusive;

2) in connection with the submission of inaccurate documents (information) by the recipient, which served as the basis for making a decision on the appointment of social payments. In this case, the social payment stops from the date of its appointment;

3) in connection with the submission of the recipient's application for the termination of the social payment. In this case, the social payment stops from the first day of the month following the month of filing the application.

2. Social payment in case of disability shall be terminated on the grounds specified in paragraph 1 of this article, as well as from the date:

1) the recipient has reached the age provided for by paragraph 1 of Article 11 of the Law of the Republic of Kazakhstan "On Pension Provision in the Republic of Kazakhstan";

2) the decision of the ITU division to recognize the recipient as able-bodied.

3. Social payment in case of loss of a breadwinner shall be terminated on the grounds specified in paragraph 1 of this article, as well as:

1) in connection with the death of a person who was dependent on the deceased (recognized by the court as missing or declared dead) of the breadwinner. In this case, the social payment in case of loss of the breadwinner is carried out up to and including the month of death;

2) from the date of the expiry of the period for establishing the disability of a person who was dependent on the deceased (recognized by the court as missing or declared dead) of the breadwinner;

3) from the day the person who was dependent on the deceased (recognized by the court as missing or declared dead) the breadwinner reaches the age of eighteen (except for persons who were diagnosed with a disability before reaching eighteen years of age), and in the case of training of the specified person in full-time education in organizations general secondary, technical and professional, post-secondary, higher and (or) postgraduate education - twenty-three years of age;

4) in connection with the expulsion of the recipient (dependent) over eighteen years old from the organization of education or his transfer to correspondence courses. In this case, the social payment in case of loss of the breadwinner is terminated from the first day of the month following the month of receipt of information on the expulsion of the recipient (dependent) or on the transfer to correspondence education, including from information systems.

4. Social payment in case of loss of work shall be terminated on the grounds specified in paragraph 1 of this article, as well as:

1) from the date the recipient reaches the age provided for by paragraph 1 of Article 11 of the Law of the Republic of Kazakhstan "On Pension Provision in the Republic of Kazakhstan";

2) from the first day of the month following the month the recipient is deregistered as unemployed at the employment center.

5. Social payment in case of loss of income in connection with caring for a child upon reaching the age of one and a half years shall be terminated on the grounds specified in paragraph 1 of this article, as well as:

1) after the expiry of the month in which the death of the child (children) occurred;

2) after the expiry of the month in which the child (children) is determined (determined) for full state support;

3) upon the expiration of a month in which the parents were deprived or limited in parental rights, the decisions on adoption (adoption) were invalidated or canceled, the guardians were released or suspended from their duties, in cases established by the marriage and family legislation of the Republic of Kazakhstan.

Footnote. Article 28 as amended by the laws of the Republic of Kazakhstan dated 06.27.2022 No. 129-VII (shall come into effect ten calendar days after the day of its first official publication); dated December 26, 2022 No. 168-VII (shall come into effect from January 1, 2023).

Chapter 4. FUNCTIONAL ORDER OF FUND

Article 29. Status of the fund

The Foundation is a non-profit organization in the form of a joint stock company, the founder and sole shareholder of which is the state.

Article 30. Requirements for the fund's executives

1. The first head of the executive body and his deputies, the chief accountant are recognized as the leading employees of the fund.

2. The following requirements are established for the management employees of the fund:

1) for the first head of the executive body and his deputies:

education - higher professional (legal, financial and economic);

at least five years of work experience in management positions directly related to professional activities in the securities market and in organizations operating in the financial market, or at least six years of work experience in management positions in the field of social protection of the population;

2) for the chief accountant:

education - higher professional (financial, economic);

at least five years of experience in financial and accounting work, including at least five years in management positions.

3. A person may not be elected (appointed) as a fund manager:

- 1) does not have a higher professional education and the minimum required work experience in the fields of activity provided for in paragraph 2 of this article;
- 2) does not have an impeccable business reputation.

An impeccable business reputation is the presence of facts confirming professionalism, conscientiousness, the absence of an unexpunged or outstanding conviction, including the absence of a court decision that has entered into legal force on the application of criminal punishment in the form of deprivation of the right to hold the position of a senior employee of a financial organization, banking and (or) insurance holding and be a major participant (major shareholder) of a financial organization for life;

3) who was previously the first head, deputy first head, chief accountant of a legal entity that was declared bankrupt or subjected to reorganization, conservation, compulsory liquidation during the period when this person was in the position of the first head, deputy first head, chief accountant of this legal entity;

4) who committed a corruption offense or who was brought to justice for the commission of a corruption offense within three years before the date of election (appointment).

Article 31. Activities of the foundation

The fund operates at the expense of the fund's commission.

The amount of the commission may change no more than twice a year.

The fund's commission is charged on the received social contributions, penalties for untimely and (or) incomplete payment of social contributions, investment income in accordance with the legislation of the Republic of Kazakhstan.

The own funds of the fund are formed and consist of the authorized capital of the fund, commission.

The Foundation carries out the following activities:

1) keeping records of social contributions, penalties for untimely and (or) incomplete payment of social contributions, refunds of excessively (erroneously) paid social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions, as well as investment income;

2) keeping records of social payments and refunds of overly credited (paid) amounts of social payments;

3) creation and development of an information system in the field of compulsory social insurance.

In the part not regulated by this Law, the legislation of the Republic of Kazakhstan on joint stock companies applies to the activities of the fund.

Article 32. Rights and obligations of the foundation

1. The Foundation has the right:

- 1) carry out the accumulation of social contributions;
- 2) engage in activities related to securities and other financial instruments in the manner prescribed by this Law;
- 3) carry out advisory and explanatory work on the issues of compulsory social insurance;
- 4) receive a commission from the assets of the fund to ensure the activities of the fund;
- 5) receive information from the State Corporation;
- 6) request and receive information from the subjects of the compulsory social insurance system necessary to ensure the activities of the fund, with the exception of cases provided for by the laws of the Republic of Kazakhstan;
- 7) open branches on the territory of the Republic of Kazakhstan;
- 8) exercise other rights in accordance with this Law.

2. The Foundation is obliged:

- 1) ensure the timely transfer of funds for the implementation of social payments by the State Corporation;
- 2) carry out a refund of excessively (erroneously) paid amounts of social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions to the payer, as well as ensure the return of excessively credited (paid) amounts of social benefits and mandatory pension contributions withheld from them, to the fund through the State Corporation;
- 3) when assigning a social payment, do not take into account the amounts of social contributions recognized as illegal (unreasonable) in the manner prescribed by the legislation of the Republic of Kazakhstan;
- 4) place temporarily free funds of the fund in financial instruments through the National Bank of the Republic of Kazakhstan;
- 5) ensure the audit of the annual financial statements;
- 6) provide an audit of the assessment of the financial stability of the compulsory social insurance system once every three years;
- 7) formulate draft decisions for recalculation, suspension, renewal and termination of social payments in case of receiving information from information systems of state bodies and organizations;
- 8) make decisions on the appointment, recalculation, suspension, renewal, termination or refusal to assign social benefits;
- 9) generate forecast data on calculating the need for social benefits from the fund;
- 10) make daily financing of the State Corporation for the implementation of social payments on schedule;
- 11) give the necessary clarifications on the appointment and receipt of social benefits;

12) have an automated information system of the fund in the form of software for accounting of the fund's assets, as well as ensure the safety and protection of information from unauthorized access;

13) have a backup center for storing information;

14) ensure the confidentiality of information on the amounts of social contributions and social benefits received from information systems;

15) provide the State Corporation with information on the amounts of social contributions recognized as illegal (unreasonable), in the manner prescribed by the legislation of the Republic of Kazakhstan;

16) perform other duties in accordance with the laws of the Republic of Kazakhstan

3. The Fund is not entitled to:

1) to pledge the assets of the fund;

2) engage in entrepreneurial and other activities not provided for by this Law.

Article 33. Formation of fund assets

1. The assets of the fund are formed at the expense of social contributions, penalties for untimely and (or) incomplete payment of social contributions, investment income, refunds of excessively credited (paid) amounts of social payments and other receipts to the fund, provided for by the legislation of the Republic of Kazakhstan, minus the commission for ensuring the activities of the fund, funds aimed at social payments and the return of excessively (erroneously) paid amounts of social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions.

2. The assets of the fund can be used exclusively for the following purposes:

1) making social payments in accordance with this Law;

2) allocation to financial instruments, the list and limits of which shall be determined by the Government of the Republic of Kazakhstan;

3) return of excessively (erroneously) paid amounts of social contributions and (or) penalties for untimely and (or) incomplete payment of social contributions, as well as amounts of other erroneously credited funds.

3. Fund assets cannot be:

1) the subject of pledge;

2) collected at the request of creditors;

3) subject of arrest or other encumbrance of property;

4) collected by a collection order for the obligations of the fund and third parties;

5) transferred to trust management, except for the cases provided for in Article 34 of this Law;

6) the subject of securing the fulfillment of a tax obligation not fulfilled in time.

Footnote. Article 33 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 34. Procedure for managing fund assets

1. Trust management of the fund's assets is carried out by the National Bank of the Republic of Kazakhstan on the basis of an investment declaration approved by the Council for Economic Policy and an agreement concluded between the fund and the National Bank of the Republic of Kazakhstan.

2. The National Bank of the Republic of Kazakhstan shall allocate the fund's assets in accordance with the list and limits of financial instruments determined by the Government of the Republic of Kazakhstan.

3. The National Bank of the Republic of Kazakhstan keeps records of all operations for the accumulation and placement of the fund's assets, receiving investment income and quarterly submits to the fund a report on the status of accounts and investment activities with the fund's assets in accordance with the concluded agreement.

Footnote. Article 34 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 35. Accounting and reporting

1. The Fund maintains accounting records and presents financial statements separately for its own funds and the assets of the Fund in the manner prescribed by the legislation of the Republic of Kazakhstan.

2. The fund is obliged to ensure the accounting and storage of documents used in accounting and in the preparation of reports. The list of basic documents to be kept and the terms of their storage are established by the legislation of the Republic of Kazakhstan.

Article 36. Audit

1. The audit of the fund and the audit of the assessment of the financial stability of the compulsory social insurance system are carried out by auditing organizations authorized to conduct an audit in accordance with the legislation of the Republic of Kazakhstan on auditing.

2. The audit report does not constitute a trade secret.

3. Based on the results of the mandatory annual audit of the fund, the audit organization prepares two audit reports on:

- 1) the fund's own funds;
- 2) the assets of the fund.

4. Expenses for the obligatory annual audit of the fund and the audit of assessing the financial stability of the compulsory social insurance system are carried out at the expense of the fund's own funds.

Chapter 5. FINAL AND TRANSITIONAL PROVISIONS

Article 37. Settlement of disputes

All disputes arising between the fund, the State Corporation, state bodies, individuals and legal entities on the implementation of this Law shall be resolved in accordance with the legislation of the Republic of Kazakhstan.

Article 38. Responsibility for violation of the legislation of the Republic of Kazakhstan on compulsory social insurance

Violation of the legislation of the Republic of Kazakhstan on compulsory social insurance entails liability established by the laws of the Republic of Kazakhstan.

Article 39. Transitional Provisions

1. The amount of social benefits in case of disability, determined before the entry into force of this Law, taking into account the annual increase, including the increase from January 1, 2020, shall be recalculated by dividing by the coefficients of the length of service and disability, taken into account when assigning the amount of social benefits, and multiplication by the coefficients of experience of participation and disability, provided in accordance with this Law.

2. The amount of social benefits in case of loss of a breadwinner, determined before the entry into force of this Law, taking into account the annual increase, including the increase from January 1, 2020, shall be recalculated by dividing by the coefficients of the length of service and the number of dependents taken into account when determining the amount of social benefits, and multiplication by the coefficients of the length of service and the number of dependents provided in accordance with this Law.

3. The amount of social benefits in case of job loss, determined before the entry into force of this Law, shall be recalculated by dividing by the coefficients of participation and income replacement, taken into account when determining the amount of social benefits, and multiplying by the coefficients of participation and income replacement, provided in accordance with with this Law.

At the same time, the duration of social payments in case of job loss is established in accordance with paragraph 3 of Article 22 of this Law.

4. To suspend until January 1, 2024:

1) subparagraph 7) of Article 1 of this Law, having established that during the period of suspension, this subparagraph is valid in the following wording:

"7) payer of social contributions (hereinafter referred to as the payer) - an employer, an individual entrepreneur, including a peasant or farm enterprise, a person engaged in private practice, as well as an individual who is a payer of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan" On taxes and other obligatory payments to the budget "(Tax Code), which calculate

and pay social contributions to the State Social Insurance Fund in accordance with the procedure established by this Law;"

2) the first paragraph of paragraph 2 of Article 13 of this Law, establishing that during the period of suspension, this paragraph is valid in the following wording:

"2. The payer, with the exception of individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code), must:"

3) part two of paragraph 5 of Article 15 of this Law, having established that during the period of suspension, this part is valid in the following wording:

"If the object of calculating social contributions for a calendar month is less than the minimum wage established by the law on the republican budget and effective as of January 1 of the corresponding financial year, then social contributions are calculated, transferred based on the minimum wage, except for the case provided for in paragraph 3 of this article. ";

4) paragraph 1 of Article 17 of this Law, having established that during the period of suspension, this paragraph is valid in the following wording:

"1. The amounts of social contributions that have not been paid in a timely manner and (or) in full are collected by the state revenue authorities or are subject to transfer by the payer from the accrued penalty interest to the fund's account in the amount of 1.25-fold base rate established by the National Bank of the Republic of Kazakhstan for each day of delay (including the day of payment to the fund), except for payments by individuals who are payers of a single aggregate payment in accordance with Article 774 of the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget" (Tax Code)".

Footnote. Article 39 as amended by the Law of the Republic of Kazakhstan dated 02.01.2021 No. 399-VI (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 40. Procedure for the entry into force of this Law

1. This Law shall be enforced on January 1, 2020.

2. Establish that subparagraph 4) of part one of Article 7, paragraph 2 of Article 14, paragraph 3 of Article 15, paragraph 3 of Article 16, parts five and six of paragraph 4 of Article 20, parts three and four of paragraph 7 of Article 21, part two of paragraph 1 of Article 22, parts four and five of paragraph 3 of Article 23, parts three and four of paragraph 4 of Article 24 of this Law shall be valid till January 1, 2024.

3. To recognize as invalid the Law of the Republic of Kazakhstan dated April 25, 2003 "On compulsory social insurance" from January 1, 2020 (Bulletin of the Parliament of the Republic of Kazakhstan, 2003, No. 9, art. 41; 2004, No. 23, art. 140, 142; 2006, No. 23, Article 141; 2007, No. 3, Article 20; No. 20, Article 152; No. 24,

Article 178; 2008 , No. 23, Article 114 ; 2009, No. 9-10, article 50; 2010, No. 5, article 23; No. 7, article 28; 2011, No. 6, article 49; No. 11, article 102; No. 14, article 117; 2012, No. 2, article 14; No. 3, article 26; No. 4, article 32; No. 8, article 64; No. 14, article 95; No. 23-24 , Article 125; 2013, No. 2, Article 13; No. 3, Article 15; No. 10-11, Article 56; No. 14, Article 72; No. 21-22, Article 115; 2014 ., No. 1, Article 1, 4; No. 19-I, 19-II, Article 96; No. 21, Article 122; No. 22, Article 131; 2015, No. 6, Article 27; No. 20-IV, article 113; No. 22-II, article 145; 2016, No. 7-I, article 49; 2017, No. 12, article 36; No. 13, article 45; No. 22 -III, Article 109; 2018, No. 7-8, Article 22; No. 14, Article 42; No. 22, Article 83).

Footnote. Article 40 as amended by the Law of the Republic of Kazakhstan dated 12.10.2021 No. 67-VII LRK (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

*President of the
Republic of Kazakhstan*

K. Tokayev

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