

Changes in the payment of sickness benefits as of 01.07.2009

As of 01.07.2009 **employer is liable to pay** sickness benefit in case of illness or injury of employee **for the fourth until the eighth day**. (State Gazette I 28.02.2009 No. 15 and State Gazette I 09.06.2009 No. 29). First three illness days the employee bares the costs.

Until 30.06.2009 the sickness benefits are paid by the health fund.

The sickness benefit is **70%** of the **average wage** of the employee calculated on the basis of § 29 (8) of the new Employment Contracts Act. Conditions and policies for average wage payment are established by Regulation No. 91 of the Government of the Republic of 11 June 2009 (State Gazette I 12.06.2009 No. 31).

The average calendar day wage calculation is based on **the average wage of six months** preceding the month when the need for the calculation of average wage incurred.

The sickness benefit paid by the employer is **taxable with income tax**. The sickness benefit **not exceeding the average wage** of the employee is not taxable with social tax and unemployment insurance tax.

Employer is liable to pay the sickness benefits based on certificates of sick leave with the **exemption from work obligations starting on 1 July or later**.

Additional information:
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