

CYPRUS



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Notice of termination to absentees due to incapacity

The Termination of Employment Law was amended on 25 July 2016 in relation to provisions on absence due to incapacity. This followed the case of an employee who was dismissed upon her return to work, after an extended period of absence while receiving cancer treatment.

In response, the House of Representatives amended the relevant legal provisions regarding the notice of termination that must be given when employees are absent due to incapacity.

In particular, pursuant to the amendment, if an employee is away from work on grounds of incapacity for up to 12 months, the employer may not give a notice of termination of employment at any time between the first day of absence until the last day of absence plus a period of time equal to a quarter of the total period of absence. In the past, the law only prohibited employers from giving such a notice for up to six months from the first day of absence.

End of special contributions of private sector employees, pensioners, and the self-employed

For the fiscal years between 2012 and 2016, a special contribution was automatically imposed where gross monthly earnings exceeded €2,500, as a means of quick tax collection in response to the Eurozone fiscal crisis. As of 1 January 2017, the special contributions have ended.

Amendment of the Social Insurance Law

The Social Insurance Law was amended on 2 December 2015, in relation to maternity allowance, to the effect that, in case of a childbirth that leads to the birth of more than one child, maternity allowance shall be paid to the mother for a period of 18 weeks plus four weeks for each additional child.