

# EMPLOYMENT OF STUDENTS



The regulation concerning the employment of students is provided by articles L.151-1 and following of the Labour code.

## I. Definition of the student

According to article L.151-2 of the Labour Code, is considered as a student, a person who is at least 15 years old and less than 27 years old, and who is enrolled in a school in Luxembourg or abroad where he attends full-time studies.

The person, whose school registration has come to an end for less than four months, is still considered as a student.

## II. Student contract

The law provides that the student contract must be concluded in writing at the latest at the start of the employment.

The contract must be signed by the employer and by the student. If the student is less than 18 years old, the contract must also be signed by the legal representative.

The employer is obliged to send a copy of the contract to the Labour inspection within seven days from the first working day.

In the absence of a written contract in line with legal provisions, the occupation is considered as a regular employment contract (e.g. if the person has reached the age of 27). Evidence to the contrary is not possible.

## III. Maximum duration of the student contract

The duration of the student contract cannot exceed two months per calendar year, even in case of multiple contracts.

If the duration of the contract exceeds the maximum period of two months, the person concerned is to be considered as an employee occupied under a fixed-term contract. In that case, the social minimum wage fixed by law or by the applicable collective agreement must be paid to the student.

## IV. Remuneration

The employer who hires a student under the conditions of article L. 151-1 and following of the Labour Code has to pay a salary that varies with the age of the student and that must be equal to at least eighty percent of the social minimum wage for non-qualified employees.

Considering the current social minimum wage of € 2,089.75 at cost of living index 814.40, the minimum remuneration is as follows :

Age	Monthly gross amount	Hourly gross amount
18 to 27 years	€ 1,671.80	€ 9.6636
17 to 18 years	€ 1,337.44	€ 7.7309
15 to 17 years	€ 1,253.85	€ 7.2477

In addition the remuneration of students is capped to a maximum hourly rate of € 14.00. If this hourly wage is exceeded, the remuneration, which is normally tax exempt, becomes fully taxable.

Only hours effectively performed by the student are to be paid by the employer. The student is not entitled to holidays. In case of absence due to illness, the employer is not obliged to pay the salary.

## V. Social security and tax regime

The students are not affiliated to health and old age insurance. Therefore no social security contributions are due for these risks.

However, the student has to be registered with the accident insurance. The contributions will be calculated on the social minimum wage for non-qualified workers. For that reason, the employer must register the student with the social security administration (Centre Commun de la sécurité sociale) through an entry declaration specifying that it is a student contract.

Under the condition that the maximum salary is respected, the remuneration paid to the student occupied under the conditions of article L.151-1 and following of the Labour Code is tax exempt.

## VI. Working conditions

All the legal and conventional provisions concerning the working conditions and the protection of employees are applicable to the occupation of students, except the legal provisions concerning :

- legal holidays (the provisions concerning extraordinary leave are applicable),
- the interdiction to work during Sundays and public holidays.

## VII. Practical aspects

The following steps must be followed in the case of employment of students :

- A copy of the student contract must be sent to the Labour inspection,
- The student must be registered with the accident insurance. An entry declaration must be submitted specifying that it is a student contract.
- At the end of the tax year the employer must send a statement to the tax authorities reporting the identity of the students occupied during the year, their social security number or date of birth, the beginning and end dates of contracts and the amount of the remunerations. In case of control by the tax authorities the employer must be able to provide a recent schooling certificate.

NB : students are exempt from a medical examination at the start of the employment.

## CONTACTS

Joëlle LYAUDET  
Partner  
+352 45 123 307  
joelle.lyaudet@bdo.lu

Patricia DUPUIS  
Assistant Manager  
+352 45 123 358  
patricia.dupuis@bdo.lu

Ralf GILCH  
Assistant Manager  
+352 45 123 557  
ralf.gilch@bdo.lu

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained herein without obtaining specific professional advice. Please contact the appropriate BDO Member Firm to discuss these matters in the context of your particular circumstances. Neither the BDO network, nor the BDO Member Firms or their partners, employees or agents accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it. BDO is an international network of public accounting firms, the BDO Member Firms, which perform professional services under the name of BDO. Each BDO Member Firm is a member of BDO International Limited, a UK company limited by guarantee that is the governing entity of the international BDO network. Service provision within the BDO network is coordinated by Brussels Worldwide Services BVBA, a limited liability company incorporated in Belgium with its statutory seat in Brussels. Each of BDO International Limited, Brussels Worldwide Services BVBA and the member firms of the BDO network is a separate legal entity and has no liability for another such entity's acts or omissions. Nothing in the arrangements or rules of the BDO network shall constitute or imply an agency relationship or a partnership between BDO International Limited, Brussels Worldwide Services BVBA and/or the member firms of the BDO network. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

© 2019 BDO Tax and Accounting