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EUROPEAN COMMISSION

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Ukážka
Príloha
Anz. 11

Mr Peter Mach
President
Statistical Office of the Slovak Republic
Mileticova 3
SK - 82467 Bratislava

Subject: Payment of social contributions from the State budget to the social security funds for groups of individuals determined by law

Ref.: Your letter dated 30 November 2006

Dear Mr Mach,

In respect to your request for advice dated on 30 November 2006 on the recording of the payments of social contributions from the State budget to the social security funds for groups of individuals determined by law, I would like to thank you for providing the different views of all the statistical agencies involved. I think that this constitutes good practice in the context of EC Regulation 2103/2005.

The accounting issue for which a clarification is requested

Eurostat's understanding is that the State pays contributions to the social and health insurance companies on behalf of individuals who do not have an income. These payments that are made by the State directly to the social security funds are carried out on behalf of the final beneficiaries – the individuals defined by law.

You have asked how these transfers should be reflected in the national accounts.

Methodological analysis by Eurostat

Because the payments that are made by the State directly to the social security funds are carried out on behalf of the final beneficiaries, this requires rerouting the contributions paid by the State via the households accounts, in line with ESA95 (par. 1.39).

Eurostat's view is that the transfers from the State to the individuals have a character of a social assistance. It is a payable to households by government to meet the same needs as social insurance benefits, although not made under a social insurance scheme incorporating social contributions and social insurance benefits.

The individuals are then deemed to carry out their own social contributions to the social security funds.

Conclusion

This analysis leads Eurostat to the conclusion that the payment from the State to social security funds should lead to recording:

- 1) a transfer to individuals in the form of *Social assistance benefits in cash (D.624)*;
- 2) a matching transfer from individuals to social security funds in the form of *Social contributions by self-employed and non-employed persons (D.6113)*.

I wish to stress that these views of Eurostat are based on the information provided by you and your services. If this information turns out to be incomplete, or the implementation of the operation differs in some way from the information presented, Eurostat reserves the right to reconsider its views.

Yours sincerely,



Lours Nørlund
Director