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*\* This Act reflects only the amendments made until June 30, 2014*

# ENFORCEMENT DECREE OF THE ACT ON THE COLLECTION, ETC., OF PREMIUMS FOR EMPLOYMENT INSURANCE AND INDUSTRIAL ACCIDENT COMPENSATION INSURANCE

Presidential Decree No. 18574, Oct. 29, 2004

Presidential Decree No. 18574, Oct. 29, 2004  
Presidential Decree No. 19247, Dec. 30, 2005  
Presidential Decree No. 19422, Mar. 29, 2006  
Presidential Decree No. 19973, Mar. 27, 2007  
Presidential Decree No. 20222, Aug. 17, 2007  
Presidential Decree No. 20330, Oct. 17, 2007  
Presidential Decree No. 20331, Oct. 23, 2007  
Presidential Decree No. 20874, Jun. 25, 2008  
Presidential Decree No. 21590, Jun. 30, 2009  
Presidential Decree No. 22003, Jan. 27, 2010  
Presidential Decree No. 22269, Jul. 12, 2010  
Presidential Decree No. 22408, Sep. 29, 2010  
Presidential Decree No. 22807, Mar. 30, 2011  
Presidential Decree No. 22826, Apr. 4, 2011  
Presidential Decree No. 23282, Nov. 1, 2011  
Presidential Decree No. 23466, Dec. 30, 2011  
Presidential Decree No. 23910, Jun. 29, 2012  
Presidential Decree No. 24076, Aug. 31, 2012  
Presidential Decree No. 24077, Aug. 31, 2012  
Presidential Decree No. 24638, Jun. 28, 2013  
Presidential Decree No. 24650, Jun. 28, 2013  
Presidential Decree No. 25047, Dec. 30, 2013  
Presidential Decree No. 25251, Mar. 12, 2014  
Presidential Decree No. 25279, Mar. 24, 2014

## CHAPTER I

### General Provisions

*<Presidential Decree No. 22408, Sep. 29, 2010>*

#### Article 1 (Purpose)

The purpose of this Decree is to stipulate matters delegated by the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance and particulars necessary for the enforcement thereof. *<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

## **Article 2 (Definition)**

(1) The meaning of the terms used in this Decree are as follows: *<Amended by Presidential Decree No. 23282, Nov. 1, 2011 and Presidential Decree No. 25047, Dec. 30, 2013>*

1. "Total construction work" refers to a whole range of work carried out in relation to construction work for the following items:

A. Construction work such as civil engineering work, building work, and other construction work for structures, which are carried out to complete a final object, and the work of remodeling, repairing, altering and dismantling a building structure etc.

B. Preparation and finishing work, etc., needed to carry out each construction work under item A.

2. "Total construction cost" refers to the amount of contract costs (including the market prices of materials in cases where a person who issues an order supplies materials) for carrying out total construction work: Provided that in cases of construction work carried out by a person who is not a constructor prescribed in subparagraph 7 of Article 2 of the Framework Act on the Construction Industry and not subject to restrictions on persons who carry out construction work pursuant to Article 41 of the same Act, an amount calculated according to the methods determined and announced by the Minister of Employment and Labor shall be the total construction cost; and

3. "The number of ordinarily employed workers" shall be as follows: Provided that in the case of the businesses prescribed in each subparagraph of Articles 15 (1), it refers to the number of workers calculated pursuant to paragraph (2) of the same Article:

A. Where a business begins before the insurance year concerned: the number produced by dividing the sum of the number of workers used as of the last day of each month of the previous year by the number of months of business operation: Provided that if it is difficult to confirm the number of workers in a construction business, it refers to the number produced according to the following formula. In such cases, "value of construction work done" refers to the amount produced by subtracting the cost of construction work legally subcontracted out under the Framework Act on the Construction Industry and other relevant Acts or subordinate statutes from the total value of construction

work done (referring to the total cost of construction work completed in the insurance year concerned), and "average monthly remuneration in the construction industry" refers to the average remuneration calculated and announced by the Minister of Employment and Labor on the basis of wages in construction businesses with five regular workers or more in the report on labor force survey at establishments prepared by the Minister of Employment and Labor among the designated statistics under Article 3 of the Statistics Act.

$$\frac{\text{value of construction work done for the previous year} \times \text{labor cost ratio for the previous year}}{\text{average monthly remuneration in the construction industry for the previous year} \times \text{number of months of business operation}}$$

B. Where a business begins during the insurance year concerned: the number of workers used as of the date of the establishment of the insurance relationship.

(2) If the same construction work carried out to complete a final object is divided into two parts or more and they are contracted out under the name of entrustment or any other name (including cases where the person issuing the order directly carries out part of the construction work), the total construction cost under paragraph (1) 2 shall be calculated by adding up all of the contract amounts: Provided that this shall not apply if each contracted construction work is carried out separately and independently in terms of time and place.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 2-2 (Money and Valuables Excluded from Remuneration)**

"Money and valuables prescribed by the Presidential Decree" in subparagraph 3 of Article 2 of the Act on the Collection, etc. of Premiums for Employment Insurance and Industrial Accident Compensation Insurance (hereinafter referred to as "Act") refers to non-taxable earned income under subparagraph 3 of Article 12 of the Income Tax Act.

*<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 3 (Application of Standard Remuneration)**

(1) "Cases where there are reasons prescribed by the Presidential Decree" in Article 3 (1) of the Act refers to the

following cases:

1. Where remuneration-related data are nonexistent or unclear; and

2. Where it is difficult to locate the business due to the relocation, etc., of the business or workplace (hereinafter referred to as "business")

(2) The standard remuneration under Article 3 (2) of the Act shall be applied according to the following classification:

1. Monthly standard remuneration shall be applied to regular workers paid the fixed amount of remuneration on a monthly basis;

2. Hourly standard remuneration shall be applied to part-time workers, workers (hereinafter referred to as "hourly remuneration workers" in this Article) who are paid remuneration according to the number of their working hours, and workers (hereinafter referred to as "daily remuneration workers" in this Article) who are paid daily remuneration according to the number of their working days, regarding the prescribed number of working hours per week as the actual number of working hours: Provided that if it is not clear whether a worker is a hourly wage worker or daily wage worker or if the prescribed number of working hours per week cannot be confirmed, monthly standard remuneration shall be applied.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 4 (Scope of Construction Businesses, etc.)**

The scope of businesses prescribed by this Decree, unless otherwise prescribed by this Decree, shall be subject to the standard classification of industries announced by the head of the Statistics Korea pursuant to Article 22 of the Statistics Act (hereinafter referred to as "Korean Standard Industrial Classification"). *<Amended by Presidential Decree No. 23466, Dec. 30, 2011>*

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 5 (Agent)**

- (1) An employer may appoint an agent and have the agent do what the employer shall do under the Act and this Decree.

- (2) When an employer appoints or dismisses an agent, he/she shall report this to the Korea Workers Compensation and Welfare Service (hereinafter referred to as "Corporation") prescribed in

Article 10 of the Industrial Accident Compensation Insurance Act. *<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

## *CHAPTER II*

### **Establishment and Termination of Insurance Relationship**

#### **Article 6 (Conditions for Blanket Application for Businesses)**

(1) "Conditions prescribed by the President Decree" in Article 8 (1) 3 of the Act refers to business done by a person falling under any of the following subparagraphs: *<Amended by Presidential Decree No. 23282, Nov. 1, 2011>*

1. A constructor prescribed in subparagraph 7 of Article 2 of the Framework Act on the Construction Industry;
2. A housing constructor prescribed in Article 9 of the Housing Act;
3. A constructor prescribed in subparagraph 3 of Article 2 of the Electricity Construction Business Act;
4. An information and communications-related constructor prescribed in subparagraph 4 of Article 2 of the Information and Communications Work Business Act;
5. A fire-fighting system constructor prescribed in Article 2 (1) 2 of the Fire-fighting Service Act; and
6. A businessman engaging in repairing cultural properties prescribed in Article 27 of the Protection of Cultural Properties Act.

(2) An employer who intends to get approval for blanket application pursuant to the former part of Article 8 (2) of the Act shall apply to the Corporation.

(3) An employer who intends to get approval for the cancelation of blanket application pursuant to the former part of Article 8 (3) of the Act shall apply to the Corporation for this no later than seven days before the beginning of the following insurance year. *<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 7 (Blanket Application for Contract Business)**

(1) "Business prescribed by the Presidential Decree, such as construction business" in Article 9 (1) of the Act refers to

construction business.

(2) Recognizing a subcontractor as an employer pursuant to the proviso of Article 9 (1) of the Act shall be limited to cases where a subcontractor is the employer of a business under Article 6 (1).

(3) If an original contractor intends to have a subcontractor to be recognized as an employer pursuant to the proviso of Article 9 (1) of the Act, the original contractor shall sign a written contract with the subcontractor over the takeover of responsibility for paying premiums and apply for approval for recognition of the subcontractor as an employer to the Corporation within 30 days from the starting date of the subcontracted work.

(4) If subcontracted work for which an original contractor applies for approval for recognition of a subcontractor as an employer pursuant to paragraph (3) has any of the following reasons, the Corporation shall not approve recognition of the subcontractor as an employer: *<Amended by Presidential Decree No. 23910, Jun. 29, 2012>*

1. Where a work-related accident under subparagraph 1 of Article 5 of the Industrial Accident Compensation Insurance Act happens from the 15th day after the start of the subcontracted work until the application for approval is made; and

2. Where a work-related accident under subparagraph 1 of Article 5 of the Industrial Accident Compensation Insurance Act happens from the start of the subcontracted work until the application for approval is made, and with regard to the accident, insurance benefits shall be collected from the original contractor pursuant to Article 26 (1) 1 of the Act.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 8 (Notification of Establishment and Termination of Insurance Relationship)**

The Corporation shall, if an insurance relationship is established or terminated, inform the employer concerned of this without delay.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 9 (Report of Changes in Insurance Relationship)**

Pursuant to Article 12 of the Act, an employer shall, if any change is made to any of the following matters concerning his/her business covered by insurance, report this to the Corporation within 14 days of the date on which the change is

made: Provided that subparagraph 6 shall be reported within 14 days from the first day of the following insurance year:

1. The name and resident registration number of the employer(the representative, in the case of a corporation);
2. The name and location of the business;
3. The type of the business;
4. Business registration number (including corporation registration number in the case of a corporation);
5. Business period, in cases of a business with a fixed term, such as construction work or logging; and
6. The number of ordinarily employed workers, in cases where any change is made to entitlement to preferentially supported enterprises under Article 12 of the Enforcement Decree of the Employment Insurance Act.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

## *CHAPTER III*

### **Insurance Premiums**

#### **Article 10 (Vicarious Payment of Premiums by Persons Ordering Construction Work)**

(1) Where the State, a local government, or a public institution under the Act on the Management of Public Institutions, or any other institution to which the State or a local government contributes orders construction work, it may pay premiums on behalf of the original contractor after obtaining approval from the Corporation, if premiums are clearly stated in the construction cost and the original contractor agrees.

(2) A person who vicariously pays premiums pursuant to paragraph (1) shall, if any change is made to the following matters, report this to the Corporation without delay:

1. The name and location of the person who vicariously pays premiums and the name of the representative; and
2. The cost, period and contents of the construction work.

(3) If it becomes unnecessary to vicariously pay premiums, or if it is deemed that there is any other justifiable reason, the Corporation may revoke its approval for the vicarious payment of premiums, as prescribed by the Ordinance of the Ministry of Employment and Labor.

(4) If revoking its approval for the vicarious payment of



premiums pursuant to paragraph (3), the Corporation shall inform the person who vicariously pays premiums and the original contractor of the fact without delay.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 11 (Determination of Labor Cost Ratio, etc.)**

(1) The methods of determining a labor cost ratio (hereinafter referred to as "labor cost ratio") under Article 13 (6) of the Act are described in the following subparagraphs:

1. The labor cost ratio for construction work shall be determined and announced by the Minister of Employment and Labor, separately for general construction work and for subcontracted construction work, in consideration of the proportion, etc., of the sum of all the total remuneration paid to workers by employers who were engaged in the construction business during the three years prior to June 30 of the year at the time of calculation (hereinafter referred to as "base insurance year") in the sum of all the total construction costs of the same employers; and
2. The labor cost ratio for logging shall be determined and announced by the Minister of Employment and Labor in consideration of the proportion, etc., of the sum of all the total remuneration paid to workers by employers who were engaged in the logging business during the three years prior to June 30 of the base insurance year concerned in the sum of all logging expenses of the same employers and shall be expressed as the amount of remuneration per unit volume of lumber. *<Amended by Presidential Decree No. 22269, Jul. 12, 2010>*

(2) The methods of determining the amount of estimated total wages or total wages based on the labor cost ratio for construction work shall be as follows:

1. The amount of estimated total remuneration shall be produced by multiplying the total construction cost by the labor cost ratio: Provided that if the amount of estimated total remuneration produced based on the labor cost ratio exceeds 90/100 of the contract amount, 90/100 of the contract amount shall be the amount of estimated total remuneration; and
2. The amount of total remuneration shall be produced by adding the total remuneration paid to workers directly employed for the construction work concerned to the total cost of subcontracted construction work (excluding the

cost of subcontracted construction work performed by subcontractors who get approval from the Corporation pursuant to the proviso of Article 9 (1) of the Act) multiplied by the labor cost ratio for subcontracted construction work. The equation for this calculation shall be as follows:

Total remuneration = total remuneration paid to workers directly employed for the construction work concerned + {total cost of subcontracted construction work (excluding the cost of subcontracted construction work performed by subcontractors who get approval from the Corporation pursuant to the proviso of Article 9 (1) of the Act) x the labor cost ratio for subcontracted construction work}

(3) In the case of logging businesses, the amount of estimated total remuneration or total remuneration shall be produced by multiplying the volume of lumber by the labor cost ratio.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 12 (Employment Insurance Premium Rate)**

(1) The employment insurance premium rates under Article 14 (1) of the Act shall be as follows: *<Amended by Presidential Decree No. 22807, Mar. 30, 2011 and Presidential Decree No. 24650, Jun. 28, 2013>*

1. The premium rate for employment security and vocational skills development projects: the insurance premium rate determined according to the following classification:

A. A business which employs less than 150 workers: 25/10,000;

B. A business which employs 150 workers or more and falling within the scope of preferentially supported enterprises prescribed in Article 12 of the Enforcement Decree of the Employment Insurance Act: 45/10,000;

C. A business which employs 150 or more but less than 1,000 workers and not falling under item B: 65/10,000; and

D. A business which employs 1,000 workers or more and not falling under item B and a business directly conducted by the State and a local government: 85/10,000

2. The premium rate for unemployment benefits: 13/1,000

(2) In applying paragraph (1) 1, the number of workers shall be the sum of the numbers of workers in all businesses at home conducted by the employer concerned: Provided that in the case of a business which supervises public housing under

subparagraph 2 of Article 2 of the Housing Act, the number of workers shall be calculated by type of business.

(3) In applying paragraph (1) 1, a subcontractor who becomes an employer subject to the Act pursuant to the proviso of Article 9 (1) of the Act shall be subject to the premium rate for employment security and vocational skills development projects applicable to the original contractor: Provided that in regards to each of the businesses run by an employer who becomes subject to blanket application pursuant to Article 8 of the Act, if the subcontractor is deemed an employer subject to the Act pursuant to the proviso of Article 9 (1) of the Act, the premium rate for employment security and vocational skills projects applicable to the employer who is the subcontractor concerned shall be applied.

(4) Notwithstanding paragraphs (1) 1 and (2), if a business is transferred or merged during the insurance year, the premium rate for employment security and vocational skills development projects applicable before the transfer and merge shall be applied to the transferred or merged business during the insurance year concerned.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 13 (Public Announcement of Industrial Accident Compensation Insurance Premium Rate)**

When the Minister of Employment and Labor has determined premium rates (hereinafter referred to as "industrial accident compensation insurance premium rate") for industrial accident compensation insurance (hereinafter referred to as "industrial accident compensation insurance") pursuant to Article 14 (3) of the Act, he/she shall announce it, along with the kinds and contents of the businesses to which the premium rates are applied, through an official gazette and general daily newspapers, etc., with a nationwide circulation under Article 9 (1) of the Act on the Promotion of Newspapers, etc. *<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 14 (Application of Industrial Accident Compensation Insurance Premium Rate)**

(1) If a same employer carries out two or more businesses whose types are different under Article 14 (3) of the Act in the same workplace, the industrial accident compensation insurance premium rate applicable to the principal business (hereinafter in this Act referred to as "principal business") which accounts for a

larger share than others in terms of the number of workers, total remuneration, etc., shall be applied to all the businesses in the workplace.

(2) The principal business under paragraph (1) shall be determined in the following order:

1. Business with more workers than others ;
2. Business with more total remuneration than others, in cases where the number of workers is equal or it is impossible to know the number of workers; and
3. Business manufacturing goods or providing services with larger sales volume than others, in cases where the principal business cannot be determined pursuant to subparagraphs 1 and 2.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 15 (Business Subject to Special Case for Industrial Accident Compensation Insurance Premium Rate)**

(1) "Businesses prescribed by the Presidential Decree" in Article 15 (2) of the Act refers to the following businesses:

1. Businesses in the construction industry which are subject to blanket application under Article 8 (1) and (2) of the Act and whose total value of construction work done for the insurance year two years prior to the current insurance year is four billion won or more; and
2. Businesses, other than construction and logging businesses, which have 20 ordinarily employed workers or more

(2) In applying the special case (hereinafter referred to as "merit rate") for determination of industrial accident compensation insurance premium rates under Article 15 (2) of the Act, the number of workers under paragraph (1) 2 shall be calculated according to Article 2 (1) 3 A, and the calculation period shall be from July 1 of the year before the base insurance year until June 30 of the base insurance year.

(3) If the type of a business subject to the industrial accident compensation insurance premium rate under paragraph (1) has changed during the three years prior to June 30 of the base insurance year, the merit rate shall not be applied to the business: Provided that even in cases where the type of business has changed, if major working conditions for the business concerned, such as machine facilities, work process, etc. are deemed not to have changed, the merit rate shall apply.

(4) "Business prescribed by the Presidential Decree" in Article 15 (3) of the Act refers to any business ordinarily employing

fewer than 50 workers in the manufacturing industry.

*<Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

(4) The relevant insurance year applicable when calculating the number of ordinarily employed workers under paragraph (4) shall be the insurance year in which the recognition of the industrial accident prevention activities under Article 18-2 is obtained. *<Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 16 (Ratio of Insurance Expenditure to Revenue for Application of Merit Rate)**

"The ratio prescribed by the Presidential Decree" in Article 15 (2) of the Act refers to more than 85/100 or 75/100 or less.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 17 (Calculation of Ratio of Insurance Expenditure to Revenue for Application of Merit Rate)**

(1) In case of calculating the ratio of industrial accident compensation insurance benefits to industrial accident compensation insurance premiums (hereinafter referred to as "industrial accident compensation insurance premiums") pursuant to Article 15 (2), the amount of industrial accident compensation insurance premiums shall be the sum of the following amounts as of June 30 of the base insurance year:

1. In the case of the base insurance year: The sum of monthly insurance premiums (hereinafter referred to as "monthly insurance premiums") under Article 16-3 (1) of the Act from January to June [in the case of a business falling under Article 19-2, an amount equivalent to 1/2 of estimated insurance premium (hereinafter referred to as "estimated premiums") under Article 17 (1) of the Act]
2. In the case of the two insurance years preceding the base insurance year: The sum of premiums (hereinafter referred to as "calculated premiums") calculated pursuant to Article 16-9 (1) and (2) of the Act [in the case of a business falling under Article 19-2, the sum of final premiums (hereinafter referred to as "final premiums") under Article 19 (1) of the Act]
3. In the case of the three insurance years preceding the base insurance year: An amount calculated according to

the following formula.

(amount of final premiums or calculated premiums for the insurance year three years before the base insurance year)  
 $\times 6 \div$  (total number of months during which insurance relations continue in the insurance year three years before the base insurance year)

(2) In calculating the ratio of industrial accident compensation insurance benefits to industrial accident compensation insurance premiums pursuant to Article 15 (2) of the Act, the amount of industrial accident compensation insurance benefits shall be the sum of all industrial accident compensation insurance benefits determined to be paid (referring to the causal act for disbursement; hereinafter the same shall apply) from July 1 of the insurance year three years prior to the base insurance year to June 30 of the base insurance year. In such cases, if industrial accident compensation insurance benefits determined to be paid are disability or survivors' compensation annuities, it shall be deemed that the lump-sum disability or survivors' compensation are determined to be paid when the payment of such annuities is first determined.

(3) In calculating the sum of industrial accident compensation insurance benefits pursuant to the former part of paragraph (2), the amount of insurance benefits falling under any of the following subparagraphs shall not be added:  
<Amended by Presidential Decree No. 23910, Jun. 29, 2012>

1. The amount of vocational rehabilitation benefits under Article 72 of the Industrial Accident Compensation Insurance Act;

2. The amount of insurance benefits determined to be paid due to an accident caused by a third person's action under Article 87 (1) of the Industrial Accident Compensation Insurance Act (excluding the amount of insurance benefits corresponding to the proportion that is not recognized as the third person's faults by a court's final ruling, etc.); and

3. The amount of insurance benefits determined to be paid in a situation where although pneumoconiosis under Article 91-2 of the Industrial Accident Compensation Insurance Act, noise-induced hearing loss under subparagraph 5 of Table 3 of the Enforcement Decree of the same Act and asbestos-related diseases under subparagraph 20 of the same Table have a significant causal relationship with work, so many workplaces are exposed to harmful and hazardous elements that it is not clear which workplace provides the main cause of such diseases.

4. The amount of insurance benefits determined to be paid for

accidents that occur due to inevitable reasons, such as natural disasters or power failures, etc.

(4) With regard to the amount of insurance benefits under the proviso of paragraph (3), the date on which the court delivers its final ruling shall be considered the date on which the insurance benefits concerned are determined to be paid.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 18 (Increase or Decrease Rates of Merit Rates)**

(1) An increase or decrease in industrial accident compensation insurance premium rates under Article 15 (2) of the Act shall be subject to the rates shown in Table 1.

(2) When the Corporation has decided to raise or lower industrial accident compensation insurance premium rates pursuant to Article 15 (2) of the Act, it shall inform the employer concerned of the increased or decreased premium rates without delay.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 18-2 (Application of Accident Prevention Premium Rate)**

(1) The accident prevention activities under Article 15 (4) of the Act shall be any of the following activities: *<Amended by Presidential Decree No. 25251, Mar. 12, 2014>*

1. An employer has conducted a risk assessment with regard to hazards caused by structures, machines, instruments, equipment, raw materials, gas, vapor, dust, etc., work behavior or any other work pursuant to Article 41-2 (1) of the Occupational Safety and Health Act;

2. An employer has completed an accident prevention education determined and announced by the Minister of Employment and Labor and established an industrial accident prevention plan to prevent accidents in the workplace.

(2) The percent by which the industrial accident compensation insurance premium rate shall be decreased for each type of accident prevention activity referred to in paragraph (1) shall be the percent calculated using the respective formulas below, and the resulting percent shall be rounded off to the nearest thousandth. In such cases, if an employer has carried out two or more accident prevention activities (including cases where an employer has carried out the same accident prevention activity twice or more), the decrease rate applicable

in the insurance year concerned shall be the higher one of the two figures calculated using the following formulas:

1. In the case of paragraph (1) 1:

$$\frac{20 \times \text{number of days recognized for accident prevention activities in the previous year}}{100 \times 365}$$

2. In the case of paragraph (1) 2:

$$\frac{10 \times \text{number of days recognized for accident prevention activities in the previous year}}{100 \times 365}$$

*<This Article Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

#### **Article 18-3 (Recognition Period for Accident Prevention Activities)**

(1) The recognition period by type of accident prevention activity under Article 15 (4) of the Act shall be the period determined according to the following classification:

1. In the case of Article 18-2 (1) 1: for three years from the date of obtaining recognition of accident prevention activities;

2. In the case of Article 18-2 (1) 2: for one year from the date of obtaining recognition of accident prevention activities.

(2) Even in the event that an employer who has obtained recognition of accident prevention activities exceeds the number of ordinarily employed workers specified in Article 15 (4) during the recognition period for accident prevention activities under paragraph (1), the accident prevention premium rate shall be applied.

*<This Article Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

#### **Article 18-4 (Application Period of Accident Prevention Premium Rate)**

The application period of an accident prevention premium rate under Article 15 (4) of the Act shall be from the insurance year following the year to which the date of obtaining recognition of accident prevention activities belongs until the insurance year following the year to which the date of terminating or revoking recognition of accident prevention activities belongs (excluding the case of Article 15 (6) 1 of the



Act).

*<This Article Newly Inserted by Presidential Decree No. 25047,  
Dec. 30, 2013>*

**Article 18-5 (Reasons, etc., for Exclusion from Revocation of  
Recognition of Accident Prevention Activities)**

(1) "Accident prescribe by the Presidential Decree" in the proviso to Article 15 (6) 2 of the Act refers to any of the following accidents:

1. A traffic accident which occurs outside the workplace, such as a traffic accident under Article 29 of the Enforcement Decree of the Industrial Accident Compensation Insurance Act;

2. An accident during an event under Article 30 of the Enforcement Decree of the Industrial Accident Compensation Insurance Act;

3. An accident in a particular place under Article 31 of the Enforcement Decree of the Industrial Accident Compensation Insurance Act;

4. An accident during medical care under Article 32 of the Enforcement Decree of the Industrial Accident Compensation Insurance Act;

5. An accident caused by a third person's act under Article 33 of the Enforcement Decree of the Industrial Accident Compensation Insurance Act; and

6. Any other accident determined and announced by the Minister of Employment and Labor, which is not directly related to the duties of an employer.

(2) "Cases falling under any reason prescribed by the Presidential Decree" in Article 15 (6) 3 of the Act refers to any of the following cases:

1. Where a workplace whose number of industrial accidents, accident rate, ranking related thereto, etc., are publicized pursuant to Article 9-2 of the Occupational Safety and Health Act during the recognition period for accident prevention activities falls under subparagraphs 1 and 3 of Article 8-4 of the Enforcement Decree of the Occupational Safety and Health Act;

2. Where an injured person who needs four days or more of medical care results from a serious industrial accident under Article 49-2 (1) of the Occupational Safety and Health Act during the recognition period for accident prevention activities; and

3. Where measures taken as a result of a risk assessment under Article 18-2 (1) 1 fail to satisfy the standards determined

and announced by the Minister of Employment and Labor.

*<This Article Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

**Article 18-6 (Institution Entrusted with Work)**

"Institution prescribed by the Presidential Decree" in Article 15 (9) of the Act refers to the Korea Occupational Safety and Health Agency under the Act on the Korea Occupational Safety and Health Agency.

*<This Article Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

**Article 19 (Withholding of Employment Insurance Premiums)**

If an employer intends to withhold at source employment insurance premiums (hereinafter referred to as "employment insurance premiums") pursuant to Article 16 (1) of the Act, he/she shall, whenever paying remuneration to an insured worker, deduct the amount of employment insurance premiums to be borne by the insured worker, which are calculated on the basis of the amount of remuneration added by remuneration that have been paid irregularly since the immediately preceding regular payday, from the amount to be paid.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 19-2 (Businesses Excluded from Imposing and Collecting on a Monthly Basis)**

"Business such as construction business etc. prescribed by the Presidential Decree" in Article 16-2 (2) of the Act refers to businesses falling under the following subparagraphs:

1. Construction business (excluding construction equipment operation businesses)
2. Logging from among forestry

*<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 19-3 (Reasons for Calculating Monthly Insurance Premium on a Daily Pro Rata Basis)**

"Reasons prescribed by the Presidential Decree such as a worker's leave etc." in Article 16-4 (3) of the Act refers to reasons falling under any of the following subparagraphs:

1. Workers temporarily off work or taking leave
2. Protective leave pursuant to Article 74 (1) and (2) of the Labor Standards Act

3. Other reasons deemed by the Minister of Employment and Labor as a condition of a worker not providing work  
<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>

**Article 19-4 (Remuneration Excluded from Monthly Average Remuneration etc. when Calculating Premiums)**

(1) "Reasons prescribed by the Presidential Decree such as allowances during business suspension etc. pursuant to Article 46 (1) of the Labor Standards Act" in Article 16-5 of the Act refers to reasons prescribed in each subparagraph of Article 19-3.

(2) Remuneration during the period falling under the reasons pursuant to paragraph (1) shall be excluded from the monthly average remuneration or total remuneration when calculating industrial accident compensation insurance premiums.

<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>

**Article 19-5 (Report of Total Remuneration etc.)**

(1) The matters an employer shall report by March 15 of every year pursuant to Article 16-10 (1) of the Act are as follows: <Amended by Presidential Decree No. 23910, Jun. 29, 2012>

1. Names and resident registration numbers of the workers;
2. Where the employer newly hired a worker during the previous year, the date of employment (referring to the date of acquisition of insured status under Article 13 of the Employment Insurance Act);
3. Where the employer terminated an employment relationship with a worker during the previous year, the date of termination of the employment relationship (referring to the date of loss of insured status under Article 14 of the Employment Insurance Act);
4. Where the employer transferred a worker to another workplace, the transfer date (referring to the transfer date under Article 9 of the Enforcement Decree of the Employment Insurance Act);
5. Each worker's total remuneration in the previous year;
6. Other matters necessary to calculate premiums and prescribed by the Ordinance of the Ministry of Employment and Labor.

(2) The matters an employer shall report when an insurance relationship has been terminated, pursuant to Article 16-10 (2) of the Act, are as follows:

1. Names and resident registration numbers of the workers;

2. Where the employer newly hired a worker during the previous year, the date of employment (referring to the date of acquisition of insured status under Article 13 of the Employment Insurance Act);

3. Where the employer terminated an employment relationship with a worker during the previous year, the date of termination of the employment relationship (referring to the date of loss of insured status under Article 14 of the Employment Insurance Act);

4. Each worker's total remuneration in the year concerned

(3) Notwithstanding paragraph (1) and (2), with regard to workers referred to in paragraph (5), only the total remuneration of the workers concerned may be reported.

(4) The matters an employer shall report in case of newly hiring a worker, pursuant to Article 16-10 (3) of the Act, are as follows:

1. Name, resident registration number and address of the worker

2. The employment date of the worker (referring to the date of acquisition of insured status under Article 13 of the Employment Insurance Act)

3. Monthly average remuneration under Article 16-3 (2) 2 of the Act

(5) "Workers prescribed by the Presidential Decree including those with less than 60 contractual working hours in a month etc." in the proviso of Article 16-10 (3) of the Act refers to persons falling under paragraphs (1) or (2) 1 of Article 3 of the Enforcement Decree of the Employment Insurance Act (excluding workers subject to the Employment Insurance Act).

(6) The matters an employer shall report when he/she has terminated an employment relationship with a worker, pursuant to Article 16-10 (4) of the Act, are as follows:

1. Name and resident registration number of the worker;

2. The date of termination of the employment relationship (referring to the date of loss of insured status under Article 14 of the Employment Insurance Act);

3. Total remuneration paid to the worker;

(7) "Reasons prescribed by the Presidential Decree, such as when a worker takes leave or transfers to another workplace etc.," in Article 16-10 (5) of the Act refers to the following reasons: *<Amended by Presidential Decree No. 23466, Dec. 30, 2011>*

1. Workers temporarily off work or taking leave

2. Transfer from one workplace to another of the same

employer

3. Change of a worker's name, resident registration number or end date of leave

(8) The matters an employer shall report when a worker has any of the reasons prescribed in the subparagraphs of paragraph (7), pursuant to Article 16-10 (5) of the Act, are as follows:  
<Amended by Presidential Decree No. 23910, Jun. 29, 2012>

1. Where the worker does not work due to business suspension, leave or transfer, the start date or end date of the period, the name and resident registration number of the worker, the reason for not working due to business suspension or leave, the name of the workplace he/she was transferred to and the business management number;

2. Where the name or resident registration number of the worker has changed, the particulars of the change of the worker's name or resident registration number

(9) If an employer intends to make a report pursuant to paragraphs (1) through (4) and paragraph (6) and (8), he/she shall fill out and submit a reporting form prescribed by the Ordinance of the Ministry of Employment and Labor.

<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>

#### **Article 19-6 (Report of Total Remuneration by Document)**

"The size prescribed by the Presidential Decree" in the proviso of Article 16-10 (8) of the Act refers to businesses with less than 10 workers as of the end date of the previous year.

<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>

#### **Article 20 (Report and Payment of Estimated Premiums)**

If an employer intends to pay estimated premiums, he/she shall submit a report on estimated premiums to the Corporation and pay estimated premiums in accordance with the statement of payment.

<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>

#### **Article 21 (Application of Total Remuneration of Previous Year)**

"Cases prescribed by the Presidential Decree" in the main part of Article 17 (1) of the Act refers to cases where the estimated total remuneration for the insurance year concerned is 70/100 or more but 130/100 or less of the total remuneration of the previous year.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 22 (Payment in Installments of Estimated Premiums)**

(1) The payment of estimated premiums under Article 17 (3) of the Act shall be made in four quarters per year and the installment payment period is divided as follows:

1. First period: from January 1 to March 31
2. Second period: from April 1 to June 30
3. Third period: from July 1 to September 30
4. Fourth period: from October 1 to December 31

(2) Notwithstanding paragraph (1), any of the following businesses shall not pay estimated premiums in installments:

1. Businesses whose insurance relationship is established after July 1 of the insurance year concerned; and
2. Businesses with a fixed period, such as construction work, etc. and the period is less than six months

(3) If an insurance relationship is established during the insurance year, the first installment payment period of estimated premiums shall be the period determined according to the following classification:

1. Where the insurance relationship is established between January 2 and March 31: the period from the date of the establishment of an insurance relationship to June 30; and
2. Where the insurance relationship is established between April 1 and June 30: the period from the date of the establishment of an insurance relationship to September 30

(4) The amount of estimated premiums to be paid for each installment payment period shall be as follows:

1. The amount of estimated premiums to be paid for each installment payment period pursuant to paragraph (1): the amount produced by dividing the total estimated premiums for the year concerned by four; and
2. The amount of estimated premiums to be paid for each installment payment period pursuant to paragraph (3): the amount produced by multiplying the total estimated premiums for the year concerned by the ratio of the number of days of each installment payment period to the total number of days between the date of the establishment of the insurance relationship and the last day of the year.

(5) An employer who pays estimated premiums in installments shall pay the amount of estimated premiums required to be paid for the first installment payment period until the payment

deadline under Article 17 (1) of the Act and then the amount of estimated premiums for each succeeding installment payment period no later than the fifteenth day of the middle month of each quarter.

(6) An employer who intends to make installment payments pursuant to paragraphs (1) through (5) shall apply for paying estimated premiums in installments to the Corporation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 23 (Request for Revision of Estimated Premiums)**

(1) An employer who intends to make a request for the revision of estimated premiums pursuant to Article 17 (5) of the Act shall submit a revision request form containing the following matters:

1. The requester's name, address or place of residence;
2. The amount of estimated premiums before revision;
3. The amount of estimated premium after revision;
4. The reasons to make a request for revision; and
5. Other reasons for making a request for revision and matters necessary to explain the grounds for the calculations

(2) The Corporation shall inform the requester of the results of the request for revision within two months from the date on which it receives the request for revision under paragraph (1).

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 24 (Adjustment of Premiums Following Changes in Premium Rates)**

(1) If the Corporation has made a downwards adjustment to premiums pursuant to Article 18 (1) of the Act, it shall inform the employer of the downwards adjustment within 20 days from the date on which the decision to decrease premium rates is made.

(2) If an employer has already paid more than the amount he/she shall pay as a result of the downward adjustment of premiums pursuant to paragraph (1), the Corporation shall determine the appropriation and return of the amount mistakenly paid pursuant to Article 23 of the Act and inform the employer of this pursuant to Article 31 (3).

(3) In cases of an upward adjustment of premiums pursuant to Article 18 (1) of the Act, the Corporation or the National Health Insurance Corporation (hereinafter referred to as "Health Insurance Corporation") under Article 13 of the National Health

Insurance Act shall set a payment deadline and inform the employer that he/she should pay additional premiums. *<Amended by Presidential Decree No. 24077, Aug. 31, 2012>*

(4) An employer notified of additional payment of premiums pursuant to paragraph (3) shall pay the increased premiums by the payment deadline: Provided that, if there is a reason deemed justifiable by the Corporation or the Health Insurance Corporation, the payment deadline may be extended once by up to 30 days.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 25 (Standard for Downward Adjustment of Estimated Premiums)**

"The standard amount prescribed by the Presidential Decree" in Article 18 (2) of the Act refers to 30/100.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 26 (Report, Payment, etc. of Final Premiums)**

Articles 20 and 23 shall apply mutatis mutandis to the report and payment of final premiums under Article 19 (1) of the Act and the request for the revision of final premiums under Article 19 (7) of the Act.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 27 (Special Case for Premium Collection)**

"Reasons prescribed by the Presidential Decree, such as when it is difficult to secure basic materials used for premium calculation including a statement of accounts" in Article 20 of the Act refers to cases where the Corporation asks an employer twice or more to submit basic materials needed for premium calculation, such as a statement of accounts, but he/she fails to do so or where the Corporation asks an employer to complement submitted materials because of their considerable unreliability but he/she fails to complement.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 28 (Those Eligible for Support for Employment Insurance Premiums)**

"Cases where the size of a workplace falls within the range prescribed by the Presidential Decree" in Article 21 (1) of the Act refers to cases classified as follows:

1. If a workplace (excluding public institutions under subparagraph 1 of Article 2 of the Act on the Prevention of



Corruption and the Establishment and Operation of the Anti-Corruption and Civil Rights Commission; hereinafter the same shall apply) pays insurance premiums pursuant to Article 16-2 (1) of the Act, the workplace shall fall under all of the following items:

A. The monthly average number of workers (hereinafter referred to as "workers covered by employment insurance") covered by employment insurance pursuant to Article 5 (1) and (2) and Article 6 (1) of the Act in the year preceding the insurance year to which the date of application for support belongs shall be less than 10: Provided that in cases of a workplace whose monthly average number of workers covered by employment insurance in the year preceding the insurance year to which the date of application for support belongs is 10 or more or which has established an insurance relationship pursuant to Article 7 of the Act in the middle of the insurance year to which the date of application for support belongs, the number of workers covered by employment insurance shall continue to be less than 10 for the three months (in cases where a period of less than three months has passed since the date of establishment of the insurance relationship, that period) immediately preceding the month to which the date of application for support belongs;

B. The number of workers covered by employment insurance as of the last day (referring to the date of application or the date of report in case of signing up for employment insurance pursuant to Article 5 (2) of the Act or reporting the establishment of an insurance relationship within the period under Article 11 of the Act while at the same time applying for support) of the month to which the date of application for support belongs shall be less than 10;

C. The number of workers covered by employment insurance as of the last day of each month in the insurance year shall not be 10 or more for three consecutive months since employment insurance premiums began to be supported.

2. If a workplace reports and pays employment insurance premiums pursuant to Article 16-2 (2) of the Act, the workplace shall meet the requirements determined according to the following classification:

A. Where the workplace is a place to deal with administrative affairs of a construction or logging business, the requirements specified in subparagraph 1 A and B as to the number of workers covered by employment insurance shall be

met as of the date on which confirmation of eligibility for support is requested pursuant to Article 29-3 (1);

B. Where the workplace is a place to carry out construction work of a construction business, the total construction cost at the time of signing up for insurance pursuant to Article 5 (2) of the Act, reporting the establishment of an insurance relationship pursuant to Article 11 (1) of the Act or reporting the start of business pursuant to paragraph (3) of the same Article shall be less than 100 million won;

C. Where the workplace is a place to carry out logging operations of a logging business, the volume of lumber permitted at the time of reporting the establishment of an insurance relationship pursuant to Article 11 (1) of the Act or reporting the start of business pursuant to paragraph (3) of the same Article shall be less than 2,700m<sup>3</sup>.

(2) "Cases where the remuneration of a worker falls within the range prescribed by the Presidential Decree" in Article 21 (1) of the Act refers to cases where the amount determined according to the following classification for workers covered by employment insurance is below the amount announced by the Minister of Employment and Labor taking into account the level of remuneration of workers with similar occupations, labor market conditions, etc., after consultation with the Minister of Health and Welfare:

1. In cases of a workplace falling under paragraph (1) 1, the monthly average remuneration calculated pursuant to Article 16-3 of the Act or the monthly total remuneration stated on the report confirming employment details, which is submitted pursuant to the latter part of Article 7 (1) of the Enforcement Decree of the Employment Insurance Act;

2. In cases of a workplace falling under paragraph (1) 2, the monthly average remuneration (referring to the amount calculated by dividing the total remuneration stated at the time of applying for payment by the number of days worked by the relevant worker in the insurance year and then multiplying the result by 30) stated at the time of applying for payment pursuant to Article 29-3 (2) or the monthly total remuneration stated on the report confirming employment details, which is submitted pursuant to the latter part of Article 7 (1) of the Enforcement Decree of the Employment Insurance Act.

*<This Article Newly Inserted by Presidential Decree No. 23910, Jun. 29, 2012>*

## **Article 29 (Level of Support for Employment Insurance Premiums)**

The level of support for employment insurance premiums under Article 21 of the Act shall be announced by the Minister of Employment and Labor taking into account the level of remuneration of workers, etc., after consultation with the Minister of Health and Welfare and shall not exceed 1/2 of employment insurance premiums that are paid by the employer and worker.

*<This Article Newly Inserted by Presidential Decree No. 23910, Jun. 29, 2012>*

**Article 29-2 (Methods and Procedures for Supporting Workplaces Paying Monthly Insurance Premiums)**

(1) If a workplace falling under Article 28 (1) 1 A and B and paragraph (2) of the same Article intends to receive support for employment insurance premiums, the employer of the workplace shall apply for insurance premium support to the Corporation, as prescribed by the Ordinance of the Ministry of Employment and Labor.

(2) Having received an application under paragraph (1), the Corporation shall provide support after checking every month if the employer has paid monthly insurance premiums by the deadline specified in Article 16-7 of the Act. In such cases, employment insurance premiums between the month to which the date of application for support belongs and the end of the insurance year concerned shall be supported. However, if the employer fails to make any of the following reports by the deadline, support shall be provided starting from employment insurance premiums of the month in which the reporting obligation is fulfilled, and if workers covered by employment insurance and eligible for support are daily workers under subparagraph 6 of Article 2 of the Employment Insurance Act, only the monthly insurance premiums of those stated on the report confirming employment details the employer has submitted by the deadline pursuant to the latter part of Article 7 (1) of the Enforcement Decree of the Employment Insurance Act shall be supported:

1. A report of total remuneration under Article 16-10 (1) of the Act;

2. A report of acquisition of insured status under Article 15 of the Employment Insurance Act with regard to workers covered by employment insurance and eligible for support.

(3) If a workplace is receiving support for employment insurance premiums as of the end of an insurance year, and the monthly average number of workers covered by employment

insurance during the period of support for insurance premiums in that insurance year is less than 10, it shall be regarded as a workplace that receives support after applying for support pursuant to paragraph (1) on January 1 of the following insurance year.

(4) If a workplace becomes ineligible to receive support for employment insurance premiums because it does not fall under Article 28 (1) 1 C, it shall not apply for support pursuant to paragraph (1) until the end of the relevant insurance year.

*<This Article Newly Inserted by Presidential Decree No. 23910, Jun. 29, 2012>*

**Article 29-3 (Methods and Procedures for Supporting Workplaces Reporting and Paying Employment Insurance Premiums)**

(1) If a workplace falling under Article 28 (1) 2 intends to receive support for employment insurance premiums, the employer of the workplace shall request the Corporation to confirm the workplace's eligibility for support for employment insurance premiums, as prescribed by the Ordinance of the Ministry of Employment and Labor: Provided that a workplace falling under Article 28 (1) 2 A shall be considered to have received confirmation of its eligibility for support for employment insurance premiums for the following insurance year if its monthly average number of workers covered by employment insurance during the period of support for insurance premiums as of the end of the insurance year is less than 10.

(2) If a workplace has received confirmation of its eligibility for support for employment insurance premiums pursuant to paragraph (1), the employer of the workplace shall report and pay employment insurance premiums to the Corporation by the deadline determined according to the following classification and then apply for support for employment insurance premiums to the Corporation as prescribed by the Ordinance of the Ministry of Employment and Labor:

1. In cases falling under Article 28 (1) 2 A: by the deadline specified in Article 19 of the Act

2. In cases falling under Article 28 (1) 2 B or C: by the end date of construction work or logging operations

(3) Having received an application for support under paragraph (2), the Corporation shall support employment insurance premiums according to the following classification:

1. Where the workplace falls under Article 28 (1) 2 A: The Corporation shall check if there is any worker covered by

employment insurance who falls under Article 28 (2), and then calculate and provide the amount of subsidy for the employment insurance premiums of eligible workers corresponding to the period from the date of request for confirmation of eligibility for support to the last day of the insurance year concerned;

2. Where the workplace falls under Article 28 (1) 2 B or C: The Corporation shall check if there is any worker covered by employment insurance who falls under Article 28 (2), and then calculate and provide the amount of subsidy for the employment insurance premiums of eligible workers corresponding to the period from the start date to the end date of construction work: Provided that the subsidy shall not be provided if the sum of all total remunerations of eligible workers exceeds the amount determined and reported pursuant to Article 13 (6) of the Act at the time of paying insurance premiums;

3. If an employer fails to make a report on insured status under Article 15 of the Employment Insurance Act with regard to eligible workers under subparagraph 1 or 2 by the deadline, the employment insurance premiums of the relevant workers shall be supported from the date on which the reporting obligation is fulfilled, and if workers covered by employment insurance and eligible for support are daily workers under subparagraph 6 of Article 2 of the Employment Insurance Act, only the employment insurance premiums of those stated on the report confirming employment details the employer has submitted by the deadline pursuant to the latter part of Article 7 (1) of the Enforcement Decree of the Employment Insurance Act shall be supported.

*<This Article Newly Inserted by Presidential Decree No. 23910, Jun. 29, 2012>*

### **Article 30 (Recovery of Subsidy for Employment Insurance Premiums)**

(1) If any of the following events occurs in a workplace which has received support for employment insurance premiums, the amount of subsidy determined according to the following classification shall be recovered pursuant to Article 21-2 of the Act:

1. Where the workplace receives support after making an application in a false or fraudulent way in spite of not meeting the relevant requirements at the time of application: all of the received amount;

2. Where the workplace is found to have received support continuously even though its number of workers covered by

employment insurance as of the last day of each month in the insurance year concerned was 10 or more for three consecutive months since employment insurance premiums began to be supported: the amount received since the month following the third consecutive month;

3. Where the monthly average remuneration calculated based on the total remuneration reported by the employer with regard to an eligible worker pursuant to Article 16-10 (1) of the Act exceeds 110/100 of the maximum monthly average remuneration announced pursuant to Article 28 (2)(limited to cases where a worker eligible for support is newly employed in the insurance year): all of the amount received with regard to the relevant worker; and

4. Other cases where it is found that support has been provided for those not eligible for support due to reasons, such as an employer's failure to report, etc.: the amount mistakenly provided.

(2) If there is any of the reasons for recovery of subsidies under paragraph (1), the Corporation shall inform the employer of the fact and then notify and collect the amount to be recovered.

*<This Article Newly Inserted by Presidential Decree No. 23910, Jun. 29, 2012>*

**Article 30-2 (Reasons, etc., for Reduction of Premiums, etc., Due to Natural Disasters, Armed Conflicts, etc.)**

(1) "Special reasons prescribed by the Presidential Decree" in the former part of Article 22-2 (1) of the Act refers to fires, explosions, wars and other equivalent disasters.

(2) The reduction rate prescribed in the latter part of Article 22-2 (1) of the Act shall be 30/100 of insurance premiums and other charges. *<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 30-3 (Reduced Amount of Insurance Premiums In Case of Report Via Information and Communication Network)**

The Corporation may, if an employer reports total remuneration or estimated premiums through an information and communication network for employment and industrial accident pursuant to Article 22-2 (2) of the Act (excluding cases where an employer makes such a report through an insurance work service agency referred to in Article 45 (1)), reduce employment insurance premiums and industrial accident compensation insurance premiums, each by five thousand won.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 30-4 (Reduced Amount of Insurance Premiums In Case of Payment By Means of Electronic Fund Transfer)**

The Corporation may, if an employer pays monthly premiums or estimated premiums by means of an electronic fund transfer pursuant to Article 22-2 (3) of the Act, reduce monthly employment insurance premiums and monthly industrial accident compensation insurance premiums each by 250 won or reduce estimated employment insurance premiums and estimated industrial accident compensation insurance premiums each by 250 won every quarter.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 30-5 (Exemption from Payment of Employment Insurance Premiums, etc.)**

(1) If an employer falls under Article 22-3 of the Act, he/she shall be exempt from paying the employment insurance premiums and arrears thereon (hereinafter referred to as "employment insurance premiums, etc.") incurred before the date of reporting the acquisition of insured status, according to the following classification:

1. Where the employer has reported the acquisition of insured status between July 1, 2012 and June 30, 2013: all of the employment insurance premiums, etc.;

2. Where the employer has reported the acquisition of insured status after the end of the period specified in subparagraph 1: 50/100 of the employment insurance premiums, etc.

(2) Even in the event that an employer who is exempt from paying employment insurance premiums, etc., pursuant to paragraph (1) has a reason to receive support with regard to the relevant workers as a result of an employment security project or a vocational skills development project under Chapter III of the Employment Insurance Act, the Minister of Employment and Labor shall not provide the relevant subsidies to the employer during the exemption period.

*<This Article Newly Inserted by Presidential Decree No. 23910, Jun. 29, 2012>*

**Article 31 (Appropriation and Return of Premiums, etc. Paid in Excess and Their Interests)**

(1) Deleted. <Presidential Decree No. 19973, Mar. 27, 2007>

(2) If an employer has paid in mistake premiums and other charges or received insurance benefits pursuant to Article 89 of the Industrial Accident Compensation Insurance Act, he/she may request the Corporation to appropriate them for premiums and other charges for the following year. <Amended by Presidential Decree No. 22408, Sep. 29, 2010>

(3) If the Corporation intends to appropriate premiums, etc., paid in mistake or insurance benefits for premiums and other charges preferentially or decides to return the balance pursuant to Article 23 (1) through (3) of the Act, it shall inform the employer of this. <Amended by Presidential Decree No. 22408, Sep. 29, 2010>

(4) "The interest rate prescribed by the Presidential Decree" in parts other than each subparagraph of Article 23 (4) of the Act refers to the interest rate on national tax refunds under Article 43-3 (2) of the Enforcement Decree of the Framework Act on National Taxes. <Amended by Presidential Decree No. 23910, Jun. 29, 2012>

<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>

#### **Article 32 (Exception to Collection of Additional Charges)**

"Cases prescribed by the Presidential Decree" in the proviso of Article 24 (1) of the Act refers to the following cases:

1. Where the amount of additional charges is less than three thousand won; and
2. Where total remuneration pursuant to Article 16-10 (1) and (2) of the Act and final premiums are not reported because of natural disasters and other inevitable reasons recognized by the Minister of Employment and Labor.

<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>

#### **Article 33 (Collection, etc of Arrears)**

(1) If an employer fails to pay premiums and other charges until the payment deadline pursuant to Article 25 (1) of the Act, the Health Insurance Corporation shall collect the amount of arrears equivalent to 12/1000 of the premiums and other charges in arrears and for every one month passing after the payment deadline, additionally collect the amount of arrears equivalent to 12/1000 of the premiums and other charges in arrears.

(2) If the period during which arrears are imposed under paragraph (1) exceeds 36 months, 36 months shall be the period



of the imposition of arrears.

(3) "Cases prescribed by the Presidential Decree" in the proviso of Article 25 (1) of the Act refers to the following cases:

1. Deleted. <Presidential Decree No. 23466, Dec. 30, 2011>
2. Where arrears, additional charges and insurance benefits to be collected pursuant to Article 26 of the Act are in arrears;
3. Deleted. <Presidential Decree No. 23466, Dec. 30, 2011>
4. Where premiums and other charges are in arrears because of natural disasters or other inevitable reasons recognized by the Minister of Employment and Labor.

<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>

**Article 34 (Standards for Collection of Industrial Accident Compensation Insurance Benefits)**

(1) The collection of insurance benefits under Article 26 (1) 1 of the Act shall be made to provide medical care benefits, wage replacement benefits, disability benefits, nursing benefits, survivors' benefits, and injury-disease compensation annuities for accidents taking place during the period from the day following the end of the deadline until which insurance coverage must be reported to the day on which insurance coverage is actually reported, and the amount to be collected shall be 50/100 of the insurance benefits determined to be paid for accidents taking place during a period in which the employer neglects to make the report on insurance coverage: Provided that this shall apply only to insurance benefits whose reason for a request for payment occurs between the starting date of medical care (the date of accident, in cases where the victim dies when the accident happens) and the last day of the month containing the date marking one year after the start of the medical care.

(2) The collection of insurance benefits under Article 26 (1) 2 of the Act shall be made to provide medical care benefits, wage replacement benefits, disability benefits, nursing benefits, survivors's benefits, and injury-disease compensation annuities for accidents taking place during the period from the day following the end of the deadline (payment deadline for each quarter in cases of payment in installments under Article 17 (3) of the Act) for payment of estimated premiums or for payment of monthly insurance premiums to the day preceding the date on which the premiums concerned are paid, and the amount to be collected shall be 10/100 of the insurance benefits whose reasons for a request for payment occur between the date of accident to the

day preceding the date on which the premiums are paid. However, insurance benefits shall not be collected in any of the following cases:

1. Where the ratio of premiums paid to monthly premiums of the year concerned that shall be paid by the day the accident happens is 50/100 or more.
2. Where the ratio of premiums paid to estimated premiums that shall be paid in the year concerned (the ratio of premiums paid to estimated premiums which shall be paid by the quarter in which the accident happens in case of payment in installments) is 50/100 or more.
- (3) In case of collecting insurance benefits pursuant to paragraph (1) or (2), if the insurance benefits determined to be paid are disability or survivors' compensation annuities, it shall be considered that lump-sum disability or survivors' compensation are determined to be paid on the day when reasons for a request for payment occurs for the first time.

(4) If reasons falling under Article 26 (1) 1 and 2 of the Act concur with each other, only the insurance benefits whose collection ratio is the highest shall be collected during the period in which they concur.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 35 (Collection of Insurance Benefits from Those Covered by Industrial Accident Compensation Insurance)**

When the Corporation gives a notification of payment of all or part of insurance benefits pursuant to Article 26 (2) of the Act, the payment deadline shall be 30 days or more from the date on which the notification is received.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 36 Deleted.** *<Presidential Decree No. 19973, Mar. 27, 2007>*

**Article 37 (Entrustment, etc. of Public Sales)**

(1) If the Health Insurance Corporation has the Korea Asset Management Corporation under Article 6 of the Act on the Efficient Disposal of Non-performing Assets, etc. of Financial Companies and the Establishment of Korea Asset Management Corporation (hereinafter referred to as "Korea Asset Management Corporation") vicariously conduct a public sale of seized properties pursuant to the former part of Article 28 (2) of the Act, it shall send a request for public sales by proxy containing

the following matters to the Korea Asset Management Corporation: *<Amended by Presidential Decree No. 25279, Mar. 24, 2014>*

1. The delinquent's name, address or place of residence ;
2. The type, quantity, quality and location of the properties to be sold publicly;
3. The particulars and payment deadline of premiums and other charges related to the seizure; and
4. Other matters needed to publicly sell seized properties.

(2) If the Health Insurance Corporation entrusts public sales pursuant to paragraph (1), it shall inform this fact without delay to the delinquent, the security owner, the person who has a right of lease, pledge, or mortgage or other rights to the properties and the person who takes custody of the seized properties.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 38 (Transfer of Seized Properties)**

(1) When entrusting public sales pursuant to Article 37 (1), the Health Insurance Corporation may transfer the properties which it possesses or has a third party keep to the Korea Asset Management Corporation: Provided that in substitution for transferring properties kept by a third party, a certificate of custody of the properties concerned may be transferred.

(2) If the Korea Asset Management Corporation takes over seized properties pursuant to paragraph (1), it shall prepare a statement of transfer or receipt.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 39 (Request for Revocation of Public Sale by Proxy)**

(1) If there is any property remaining unsold within two years from the date of the entrustment of public sales, the Korea Asset Management Corporation may request the Health Insurance Corporation to revoke the entrustment of the public sales of the property.

(2) When the Health Insurance Corporation is requested to revoke the entrustment under paragraph (1), it shall follow that request unless under special circumstances.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 40 (Details of Public Sale by Proxy)**

Necessary matters on public sales vicariously conducted by the Korea Asset Management Corporation pursuant to the former part of Article 28 (2) of the Act, which are not prescribed in this Decree, shall be determined by the Corporation in consultation with the Korea Asset Management Corporation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 40-2 (Value of Inherited Properties)**

(1) Properties gained from inheritance pursuant to Article 28-3 (1) of the Act and the former part of paragraph (2) of the same Article of the Act shall be the amount of value calculated by deducting total liabilities and inheritance taxes which are imposed or required to be paid due to inheritance, from the total assets obtained as a result of inheritance.

(2) The value of total liabilities and total assets under paragraph (1) shall be appraised in accordance with the appraisal methods prescribed in Articles 60 through 66 of the Inheritance Tax and Gift Tax Act.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 40-3 (Report of Successors' Representative)**

(1) The report of successors' representative under the latter part of Article 28-3 (2) of the Act shall be made within thirty days from the date of the commencement of the inheritance and using documents containing the representative's name, address, place of residence and other necessary matters.

(2) The Health Insurance Corporation may, if there is no report as prescribed in the latter part of Article 28-3 (2) of the Act, designate one of the successors as a representative. In such cases, the Health Insurance Corporation shall send each successor documents containing its intention without delay.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 40-4 (Reasons for Exception to Disclosure of Personal Information on High-Amount or Habitual Delinquents)**

(1) When the Health Insurance Corporation makes public personal information on a delinquent pursuant to Article 28-6 (1) of the Act, it shall disclose the delinquent's name, company name (including the name of the corporation), age, address, type of arrears, payment deadline, amount of arrears, points of arrearage, etc., and if the delinquent is a corporation, shall

disclose the representative of the corporation as well.

(2) "Reasons prescribed by the Presidential Decree, such as the partial payment of arrears" in the proviso of Article 28-6 (1) of the Act refers to reasons falling under any of the following subparagraphs:

1. Where 30/100 or more of overdue premiums, other charges and disposition fees for arrears (hereinafter referred to as "amount of arrears") have been paid during the insurance year concerned;
2. Where the collection of arrears has been postponed as a decision to approve rehabilitation plans was made pursuant to Article 243 of the Debtor Rehabilitation and Bankruptcy Act and during the grace period, arrears are being paid according to the payment schedule in the rehabilitation plans; and
3. Where the business experiences a serious crisis due to severe property damage caused by disasters, etc., and the Deliberation Committee on Disclosure of Insurance Premium-related Information prescribed in Article 28-6 (2) of the Act considers that the disclosure of personal information on the delinquent would not bring actual benefits.

(3) When pursuant to Article 28-6 (3) of the Act, the Health Insurance Corporation informs those subject to the disclosure of personal information, etc., on delinquents that they are subject to the disclosure, it shall urge them to pay arrears and if they fall under reasons to be an exception to the disclosure of personal information, etc. pursuant to the proviso of Article 28-6 (1) of the Act, the Corporation shall inform them that they have to submit materials for explanation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 40-5 (Composition and Operation of Deliberation Committee on Disclosure of Insurance Premium-related Information)**

(1) The Deliberation Committee on Disclosure of Insurance Premium-related Information (hereinafter referred to as "Committee") prescribed in Article 28-6 (2) of the Act shall be composed of eleven members including one chairperson.

(2) The chairperson of the Committee shall be assumed by a standing director in charge of relevant work from among the officers of the Health Insurance Corporation and its members shall be appointed or assigned by the president of the Health Insurance Corporation from among those described in the following subparagraphs :

1. One employee of the Corporation;
  2. Three employees of the Health Insurance Corporation
  3. One public official of Grade III or Grade IV at the Ministry of Employment and Labor, who is in charge of collecting premiums for employment insurance and industrial accident compensation insurance;
  4. One public official of Grade III or Grade IV at the National Tax Service; and
  5. Four people with plenty of academic knowledge and experiences in laws, accounting or social insurance.
- (3) The term of the members prescribed in subparagraph 5 of paragraph (2) shall be two years.
- (4) A meeting of the Committee shall be held with the attendance of a majority of the registered members and a resolution shall be passed with the approval of a majority of the members present.
- (5) Necessary matters concerning the composition and operation of the Committee other than those prescribed in paragraphs (1) through (4) shall be determined by the Health Insurance Corporation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 40-6 (Mutatis Mutandis Application of the Framework Act on National Taxes)**

Articles 13 through 17 of the Enforcement Decree of the Framework Act on National Taxes shall apply mutatis mutandis to the provision of security for payment in order to postpone the disposition of overdue insurance premiums and other charges. In such cases, "security for tax payment" shall be read as "security for payment", "national taxes" as "insurance premiums", "guaranty insurance policy for tax payment" as "guaranty insurance policy for payment", "head of a district tax office" or "head of the competent district tax office" as "Health Insurance Corporation", "taxpayer" as "employer", "certificate of tax payment guarantee" as "certificate of payment guarantee", "collateral for tax payment" as "collateral for payment", "national taxes, additional charges and disposition fees for arrears" as "insurance premiums, other charges and disposition fees for arrears", "tax payment guaranty insurance provider" as "payment guaranty insurance provider" and "tax payment guarantor" as "payment guarantor".

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 41 (Deficits Disposal of Charges)**

(1) "Cases as prescribed by the Presidential Decree" in Article 29 (1) 3 of the Act refers to the following cases:

1. Where the delinquent person's whereabouts are unclear;
2. Where it is confirmed that the delinquent person has no property or that the estimated price of the total property subject to the disposition of charges in arrears is too low to have anything left after it is appropriated for the disposition fees;
3. Where it is confirmed that the total property subject to the disposition of charges in arrears is too small to have anything left after it is appropriated for the repayment of claims, such as national and local taxes, which take precedence over premiums and other charges; and
4. Where the delinquent company is exempted from the responsibility for paying premiums, etc. pursuant to Article 251 of the Debtor Rehabilitation and Bankruptcy Act.

(2) If the Health Insurance Corporation intends to make a deficits disposal pursuant to paragraph (1) 1, it shall investigate and confirm the whereabouts of the delinquent person or whether he/she has any property or not through the Si, Gun, tax office and any other institution: Provided that this shall not apply in cases where the amount of arrears is less than one hundred thousand won.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 41-2 (Request for Materials on Arrearage or Deficits Disposal)**

(1) A person (hereinafter referred to as "requester") who requests personal information on a delinquent or a person subject to deficits disposal and materials on the amount of arrears or deficits disposal pursuant to Article 29-2 (1) of the Act shall submit documents containing the following matters to the Health Insurance Corporation:

1. The requester's name and address; and
2. Contents of the requested materials, such as on arrearage, etc., and the purpose of their use

(2) The Health Insurance Corporation, receiving a request for materials on arrearage, etc., pursuant to paragraph (1), may provide them in the form of an electronic file prepared pursuant to Article 41-4 (1) or documents.

(3) If the Health Insurance Corporation has provided

materials on arrearage, etc., pursuant to paragraph (2) and there occurs reasons, such as paying up arrears, canceling deficits disposal, etc., it shall inform the requester of this within fifteen days after the date of the occurrence of the reasons.

(4) Matters necessary for the request and provision of materials on arrearage, etc. pursuant to paragraph (1) through (3) shall be determined by the Health Insurance Corporation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 41-3 (Reasons for Exception to Provision of Materials on Arrearage or Deficits Disposal)**

"Reasons prescribed by the Presidential Decree, such as the as the postponement a disposition on arrears" in the proviso of Article 29-2 (1) of the Act refers to the following cases:

1. Where the Health Insurance Corporation has postponed a disposition on arrears for delinquents (hereinafter referred to as "delinquents") falling under Article 29-2 (1) 1 or 2 of the Act; and
2. Where the Health Insurance Corporation deems a delinquent to be unable to pay the amount of arrears because of reasons falling under any of the following items:
  - A. Where the delinquent suffers severe property damages due to disasters or robbery; and
  - B. Where the business suffers remarkable losses or falls into a serious crisis

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 41-4 (Preparation of Electronic Files for Arrearage or Deficits Disposal)**

(1) The Health Insurance Corporation may prepare materials on arrearage, etc., in the form of electronic files.

(2) Necessary matters concerning the arrangement and management of materials on arrearage, etc., prepared in the form of electronic files pursuant to paragraph (1) shall be determined by the Health Insurance Corporation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 42 (Calculation and Payment of Premiums and Charges for Industrial Accident Compensation Insurance)**

The Corporation or the Health Insurance Corporation shall



calculate every month premiums for industrial accident compensation insurance collected or paid pursuant to Article 31 (5) of the Act and charges pursuant to Article 9 of the Wage Claim Guarantee Act and the allotted charges in regards to the individual falling under Article 31 (1) 1 of the Asbestos Injury Relief Act (tentative English title) (including arrears and additional charges for each) and pay them into the Industrial Accident Compensation Insurance and Prevention Fund (hereinafter referred to as "Industrial Accident Compensation Insurance and Prevention Fund") under Article 95 of the Industrial Accident Compensation Insurance Act and the Wage Claim Guarantee Fund (hereinafter referred to as "Wage Claim Guarantee Fund") under Article 17 of the Wage Claim Guarantee Act and Asbestos Injury Relief Fund (hereinafter referred to as "Asbestos Injury Relief Fund") under Article 24 of the Asbestos Injury Relief Act.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 43 (Accounting Organization for Premiums, etc.)**

The president of the Corporation or the Health Insurance Corporation may appoint a revenue collector for the Industrial Accident Compensation Insurance and Prevention Fund and the Employment Insurance Fund (hereinafter referred to as "Employment Insurance Fund") under Article 78 of the Employment Insurance Act from among the standing directors of the Corporation or the Health Insurance Corporation, and a cashier for the Industrial Accident Compensation Insurance and Prevention Fund, Wage Claim Guarantee Fund, Asbestos Injury Relief Fund and the Employment Insurance Fund from among its employees to have them take charge of collecting premiums and other charges.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 43-2 (Delivery of Documents)**

If the Corporation or the Health Insurance Corporation intends to deliver documents on premiums and other charges under this Act by mail pursuant to Article 32 (2) of the Act, it may send by regular mail.

*<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>*

## *CHAPTER IV*

## **Insurance Work Service Agency**

### **Article 44 (Insurance Work Service Agency)**

"Corporations or individuals that meet the criteria prescribed by the Presidential Decree" in Article 33 (1) of the Act refers to persons falling under any of the following subparagraphs:

1. A juristic person who has obtained authorization or permission from the competent authorities according to related laws; and
2. A person who has been registered pursuant to Article 5 of the Certified Labor Affairs Consultant Act and has been conducting duties under Article 2 of the same Act for three years or more.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

### **Article 45 (Scope of Employers Eligible to Entrust Insurance Work)**

(1) The scope of employers eligible to entrust insurance work to an organization, a corporation or an individual (hereinafter referred to as "insurance work service agency") which has obtained authorization from the Corporation to do insurance work pursuant to Article 33 (1) of the Act shall be limited to those which employ less than three hundred workers.

(2) Even if an employer who has entrusted insurance work employs workers in excess of the number prescribed in paragraph (1) due to business expansion or merger, he/she may continue to be eligible to entrust insurance work during the insurance year concerned.

(3) An insurance work service agency shall, if it is entrusted with insurance work by an employer prescribed in paragraph (1) or if the entrustment of insurance work is terminated, report this fact to the Corporation within fourteen days thereof.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

### **Article 46 (Scope of Insurance Work Able to Be Entrusted)**

The scope of work that may be entrusted to an insurance work service agency pursuant to the latter part of Article 33 (1) of the Act shall be as follows:

1. Reporting total remuneration, etc. pursuant to Article 16-10 of the Act
2. Reporting estimated and final premiums;
3. Administering the status of those insured under employment insurance;

4. Reporting the establishment, change and termination of insurance relationships; and
5. Other insurance work that an employer needs to carry out in connection with a regional labor office or the Corporation.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 47 (Authorization of Insurance Work Service Agency)**

(1) If an agency intends to be entrusted with insurance work pursuant to Article 33 (2) of the Act, it shall submit an application for authorization containing such matters as the contents of entrusted work, and entrusted areas, along with the following documents, to the Corporation:

1. In cases of a cooperation falling under subparagraph 1 of Article 44: A copy of a document proving that the agency has obtained authorization or permission from or has been registered with the competent authorities;
2. In cases of an individual falling under subparagraph 2 of Article 44: A copy of a document proving that the agency is a person described in subparagraph 2 of Article 44;
3. In cases of a corporation or an organization: A copy of bylaws or articles;
4. A copy of rules (hereinafter referred to as "rules on entrustment of insurance work") that the agency will use when making a contract on entrustment of insurance work with a business owner.

(2) The rules on the entrustment of insurance work shall include matters described in the following subparagraphs:

1. Procedures for the entrustment of insurance work and termination of the entrustment;
2. Methods of and procedures for handling insurance work;
3. Accounting methods and procedures of the insurance work service agency;
4. Matters concerning the administration of the status of those insured under employment insurance and the administration of the employment relationships of workers covered under industrial accident compensation insurance; and
5. Other matters concerning responsibilities for reporting and paying total remuneration and premiums.

(3) If a corporation or an organization intends to obtain authorization to be entrusted with insurance work pursuant to

Article 33 (2) of the Act, it is clearly stated in its bylaws, articles, etc. that it can be entrusted to perform insurance work.

(4) "Matters prescribed by the Presidential Decree, such as entrusted areas, etc." in Article 33 (3) of the Act refers to the following matters:

1. Entrusted areas; and
2. Rules on the entrustment of insurance work.

(5) An insurance work service agency shall apply for authorization to the Corporation no later than seven days before the date of change, if it intends to change authorized matters pursuant to Article 33 (3) of the Act, and it shall report to the Corporation no later than thirty days before the date of discontinuation, if it intends to discontinue entrusted work pursuant to Article 33 (4) of the Act.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 48 (Cancellation of Authorization of Insurance Work Service Agency)**

(1) If an insurance work service agency falls under any of the following subparagraphs, the Corporation may cancel the authorization pursuant to Article 33 (5) of the Act: Provided that in cases falling under subparagraph 1, the authorization shall be cancelled:

1. Where the authorization is obtained in false or other fraudulent ways;
2. Where insurance work service is suspended consecutively for two months or longer without justifiable reasons;
3. Where insurance work is carried out in false or other fraudulent ways; and
4. Where the insurance work service agency violates laws or does not comply with the order under laws.

(2) If the Corporation cancels the authorization of an insurance work service agency pursuant to paragraph (1), it shall inform the insurance work service agency and the employer entrusting the insurance work of this fact without delay.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 49 (Hearing)**

The Corporation shall, if it intends to cancel the authorization of an insurance work service agency pursuant to Article 33 (5) of the Act, hold a hearing.

*<This Article Wholly Amended by Presidential Decree No. 22408,*

*Sep. 29, 2010>*

**Article 50 (Notification by Insurance Work Service Agency)**

When an insurance work service agency receives notification, etc. of the payment of premiums and other charges under the Act pursuant to Article 34 of the Act, it shall inform the employer of this without delay.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 51 (Keeping, etc. of Books by Insurance Work Service Agency)**

(1) An insurance work service agency shall prepare the following documents and keep them for three years or more pursuant to Article 36 of the Act:

1. A list of employers who have entrusted insurance work;
2. Books on collection affairs by employer;
3. Books on insurance work other than collection affairs such as the report of the insured, and relevant documents, by employer;
4. Documents relating to the entrustment of insurance work between the employer and the insurance work service agency;
5. Documents relating to applications for and receipts of the subsidies for vicariously carrying out insurance work under Article 52; and
6. Documents relating to the notification of the payment of premiums and other charges imposed on the employer.

(2) The documents prescribed in paragraph (1) may be prepared and kept as electronic documents pursuant to subparagraph 1 of Article 2 of the Framework Act on Electronic Documents and Electronic Commerce.

*<Amended by Presidential Decree No. 24076, Aug. 31, 2012>*

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 52 (Support for Insurance Work Service Agency)**

(1) The Corporation may provide the subsidies (hereinafter referred to as "subsidies for carrying out insurance work") described in the following subparagraphs to an insurance work service agency pursuant to Article 37 of the Act:

1. Subsidy (hereinafter referred to as "subsidy for handling collection affairs") for being entrusted with insurance work by an employer who employs less than 30

ordinarily employed workers and collecting premiums and other charges;

2. Subsidy (hereinafter referred to as "subsidy for managing the insured, etc.") for being entrusted with insurance work by an employer who employs less than 30 ordinarily employed workers and handling insurance affairs such as managing the insured of employment insurance and industrial accident compensation insurance and reporting total remuneration; and
3. Subsidy (hereinafter referred to as "grant for promoting coverage") for being entrusted with insurance work by an employer who employs less than 30 ordinarily employed workers and reporting the establishment of insurance relationships for employment insurance and industrial accident compensation insurance.

(2) The subsidies for carrying out insurance work shall be paid according to the criteria determined by the Minister of Employment and Labor in consideration of premiums and other charges actually paid by the employer entrusting insurance work, the size of the business entrusting insurance work, the results of the management of the insured, such as acquisition or loss of insured status, or the period of entrustment, with the subsidy for handling collection affairs paid half-yearly and the subsidy for managing the insured and the grant for promoting coverage paid quarterly. *<Amended by Presidential Decree No. 23466, Dec. 30, 2011>*

(3) If an insurance work service agency reports the discontinuation of its work during the insurance year pursuant to Article 33 (4) of the Act, the amount of actually paid premiums and other charges under paragraph (2) shall be calculated based on the amount of premiums and other charges paid during the payment period from the first day of the half year concerned until the fifteenth day of the middle month of the quarter to which the date of discontinuation belongs but excluding the amount the employer entrusting the insurance work has paid in accordance with the disposition on charges in arrears under Article 28 of the Act.

(4) The period of entrustment under paragraph (2) shall be counted from the date on which the insurance work service agency reports the entrustment of insurance work to the Corporation pursuant to Article 45 (3).

(5) If an insurance work service agency intends to receive a subsidy for carrying out insurance work, it shall make an

application to the Corporation after the end of each half year in the case of the subsidy for handling collection affairs and after the end of each quarter (the date of discontinuation in cases where the agency reports the discontinuation of its work pursuant to Article 33 (4) of the Act) in the case of the subsidy for managing the insured and the grant for promoting coverage, as prescribed by the Ordinance of the Ministry of Employment and Labor. *<Amended by Presidential Decree No. 23466, Dec. 30, 2011>*

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 53 (Restrictions on Support for Insurance Work Service Agency)**

(1) If an insurance work service agency causes a loss in collecting premiums and other charges, the Corporation may subtract the amount equivalent to the loss from the subsidy for handling collection affairs and/or the subsidy for managing the insured, etc.

(2) If an insurance work service agency neglects to make a report on the acquisition or loss of insured status under employment insurance and fails to comply with a correction order after being issued with the order twice or more by the head of the responsible employment security center, the Corporation shall cut the subsidy for managing the insured etc. allocated to the insurance work service agency concerned by 50/100 and if it fails to comply after being issued with the correction order three times or more, the Corporation shall not pay the subsidy for managing the insured, etc.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 54 (Financing of Subsidies for Carrying Out Insurance Work)**

(1) The subsidy for handling collection affairs shall be financed from the Employment Insurance Fund and the Industrial Accident Compensation Insurance and Prevention Fund in proportion to the percentage of each amount for employment insurance and for industrial accident compensation insurance in the amount paid by the employer.

(2) The subsidy for promoting coverage and the subsidy for managing the insured etc. shall each be financed equally from the Employment Insurance Fund and the Industrial Accident Compensation Insurance and Prevention Fund. Provided that, in

cases of work limited to employment insurance or industrial accident compensation insurance, the Employment Insurance Fund or the Industrial Accident Compensation Insurance and Prevention Fund shall each finance the whole amount.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

**Article 54-2 (Scope of Materials That May Be Requested)**

"Materials prescribed by the Presidential Decree" in the former part of Article 40 (1) of the Act refers to the following materials.

1. Data reported by workplaces and data on monthly insurance premiums of employer-provided insurance policy holders under the National Health Insurance Act;

2. Data reported by workplace-based pension holders and data on monthly pension contributions imposed under the National Pension Act;

3. Business registration data under the Value-Added Tax Act;

4. Data on private school teachers pension holders under the Pension for Private School Teachers and Staff Act;

5. Data on permissions for, and reports on, the cutting of standing timber and the extraction and gathering of forest products under the Forest Resources Creation and Management Act;

6. Data on registered fire-fighting system installation businesses and fire-fighting system installation results under the Fire-Fighting System Installation Business Act;

7. Data on policy holders of accident compensation insurance for fishing vessel crew members under the Act on Accident Compensation Insurance for Fishing Vessels and Their Crew Members;

8. Data on registered electrical construction businesses and electrical construction results under the Electrical Construction Business Act;

9. Construction work-related data among information on contracts under the Act on the Use and Promotion of Electronic Procurement;

10. Construction work-related data among data on reported contract results under the Act on Contracts to Which The State Is A Party;

11. Data on registered information and communications construction businesses and information and communications construction results under the Information and Communications Construction Business Act;



12. Resident registration data under the Resident Registration Act;

13. Materials necessary to collect insurance premiums or other charges, such as a certified copy of the construction machinery register and data on registered construction machinery businesses under the Construction Machinery Management Act, a certified copy of the building register under the Building Act, a certified copy of the motor vehicle register under the Motor Vehicle Management Act, and a certified copy of the land register and of the forest register under the Act on Land Survey, Waterway Survey and Cadastral Records;

14. Materials necessary to confirm the establishment and termination of insurance relationships and impose, collect and calculate insurance premiums, such as data on registered construction businesses, data on reported business closures and transfers and data on construction work results under the Framework Act on the Construction Industry and data on construction permissions and reports, data on reports on commencement of construction, data on revocations of construction permissions, and data on approvals for use of buildings under the Building Act; and

15. Materials necessary to confirm the establishment and termination of insurance relationships and workers' remuneration, such as wage payment data from reports on the status of tax withholding, statements on wage and salary payment, and final returns on tax base of global income under the Income Tax Act and wage payment data from profit and loss statements under the Corporate Tax Act.

*<This Article Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

## *CHAPTER V*

### **Supplementary Provisions**

*<Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 55 (Report, Submission, Investigation)**

(1) "Cases prescribed by the Presidential Decree" in Articles 44 and 45 (1) of the Act refers to the following cases:

1. Where it is needed to confirm matters concerning an insurance relationship, such as the establishment, change or termination of an insurance relationship;
2. Where it is needed to confirm matters concerning the

- calculation and collection of premium, such as the number of workers, the total amount of remuneration, type of business, etc.;
3. Where it is needed to confirm whether an insurance work service agency handles insurance work in a illegal or unfair way or neglects to handle it; and
  4. Where it is needed to confirm the facts in relation to the payment of the subsidies for carrying out insurance work
- (2) The request for a report and submission of related documents under Article 44 of the Act shall be made in written form.

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 56 (Delegation and Entrustment of Authority)**

- (1) The Minister of Employment and Labor may delegate the authority to revoke recognition of accident prevention activities under Article 15 (6) of the Act to the heads of local employment and labor offices pursuant to Article 46 (1) of the Act.

*<Newly Inserted by Presidential Decree No. 25047, Dec. 30, 2013>*

- (2) The scope of work that may be entrusted by the Corporation or the Health Insurance Corporation pursuant to Article 46 of the Act shall be as follows: *<Amended by Presidential Decree No. 25047, Dec. 30, 2013>*

1. The work of receiving premiums and other charges;
2. The work of returning mistakenly-paid premiums, etc.;
3. Work incidental to the work referred to in subparagraphs 1 and 2.

- (3) If the Corporation or the Health Insurance Corporation entrusts work pursuant to paragraph (2), it may pay fees caused by the entrustment to the person entrusted therewith. *<Amended by Presidential Decree No. 25047, Dec. 30, 2013>*

*<This Article Wholly Amended by Presidential Decree No. 22408, Sep. 29, 2010>*

*<Title of This Article Amended by Presidential Decree No. 25047, Dec. 30, 2013>*

#### **Article 56-2 (Approval of Budget and Business Operation Plan)**

- (1) If the Health Insurance Corporation intends to receive the approval of the Minister of Employment and Labor concerning the budget for the following fiscal year pursuant to Article 46-2 (1) of the Act, it shall submit to the Minister of Employment and Labor a budget request form and details of business for the

budget by May 31st of every year.

(2) If the Health Insurance Corporation intends to receive the approval of the Minister of Employment and Labor concerning the business operation plan pursuant to Article 46-2 (1) of the Act, it shall establish a business operation plan without delay after the approved budget under paragraph (1) is confirmed and submit it to the Minister of Employment and Labor.

(3) If the Health Insurance Corporation intends to change the approved budget and/or business operation plan prescribed in paragraph (1) and (2), it shall submit documents containing the reason for and details of change to the Minister of Employment and Labor and receive approval.

*<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 56-3 (Submission of Budget and Business Operation Plan)**

(1) If the Health Insurance Corporation intends to report the business performance and settlement of accounts under Article 46-2 (2) of the Act to the Minister of Employment and Labor, it shall attach the following documents to the final accounts report and submit it to the Minister of Employment and Labor.

1. Financial statements (including the audit opinion of a certified public accountant or an accounting corporation established pursuant to Article 23 of the Certified Public Accountant Act) and annexed documents
2. Other necessary documents for proving the details of the settlement of accounts.

*<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 56-4 (Status Report of Collection of Premiums, etc.)**

The Minister of Employment and Labor may order the Health Insurance Corporation to report in written form the collection status of premiums and other charges, etc. collected in the previous month pursuant to Article 46-2 (3) of the Act by the last day of every month.

*<This Article Newly Inserted by Presidential Decree No. 22408, Sep. 29, 2010>*

#### **Article 56-5 (Self-employed Persons Eligible for Coverage)**

"A self-employed person who meets the requirements prescribed by the Presidential Decree" in Article 49-2 (1) of the Act refers to a self-employed person meeting all of the following requirements: *<Amended by Presidential Decree No. 24638, Jun. 28,*

2013>

1. He/she shall be a self-employed person (referring to the representative director in cases of a corporation; the same shall apply hereinafter) whose date of application for employment insurance coverage is within six months from the business start date stated on his/her business registration certificate issued after registration under Article 168 of the Income Tax Act and Article 8 of the Value Added Tax Act: Provided that if he/she falls under any of the following subparagraphs, the date of application for employment insurance coverage shall meet the requirements determined according to the following classification:

A. Where a self-employed person (hereinafter in this Article referred to as "self-employed insured person") who is covered or is considered to be covered by employment insurance pursuant to Article 49-2 (1) and (2) of the Act intends to sign up for employment insurance again after getting job-seeking benefits, and the business start date stated on his/her business registration certificate is within two years from the end date of job-seeking benefits: the date of application shall be within six months from the date on which two years have passed since the end date of job-seeking benefits;

B. Where a self-employed insured person who lost his/her insured status as a self-employed insured person pursuant to Article 18 of the Employment Insurance Act as he/she acquired insured status as a worker of another business intends to sign up for employment insurance again: the date of application shall be within six months from the date on which he/she lost the insured status he/she acquired as a worker of another business.

2. He/she shall not be engaged in a type of business falling under any of the following subparagraphs:

A. Businesses falling under each subparagraph of Article 2 (1) of the Enforcement Decree of the Employment Insurance Act; and

B. Renting of real estate (under the class codes of the Korean Standard Industrial Classification).

*<This Article Newly Inserted by Presidential Decree No. 23466, Dec. 30, 2011>*

**Article 56-6 (Employment Insurance Premium Rate for Self-employed Persons)**

(1) The employment insurance premium rate under Article 49-2 (7) of the Act shall be as follows:

1. Insurance premium rate for employment security and vocational skills development projects: 25/10,000

2. Insurance premium rate for unemployment benefits:  
20/1,000

(2) If the employment insurance premium rate for self-employed persons under paragraph (1) is increased or decreased, the Corporation shall raise or reduce employment insurance premiums for self-employed persons accordingly.

*<This Article Newly Inserted by Presidential Decree No. 23466, Dec. 30, 2011>*

**Article 56-7 (Mutatis Mutandis Application)**

Articles 31, 33, 37 through 40, 40-6, 41 and 43-2 shall apply mutatis mutandis in regard to the appropriation and return of insurance premiums, etc., paid in excess, collection of arrears and urge for payment thereof, and arrearage and deficits disposal for self-employed persons. In such cases, "employer" shall be read as "self-employed person".

*<This Article Newly Inserted by Presidential Decree No. 23466, Dec. 30, 2011>*

**Article 56-8 (Support for Industrial Accident Compensation Insurance Management Organization)**

(1) If an industrial accident compensation insurance management organization carries out the insurance work referred to in each subparagraph of Article 46 pursuant to Article 49-5 (7) of the Act, it may be paid the relevant subsidy (hereinafter referred to as "subsidy for industrial accident compensation insurance management organizations").

(2) The amount of subsidy for industrial accident compensation insurance management organizations shall be calculated according to the criteria determined by the Minister of Employment and Labor, such as the results of insurance work carried out by an industrial accident compensation insurance management organization, and be paid quarterly.

(3) An industrial accident compensation insurance management organization which intends to receive the subsidy for industrial accident compensation insurance management organizations shall apply for the subsidy for industrial accident compensation insurance management organizations to the Corporation after the end of each quarter (referred to the date of termination in cases where the insurance relationship has been terminated pursuant to Article 49-5 (3) of the Act) as prescribed by the Ordinance of the Ministry of Employment and Labor.

(4) The subsidy for industrial accident compensation

insurance management organizations shall be paid from the Industrial Accident Compensation Insurance and Prevention Fund.

*<This Article Newly Inserted by Presidential Decree No. 23466, Dec. 30, 2011>*

**Article 56-9 (Management of Unique Identifying Information)**

The Minister of Employment and Labor, the Corporation or the Health Insurance Corporation (including persons to whom the duties of the Corporation or the Health Insurance Corporation are entrusted pursuant to Article 56) may manage data containing resident registration numbers or foreigner registration numbers under Article 19 of the Enforcement Decree of the Personal Information Protection Act if it is inevitable in order to perform the following duties: *<Amended by Presidential Decree No. 23910, Jun. 29, 2012>*

1. Duties concerning subscription to, or cancellation of, insurance under Article 5 of the Act;

2. Duties concerning approval relating to blanket application under Articles 8 and 9;

3. Duties concerning report of establishment and termination of insurance relationships under Article 11 of the Act;

4. Duties concerning report of changes in insurance relationships under Article 12 of the Act;

5. Duties concerning changes in the monthly average remuneration under Article 16-3 (4) of the Act;

6. Duties concerning calculation of monthly insurance premiums under Article 16-6 of the Act;

7. Duties concerning services for electronic notification of monthly insurance premiums under Article 16-8 (2) of the Act;

8. Duties concerning report of total remuneration, etc., under Article 16-10 of the Act;

9. Duties concerning report of revised total remuneration under Article 16-11 of the Act;

9-2. Duties concerning support for employment insurance premiums under Article 21 of the Act;

9-3. Duties concerning recovery of subsidies under Article 21-2 of the Act;

10. Duties concerning reduction of insurance premiums, etc. under Article 22-2 of the Act;

10-2. Duties concerning exemption from payment of employment insurance premiums, etc., under Article 22-3 of the Act;

10-3. Duties concerning restrictions on support due to

exemption from payment of employment insurance premiums, etc., under Article 22-4 of the Act;

11. Duties concerning appropriation and return of insurance premiums, etc., paid in excess under Article 23 of the Act;

12. Duties concerning payment in installments of insurance premiums, etc., under Article 27-3 of the Act;

13. Duties concerning report of a representative successor under the latter part of Article 28-3 (2) of the Act;

14. Duties concerning authorization of insurance work service agencies, authorization for modification, report of modification, or report of discontinuation under Article 33 of the Act;

15. Duties concerning support for insurance work service agencies under Article 37 of the Act;

16. Duties concerning requests for provision of materials under Article 40 of the Act;

17. Duties concerning application and approval for industrial accident compensation insurance coverage, report and payment of insurance premiums, and so on for overseas-dispatched workers under Article 47 (2) of the Act;

18. Duties concerning application and approval for industrial accident compensation insurance coverage, report and payment of insurance premiums, and so on in relation to employers of small and medium enterprises under Article 49 (2) of the Act;

19. Duties concerning approval for employment insurance coverage, and so on in relation to self-employed persons under Article 49-2 of the Act;

20. Duties concerning exclusion from industrial accident compensation insurance coverage or application for recovery and report of alterations to industrial accident compensation insurance relationships in relation to those in special types of employment under Article 49-3 (5) of the Act;

21. Duties concerning report of appointment and dismissal of agents under Article 5 (2);

22. Duties concerning appropriation and return of insurance premiums, etc., paid in excess and interest thereon under Article 31; and

23. Duties concerning special cases of reduction of insurance premiums, etc., under Article 2 of the Addenda of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance partially amended by Presidential Decree no. 22408.

*<This Article Newly Inserted by Presidential Decree No. 23466,*

*Dec. 31, 2011>*

## *CHAPTER VI*

### **Fines for Negligence**

#### **Article 57 (Criteria for Imposition of Fines for Negligence)**

The criteria for imposing a fine for negligence pursuant to Article 50 (1) and (2) of the Act is as Table 2.

*<This Article Wholly Amended by Presidential Decree No. 22826, April. 4, 2011>*

#### **Addendum** *<Presidential Decree No. 22807, Mar. 30, 2011>*

This Decree shall enter into force on April 1, 2011.

#### **Addenda** *<Presidential Decree No. 22826, Apr. 4, 2011>*

#### **Article 1 (Enforcement Date)**

This Decree shall enter into force on the date of its promulgation.

#### **Article 2 (Transitional Measures Concerning Fines for Negligence)**

Notwithstanding the revised provisions under Table 2, the previous provisions shall apply regarding application of criteria for imposing fines for negligence concerning an offense committed before this Act enters into force.

#### **Addenda** *<Presidential Decree No. 23282, Nov. 1, 2011; Revision of the Enforcement Decree of the Framework Act on the Construction Industry>*

#### **Article 1 (Enforcement Date)**

This Decree shall enter into force on November 25, 2011.  
<proviso omitted>

**Articles 2 through 5** Omitted.

#### **Article 6 (Revision of Other Decrees)**

(1) Omitted.



(2) Parts of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance shall be revised as follows:

"Subparagraph 5 of Article 2 of the same Act" in the proviso to Article 2 (1) 2 shall be changed to "subparagraph 7 of Article 2 of the same Act".

"Subparagraph 5 of Article 2 of the Framework Act on the Construction Industry" in Article 6 (1) 1 shall be changed to "subparagraph 7 of Article 2 of the Framework Act on the Construction Industry".

(3) through (8) Omitted.

**Addenda** <Presidential Decree No. 23466, Dec. 30, 2011>

**Article 1 (Enforcement Date)**

This Decree shall enter into force on January 1, 2012: Provided that the amended provisions of Articles 56-5 through 56-7 shall enter into force on January 22, 2012.

**Article 2 (Special Case for Subscription to Insurance by Self-employed Persons)**

In applying the amended provisions of Article 56-6 with regard to a self-employed person who registers his/her business at the time when this Decree enters into force, January 22, 2012 shall be deemed the business start date stated on his/her business registration certificate.

**Addenda** <Presidential Decree No. 23910, Jun. 29, 2012>

**Article 1 (Enforcement Date)**

This Decree shall enter into force on July 1, 2012: Provided that the amended provisions of Article 7 (4), Article 17 (3), Article 19-5 (1) and (8) and Article 31 (4) shall enter into force on the date of its promulgation.

**Article 2 (Effective Period)**

The amended provisions of Article 30-5 and subparagraphs 10-2 and 10-3 of Article 56-9 shall remain effective until June 30, 2014.

**Article 3 (Applicability concerning Approval for Recognition of Subcontractor as Employer)**

The amended provisions of Article 7 (4) shall apply to cases

where an application is made to get approval for recognition of a subcontractor as an employer after this Decree enters into force.

**Article 4 (Applicability concerning Calculation of Ratio of Insurance Expenditure to Revenue for Application of Merit Rate)**

The amended provisions of Article 17 (3) shall apply to the amount of insurance benefits determined to be paid due to diseases found after this Decree enters into force.

**Article 5 (Applicability concerning Workplaces Where Construction Work or Logging Operations Are Carried Out)**

With regard to workplaces where construction work or logging operations are carried out, the amended provisions of Articles 28, 29, 29-2, 29-3, 30 and 30-5 shall apply to workplaces that begin construction work or logging operations after this Decree enters into force.

**Addenda** *<Presidential Decree No. 24076, Aug. 31, 2012; Revision of the Enforcement Decree of the Framework Act on Electronic Documents and Electronic Commerce>*

**Article 1 (Enforcement Date)**

This Decree shall enter into force on September 2, 2012. <proviso omitted>

**Article 2** Omitted.

**Article 3 (Revision of Other Decrees)**

(1) Parts of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance shall be revised as follows:

"The Framework Act on Electronic Commerce" in Article 51 (2) shall be changed to "the Framework Act on Electronic Documents and Electronic Commerce".

(2) through (16) Omitted.

**Article 4** Omitted.

**Addenda** *<Presidential Decree No. 24077, Aug. 31, 2012; Revision of the Enforcement Decree of the National Health Insurance Act>*

**Article 1 (Enforcement Date)**

This Decree shall enter into force on September 1, 2012. <proviso omitted>

**Articles 2 through 7** Omitted.

**Article 8 (Revision of Other Decrees)**

(1) through (3) Omitted.

(4) Parts of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance shall be revised as follows:

"Article 12 of the National Health Insurance Act" in Article 24 (3) shall be changed to "Article 13 of the National Health Insurance Act".

(5) through (30) Omitted.

**Article 9** Omitted.

**Addenda** *<Presidential Decree No. 24638, Jun. 28, 2013; Revision of the Enforcement Decree of the Value-Added Tax Act>*

**Article 1 (Enforcement Date)**

This Decree shall enter into force on July 1, 2013. <Proviso omitted>

**Articles 2 through 15** Omitted.

**Article 16 (Revision of Other Decrees)**

(1) and (2) Omitted.

(3) Parts of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance shall be revised as follows:

"Article 5 of the Value-Added Tax Act" in the part other than each item of subparagraph 1 of Article 56-5 shall be changed to "Article 8 of the Value-Added Tax Act".

(4) through (37) Omitted.

**Article 17** Omitted.

**Addendum** *<Presidential Decree No. 24650, Jun. 28, 2013>*

This Decree shall enter into force on July 1, 2013.

**Addendum** *<Presidential Decree No. 25047, Dec. 30, 2013>*

This Decree shall enter into force on January 1, 2014.

**Addenda** *<Presidential Decree No. 25251, Mar. 12, 2014; Revision of the Enforcement Decree of the Occupational Safety and Health Act>*

**Article 1 (Enforcement Date)**

This Decree shall enter into force on March 13, 2014. <Proviso omitted>

**Articles 2 through 5** Omitted.

**Article 6 (Revision of Other Decrees)**

Parts of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance shall be revised as follows:

"Structures, equipment, work behavior, etc., to maintain and promote the safety and health of workers and prevent industrial accidents pursuant to Article 5 (1) of the Occupational Safety and Health Act" in Article 18-2 (1) 1 shall be changed to "structures, machines, instruments, equipment, raw materials, gas, vapor, dust, etc., work behavior or any other work pursuant to Article 41-2 (1) of the Occupational Safety and Health Act".

**Addenda** *<Presidential Decree No. 25279, Mar. 24, 2014; Revision of the Enforcement Decree of the Act on the Efficient Disposal of Non-performing Assets, etc. of Financial Companies and the Establishment of Korea Asset Management Corporation>*

**Article 1 (Enforcement Date)**

This Decree shall enter into force on the date of its promulgation.

**Article 2 (Revision of Other Decrees)**

(1) Omitted.

(2) Parts of the Enforcement Decree of the Act on the Collection, etc., of Premiums for Employment Insurance and Industrial Accident Compensation Insurance shall be revised as follows:

"Act on the Efficient Disposal of Non-performing Assets, etc. of Financial Institutions and the Establishment of Korea Asset Management Corporation" in the part other than each subparagraph of Article 37 (1) shall be changed to "Act on the

Efficient Disposal of Non-performing Assets, etc. of Financial Companies and the Establishment of Korea Asset Management Corporation".

(3) through (34) Omitted.

**Article 3** Omitted.

[Table 1] <Amended by Presidential Decree No. 22408, Sep. 29, 2010>

**Increase/Decrease in Industrial Accident Compensation  
Insurance Premium Rate**  
(Relating to Articles 18 (1))

| Classification  |  | Rate of increase or decrease in industrial accident compensation insurance premium rate by size of business |   |   |   |
|---|--|---|---|---|---|
| Ratio of industrial accident compensation insurance benefits to industrial accident compensation insurance premiums | Businesses excluding construction work and logging                     | 1,000 or more ordinarily employed workers   | 150 or more and less than 1,000 ordinarily employed workers   | 30 or more and less than 150 ordinarily employed workers  | 20 or more and less than 30 ordinarily employed workers   |
|   | Businesses subject to blanket application from among construction work | Total construction amount actually recorded of 200 billion won or more                                      | Total construction amount actually recorded of 30 billion won or more and less than 200 billion won | Total construction amount actually recorded of six billion won or more and less than 30 billion won | Total construction amount actually recorded of four billion won or more and less than six billion won |
| up to 5%  |  | decrease rate by 50%  | decrease rate by 40%  | decrease rate by 30%  | decrease rate by 20%  |
| over 5% up to 10%   |  | decrease by 48%   | decrease by 38.4%   | decrease by 28%   | decrease by 18.4%   |
| over 10% up to 20%  |  | decrease by 42%   | decrease by 33.6%   | decrease by 24.5%   | decrease by 16.1%   |
| over 20% up to 30%  |  | decrease by 36%   | decrease by 28.8%   | decrease by 21.0%   | decrease by 13.8%   |
| over 30% up to 40%  |  | decrease by 30%   | decrease by 24.0%   | decrease by 17.5%   | decrease by 11.5%   |
| over 40% up to 50%  |  | decrease by 24%   | decrease by 19.2%   | decrease by 14.0%   | decrease by 9.2%  |
| over 50% up to 60%  |  | decrease by 18%   | decrease by 14.4%   | decrease by 10.5%   | decrease by 6.9%  |
| over 60% up to 70%  |  | decrease by 12%   | decrease by 9.6%  | decrease by 7.0%  | decrease by 4.6%  |
| over 70% up to 75%  |  | decrease by 6%  | decrease by 4.8%  | decrease by 3.5%  | decrease by 2.3%  |
| over 75% up to 85%  |  | 0   | 0   | 0   | 0   |
| over 85% up to 90%  |  | increase rate by 6%   | increase rate by 4.8%   | increase rate by 3.5%   | increase rate by 2.3%   |
| over 90% up to 100%   |  | increase by 12%   | increase by 9.6%  | increase by 7.0%  | increase by 4.6%  |
| over 100% up to 110%  |  | increase by 18%   | increase by 14.4%   | increase by 10.5%   | increase by 6.9%  |
| over 110% up to 120%  |  | increase by 24%   | increase by 19.2%   | increase by 14.0%   | increase by 9.2%  |
| over 120% up to 130%  |  | increase by 30%   | increase by 24.0%   | increase by 17.5%   | increase by 11.5%   |
| over 130% up to 140%  |  | increase by 36%   | increase by 28.8%   | increase by 21.0%   | increase by 13.8%   |
| over 140% up to 150%  |  | increase by 42%   | increase by 33.6%   | increase by 24.5%   | increase by 16.1%   |
| over 150% up to 160%  |  | increase by 48%   | increase by 38.4%   | increase by 28.0%   | increase by 18.4%   |
| over 160%   |  | increase by 50%   | increase by 40%   | increase by 30%   | increase by 20%   |

[Table 2]<Amended by Presidential Decree No. 22826, April. 4, 2011>

**Criteria for Imposition of Fines for Negligence**  
(Relating to Article 57)

1. General Criteria

A. The criteria for the imposition of fines for negligence according to the number of offenses shall apply to cases where a fine for negligence has been imposed for the same offense in the past one year (in the past three-year period in cases of any violation prescribed in Articles 11, 16-10 (1) and (2), 17 and 19 of the Act). In such cases, the number of offenses shall be calculated based on the date on which a fine for negligence was imposed for the relevant offense and the date on which the same offense was found again.

B. The Minister of Employment and Labor shall, if an offender falls under any of the following conditions, may reduce the amount of fine for negligence under subparagraph 2 by up to half: Provided that this shall not apply to offenders who delay payment of a fine for negligence.

1) Where the offender falls under any subparagraph of Article 2-2 (1) of the Enforcement Decree on the Act on the Regulation of Violations of Public Order;

2) Where the offender has a reason, such as suffering a considerable loss to property due to a natural disaster, fire, etc., or facing a serious crisis due to worsening business conditions;

3) Where the offense is deemed to have been caused by mistake, such as minor carelessness or error;

4) Where the offender has been imposed with fines for negligence, fines, suspension of business, etc., under other Acts for the same offense;

5) Where the offender has corrected or solved the consequences resulting from the offense; or

6) Other cases where it is deemed necessary to reduce the amount of fine for negligence in consideration of the degree of offense, the motive and consequences of offense, etc.

C. The Minister of Employment and Labor may raise the amount of fine for negligence under subparagraph 2 by up to half in any of the following cases: Provided that the amount shall not exceed the maximum amount of fine for negligence under Article 50 (1) or (2) of the Act.

1) Where the offender committed two offenses or more

2) Other cases where it is deemed necessary to raise the

amount of fine for negligence in consideration of the degree of offense, the motive and consequences of offense, etc.

## 2. Individual Criteria

| Type of Offense  | Relevant Provisions         | Amount of Fine for Negligence                     |   |  |
|--|-----------------------------|---|---|--|
|  |                             | Once  | Twice   | Three Times or More                                  |
| A. A person who fails to make a report or makes a false report on insurance relationship under Article 11 of the Act, change of insurance relationship under Article 12, total remuneration etc. under Article 16-10 (1) and (2), estimated premiums under Article 17 or final premiums under Article 19 | Article 50 (1) 1 of the Act | one million won                                   | two million won                                   | three million won                                    |
| B. A person who fails to make a report under Article 16-10 (3) through (5) of the Act or makes a false report  | Article 50 (1) 1 of the Act | 50,000 won per worker, limited to one million won | 80,000 won per worker, limited to two million won | 100,000 won per worker, limited to three million won |
| C. A person who is asked to provide financial transaction information under Article 29-3 (1) of the Act and refuses to provide the financial transaction information without a justifiable reason  | Article 50 (1) 2 of the Act | one million won                                   | two million won                                   | three million won                                    |
| D. A person who fails to keep the books or other documents under Article 36 of the Act or makes a false entry in them  | Article 50 (2) of the Act   | 100,000 won                                       | 300,000 won                                       | 500,000 won  |
| E. A person who fails to report and respond to or makes a false report on the demands under Article 44 of the Act, or does not submit the related documents or submits related documents with a false entry  | Article 50 (1) 3 of the Act | one million won                                   | two million won                                   | three million won                                    |
| F. Where a person answers falsely to questions under Article 45 (1) of the Act or refuses, obstructs or evades investigation under the same paragraph  | Article 50 (1) 4 of the Act | one million won                                   | two million won                                   | three million won                                    |

Note : Among the offenses described in item A of subparagraph 2 of the table above, those committed in violation of Articles 11, 12, 16-10, 17 and 19 of the Act shall be considered separate offenses in calculating their frequency.