

Summary of Employee Benefits Provided by the Labour Law

Taxes / Cost to Employer	Source Law	Definition	Value	Frequency of Payment
NAPSA (National Pension Scheme Authority)	The National Pension Scheme Act of 1996 (Chapter 256).	A contribution made towards social security and pension benefits for eligible workers in Zambia Calculated at 5% of the Employee's Gross pay.	5% of Gross pay (5% employee contribution, 5% employer contribution)	Every Month
NHIMA (National Health Insurance Management Authority)	The National Health Insurance Act No. 2 of 2018.	A contribution made towards the National Health Insurance Management Authority (NHIMA) in Zambia. for eligible workers in Zambia Calculated at 5% of the Employee's Gross pay.	1% of basic pay (1% Employee contribution, 1% Employer Contribution)	Every Month
PAYE (Pay As You Earn)	The Income Tax Act, Chapter 323 (Section 87)	A contribution made towards the Zambia Revenue Authority (ZRA) tax system serves as a mandatory financial obligation imposed on individuals and entities to fund government operations and public services.	Based on the employee's Gross earnings and the applicable tax Bands and rates set by the tax authorities (ZRA).	Every Month
WCFCB (Workers' Compensation Fund Control Board)	Workers' Compensation Act No. 10 of 1999 Chapter 271	A contribution made towards the Workers' Compensation Fund Control Board provides which compensation to workers who suffer occupational injuries, diseases, or death arising out of and in the course of employment.	Determined by the Workers' Compensation Fund Control Board per industry.	Every Year (Annually)

SDL (Skills Development Levy)	Skills Development Levy Act No. 46 of 2016	A contribution made to ZRA towards training and skills development programs aimed at enhancing the capacity and competitiveness of the Zambian workforce.	0.5% of Gross (full) pay	Every Month
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