

Attention: Updated overview of health and employment insurance contributions for Indonesia Employers in 2025:

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Indonesia's social security system is mandatory and comprises two main programs: BPJS Kesehatan (Health Insurance) and BPJS Ketenagakerjaan (Employment Social Security, formerly Jamsostek or BPJS - Human Resource).

BPJS Kesehatan (Health Insurance) Contributions for 2025:

- **Employer Contribution Rate:** 4% of monthly salary up to max IDR 480,000
- **Employee Contribution Rate:** 1% of monthly salary up to max IDR 120,000
- **Maximum Wage Base for Calculation:** *IDR 12,000,000 per month. If an employee's salary exceeds this amount, the contribution is still calculated based on IDR 12,000,000.
- **Minimum Wage Base for Calculation:** Follows the regional minimum wage (UMR/UMP).
- **Coverage for Dependents:** BPJS Kesehatan covers the employee, a spouse, and up to three children (under 21 or under 25 if in education). An additional 1% of salary per extra dependent is charged to the employee for more than five family members.

BPJS Ketenagakerjaan (Employment Social Security) Contributions for 2025:

This program covers various benefits:

- **Jaminan Pensiun (Pension Fund):**
 - **Effective March 1, 2025:**
 - **Employer Contribution:** 2% of monthly salary.
 - **Employee Contribution:** 1% of monthly salary.
 - **Maximum Wage Limit:** *IDR 10,547,400 per month. This is an increase from the previous maximum.
 - **Changes since 2023:** The maximum wage limit for pension contributions has been adjusted annually based on GDP growth. For 2025, it increased from *IDR 10,042,300 to *IDR 10,547,400.
- **Jaminan Kecelakaan Kerja (Work Accident Contribution):**

- **Employer Contribution:** 0.24% to 1.74% of wages, fully paid by employers, depending on the level of risk and protection (e.g., 0.24% for very low-risk, 0.54% for retail/hospitality, 1.74% for hazardous industries).
- **Jaminan Kematian (Death Compensation):**
 - **Employer Contribution:** 0.3% of monthly salary, fully paid by employers.
- **Jaminan Hari Tua (Old Age Security):**
 - **Employer Contribution:** 3.7% of monthly salary.
 - **Employee Contribution:** 2% of monthly salary.
- **Retirement Age:** The retirement age in Indonesia has increased to **59 years** starting January 1, 2025, based on Government Regulation (PP) No. 45/2015. The retirement age is planned to continue increasing by one year every three years until it reaches 65 years by 2043.

Summary of Key Changes since 2023:

- **BPJS Kesehatan:** The employer/employee contribution split changed in 2022 to 4%/1%. The maximum wage cap remains IDR 12,000,000.
- **Pension Fund (BPJS Ketenagakerjaan - JP):** The maximum wage limit for calculation increased to IDR 10,547,400 per month effective March 1, 2025.
- **Retirement Age:** The retirement age has officially increased to 59 years in 2025.

It's crucial for employers to ensure their payroll systems and contribution calculations are updated to reflect these 2025 regulations.

***IDR-The Indonesian Rupiah**