

# PROVISIONAL MEASURE 932/2020

## REDUCTION OF CONTRIBUTION RATES TO THIRD PARTY ENTITIES ("S" SYSTEM)

The Federal Government's announcement of a reduction in the contribution rates to third party entities ("S" System) as one of the measures to fight the global crisis caused by Covid-19 was brought about yesterday (03/31/2020) ) with the publication of Provisional Measure (MP) 932/2020. Thus, until 06/30/2020, the rates of contributions intended to the following third party entities will have the percentages below:

- **SESCOOP** - 1,25% on the payroll
- **SESI, SESC, SEST** - 0,75% on the payroll.
- **SENAI, SENAC, SENAT** - 0,5% on the payroll.
- **SENAR** - 1,25% for the rural producer who chose to withhold based on the payroll.
- **SENAR** - 0,125% on the revenue from the commercialization of the rural production due by the rural producer, either legal entity or agribusiness.
- **SENAR** - 0,10% on the revenue from the commercialization of the rural production due by the rural producer, individual and covered by the social security;

MP 932/2020 comes into force on 04/01/2020; therefore, **the rates must be applied to calculate the months of April, May and June 2020.**

The measure represents a reduction in the amounts of the contributions mentioned above for three (3) months. Regarding the contributions whose calculation bases are the payroll (such as, for example, SESI, SENAI and SESC), we clarify that the (provisional) reduction of the rates does not affect the discussions currently existing in the Judiciary involving the unconstitutionality of the requirement (after the publication of Constitutional Amendment 33/2001) and the limitation of the respective calculation bases to twenty (20) minimum wages.

**For more information, please contact:**

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