

Dominican Republic

1. Government requirement

Registration requirements

Registration of permanent staff with the Ministry of Labor is done via the “Sistema Integrado de Registros Laborales” (SIRLA) portal. The steps are as follows:

- Purchase a pin number for the “planilla de personal fijo” (permanent staff form) DGT-3. The cost is DOP500.
- Purchase a “Libro de Visitas” (Visit Book). The cost is DOP350.
- Request access to the SIRLA portal.
- Register employees in the SIRLA portal using the DGT-3 form.

The following documents are required for the registration of permanent staff with the Ministry of Labor using the SIRLA portal:

- A letter addressed to the Ministry of Labor specifying that the employment contracts for the employees are being submitted.
- Four original contracts for each employee, specifying everything related to the company and the employees.
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The following documents are required for registration with the “Tesorería de la Seguridad Social” (TSS - Social Security Treasury):

- Registration form (form DAE-FO-007)
- Letter requesting registration, specifying the authorized representative, with the seal of the company and signature of the manager or president of the company
- Copy of the identification card of the company manager or president, and of the authorized representative
- Certification issued by the “Dirección General de Impuestos Internos” (DGII) specifying the tax regime and date of registration
- Copy of the certificate of assignment in the “Registro Nacional de Contribuyentes” (RNC), issued by the DGII
- Copy of the bylaws
- Copy of the last assembly minutes
- Copy of the last assembly minutes

For Tax administration DGII

Every individual or legal entity is obliged to register in the Unique Tax Registry when starting any lucrative activity or business (sale of goods or provision of services), subject to a tax under the administration of the General Tax Office.

General requirements:

- Form of Affidavit for the Registration and Updating of Company Data RC-02, filling, stamping (not mandatory) and signed with the corresponding annexes
- Copy of the Commercial Registry certificate
- Copy of the trade name certificate issued by Oficina Nacional de la Propiedad Industrial (ONAPI)

- Copy of the identity and electoral card of the shareholders of both sides and in the event that there are certificates that begin with numbers "402" and "136" and in the case of foreigners without a certificate, a copy of their passport for foreigners who do not have an Identity and Electoral Identity Card
- Copy of the birth certificate (applies in cases that include minors as shareholders)

Important: The data of the receipt of payment of 1% of the social capital, must be contained in the form RC-02.

Ongoing compliance requirements

The following are the compliance requirements related to government bodies:

- Monthly income tax return (form IR-3), for which a receipt is generated by the General Directorate of Internal Taxes. Payment is made on the 10th of each month
- Monthly social security presentation, for which a receipt is generated from the Social Security Treasury system. Payment is made on the third business day of each month
- Monthly presentation of "Infotep", for which a receipt is generated from the Social Security Treasury system. Payment is made on the 10th of each month
- Annual confirmation of active employees, exclusion of terminated employees and projection of vacation days that will be taken by the employees during the year to the SIRLA.

2. Pension requirements

Pension requirements.

There are several pension fund administrators in the Dominican Republic, such as AFP Reservas, AFP Popular and Scotia Crecer AFP. These are independent from the pension fund that the employee normally contributes to at 2.87% per month, up to a cap of DOP269,640.

This amount could vary during the year, a communication is posted in the TSS web page.

3. Employment obligations

Employer Contributions	Percentage	Maximum cap to Rate Pesos
AFP	7.10%	269,640.00
TSS	7.09%	7.09%
Instituto Nacional de Formación Técnico Profesional (INFOTEP)	1.00%	
Labor risk	1.10%	53,928.00
Christmas bonus accrual	8.33%	
Company profits accrual	16.67%	
Vacation accrual (14 días)	3.89%	
Severance accrual (1 a 5 años 13 días)	3.61%	

Minimum wages

According to Article 178, workers acquire the right to vacation every time they complete one year of uninterrupted service in a company. If they work under a contract for an indefinite period and, without any fault on their part, cannot provide uninterrupted services for a year because of the

nature of their work or due to any other circumstance, they are entitled to a period of vacation proportional to the time worked, if it is more than five months (Article 179).

For employees who cannot complete a year of work without interruption, Article 180 establishes the following scale:

- Workers with more than five months of service get six days of vacation.
- Workers with more than six months of service get seven days of vacation.
- Workers with more than seven months of service get eight days of vacation.
- Workers with more than eight months of service get nine days of vacation.
- Workers with more than nine months of service get 10 days of vacation.
- Workers with more than 10 months of service get 11 days of vacation.
- Workers with more than 11 months of service get 12 days of vacation.

Law 16-92 of the Labor Code states that the employer is obliged to pay the worker a payment of one-twelfth of the ordinary salary they have earned during the calendar year. The period determined for the employer to pay the Christmas bonus is from 6 December to 20 December.

Participation in company profits:

According to Law No. 16-92 of May 29, 1992 ("Labor Code"), every employer is obliged to grant a participation equivalent to 10% of the annual profits or net benefits to all its workers for an indefinite period, under the limits established by the provisions of article 223 of the Labor Code.

According to the aforementioned Article 223, said individual participation will not exceed 45 days of ordinary salary for those workers whose employment contract does not exceed 3 years; and 60 days when it exceeds said period.

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It is not considered salary for the purposes of calculating labor benefits, nor must it pay social security, but it must pay income tax and 0.5% of INFOTEP.

4. Payroll requirements

- As per statutory requirements, employees in the Dominican Republic must receive either monthly or biweekly payments.
- Monthly income tax return presentation through form IR-3 generated by the General Directorate of Internal Taxes, for which payment is made on the 10th of each month
- Monthly social security reporting, for which a receipt is generated from the Social Security Treasury system, and payment is made on the third business day of each month
- Monthly INFOTEP reporting, for which a receipt is generated from the Social Security Treasury system and payment is made on the 10th of each month.
- Annual confirmation of active employees, exclusion of terminated employees and projection of vacation days that will be taken by the employees during the year to the SIRLA.

5. Banking requirements related to payroll

This information is not available.