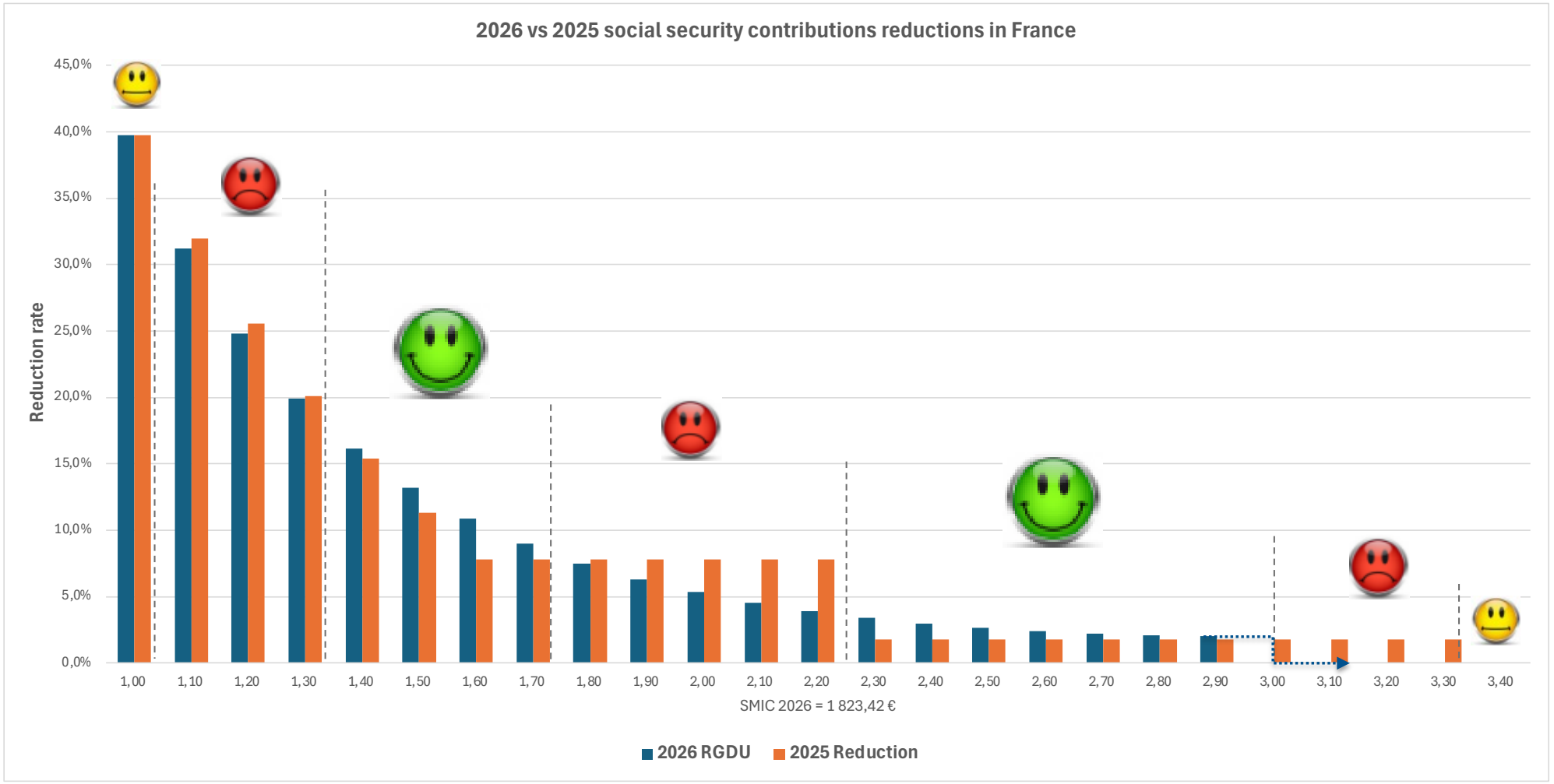
Will your 2026 social security contributions reductions be more advantageous than in 2025?

With the reform of social security contributions reduction in 2026, providing for a more complex formula for calculating the RGDU (unified general degressive reduction), companies will only benefit for salaries between 1.3 and 1.7 times the SMIC and those between 2.25 and 3 SMIC, compared to the rules in force in 2025 in France.



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For employees earning the minimum wage (SMIC), the maximum RGDU reduction is 39.73% for companies with fewer than 50 employees and **40.13%** for companies with 50 or more employees. This was already generally the case with the 2025 reduction measures.

The reduction then becomes degressive, with a more convex and gentler trajectory than before, of the type:

Black track between 1 SMIC (**39.73% or 40,13%**) and 1.3 SMIC (**19.9%**)

Red track from 1.4 SMIC (**16.2%**) to 2 SMIC (**5.3%**)

Blue track from 2.1 SMIC (**4.5%**) to 2.99 SMIC (**2% and 0** beyond, with an exit point at 3 SMIC).

While overall, contributions reductions should decrease and labor costs increase according to experts, on a case-by-case basis, the RGDU scheme may be more attractive depending on the existing salary levels, for example around one and a half times the minimum wage.

To know the budgetary impact in your company, you must therefore take out your calculator and take into account the salary levels of all people whose remuneration does not reach 3 times the minimum wage.

As a reminder, the formula for the reduction coefficient is: $C = Tmin + (Tdelta \times [(1/2) \times ((3 \times SMIC / RAB) -1)]^{P}$
Tmin = 2%; Tdelta = 37.73% (FNAL 0.10%) or 38.13% (FNAL 0.50%); RAB = gross annual remuneration as defined in L.242-1 article of the social security code including PPV (value sharing bonus); P=1.75

If needed, do not hesitate to consult us for advice on budget adjustments, salary policy or compensation strategy and financial simulations related to these social security contribution reductions.