

Obligations of sole proprietor as an employer

SOLE PROPRIETOR AS AN EMPLOYER IS OBLIGED TO:

- ✓ register the employees in the employment register – this obligation arises to sole proprietors if they employ people under the employment contract or the law of obligations act (contract for services, authorisation agreement or any other contract concluded for the provision of services) and have to pay taxes on the employees' earnings;
- ✓ enter in the employment register also persons working for them voluntarily without remuneration (see more information in section "**Employment register**");
- ✓ withhold income tax, unemployment insurance premium and contribution to the mandatory funded pension (if the employee has joined the second pension pillar) from the payments made to the employees;
- ✓ calculate and pay social tax;
- ✓ pay unemployment insurance premiums on the payments made to the employees;
- ✓ submit a **tax return for income tax, social tax, contribution to the mandatory funded pension and unemployment insurance premium (Form TSD)** together with the corresponding annexes to the Estonian Tax and Customs Board not later than by the 10th date of the month following the month when the payments were made, and transfer the above-mentioned taxes and payments into the bank account of the Estonian Tax and Customs Board not later than by the same deadline.