



The New Holiday Act in Brief

The new Danish Holiday Act will enter into effect on 1 September 2020. Here you will find some of the most important similarities and differences between the old and new legislation.

SIMILARITIES

Number of Days of Holiday Stay the Same

As an employee you earn 2.08 days of holiday per month, which adds up to 25 days of holiday per year.

Same Right to Spend Five Weeks of Holiday

You are entitled to spend 5 weeks of holiday per year even if you have not saved up days of holiday in your current workplace. The days of holiday that you have not saved up for will be spent at your own expense.

Holiday Savings for Salaried Employees

As a salaried employee, you save up 2.08 days of paid holiday a month. In addition, you earn a special holiday allowance of 1%.

Holiday Savings for Hourly Paid Employees

As an hourly paid employee, you save up 2.08 days of holiday a month, the holiday pay is 12.5 % of your wages.

DIFFERENCES

Staggered Holiday Abolished

With the old Holiday Act you have earned your days of holiday from 1 January to 31 December in one year and spent your holiday from 1 May to 30 April in the following two years. With the new Holiday Act, the staggered holiday is abolished.

Concurrent Holiday Implemented

With the new Holiday Act, the holiday year changes and you will get concurrent holiday. This means that saving and spending your holiday can happen concurrently. With the concurrent holiday you have already earned your first days of holiday after one month's work. The holiday savings period goes from 1 September in one year to 31 August in the next year.

Holiday Spending Period Prolonged

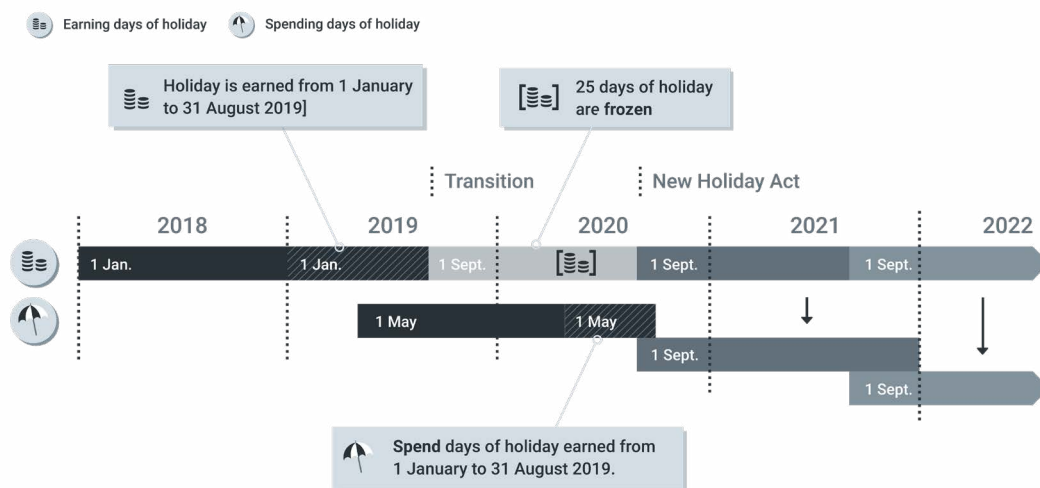
With the new Holiday Act, the period where you can spend your days of holiday has been prolonged by four months. You can spend your days of holiday between 1 September in one year to 31 December in the next year.



Until the Holiday Act Becomes Effective

To ensure a good and fair transition period from the old Holiday Act until the new Holiday Act becomes effective, special legislation for the transition period has been passed. The transition period goes from 1 September 2019 to 31 August 2020. This transition year ensures that employees can spend the days of holiday that they are entitled to.

Timeline for the Transition Period



Source: Regeringen.dk

Frozen Holiday Savings

In the transition period, the days of holiday that you earn from 1 September 2019 to 31 August 2020 will be frozen. The holiday savings will be calculated as 12.5 % of your salary or wage. This goes for both salaried and hourly paid employees. The frozen funds will be paid out to you directly from Lønmodtagernes Fond for Tilgodehavende Feriemidler when you retire. They will not be subject to taxation until the date of your retirement.

Holiday in the Transition Period

Most employees can spend their days of holiday as they are used to in the transition period. This is possible because of the 16.7 days of holiday that you have earned from 1 January to 31 August 2019 can be spent between 1 May 2020 and 30 September 2020. It is also possible to transfer excess days of holiday the new Holiday Act becomes effective.

New in the Labour Market, Foundation Paid Days of Holiday

If you are new in the labour market, and have been employed between 1 September and 31 December 2019, and if you have saved up less than 8.3 days of holiday between 1. January and 31 August 2019, you may be entitled to receive up to 8.3 foundation paid days of holiday. These days of holiday can be spent between 1 May and 30 September 2020. You can apply for foundation paid days of holiday on Borger.dk.

ZENEgy PAYROLL SYSTEM SUPPORTS THE NEW HOLIDAY ACT

With Zenegy Payroll, we ensure that our system gives you the best possible overview of your days of holiday during the transition period and when the new Holiday Act becomes effective. As an employee you do not have to do anything, everything is automatically updated in the system!