



Information about the new deposit law: deduction of 20% from asylum seekers' salaries.

What is the new law?

According to the anti- infiltration law, a new amendment states that starting in May the employer will deduct 20% of your salary and deposit it into a special bank account (deposit) that will be opened under your name at Mizrahi-Tefahot Bank. It is important to know that 20% have dropped only from base salary, rather than from overtime pay, travel and more. It is important to know that 20% will be deducted from the base salary, and not from overtime, transportation, etc. In addition to this deduction, the employer will also deposit 16% on his part. This amount will replace the components of the pension, severance pay and vocational fund to those who are entitled to it, which were previously deposited into different funds or paid to you upon ending employment.

This amount does not replace the income tax payment - it's in addition to it. Income tax is money that goes to the state and you will not get it back, the 20% will be returned to you at the end. This law applies to all persons who entered Israel from Sinai, either with a conditional visa (2A5) or a working visa (B1). It does not apply to holders of a resident's certificate (A5).

What happens to the rights that I've accumulated during my work before May 2017?

It is important to clarify that according to our understanding of the law, the benefits you accumulated until May 2017 will not be taken from you, and the employer is not supposed to transfer it to the new account. For example, if you have been working since May 2016 and will be dismissed in May 2018, you will be compensated for one year's work directly from the employer's hand (in the salary slip) and the second year's compensation will be waiting for you in the deposit.

When can we receive the money?

The money from the account will be released to you only upon leaving Israel. Also, if you receive refugee status in Israel, you will not have to make deposits from your salary into the account (but the law does not determine whether you can receive the funds already accumulated in this case). We believe that this matter will be clarified later on.

You will also have the right to ask the bank for a written update about the status of the sums and movements in the account whenever you wish.

Can anyone take those sums from me?

No one can withdraw money from your account except for one exception: If your visa is canceled and the state demands that you leave the country, but you stay here 30 days longer then the deportation date, then you can be fined and money will be confiscated from your account. It is important to know: The amount confiscated can only be from the employer's part in the deposit, which is the 16%.

The longer you stay without a visa, the bigger the amount that can be taken away from your account (up to a maximum of 80% of the employer's part in the deposit).

Kav LaOved Protecting Workers' Rights

 Tel Aviv
 Nahalat Binyamin 75, Box 2319, Tel Aviv-Yafo 61022
 Tel: 03-6883766
 Fax: 03-6883537

 Haifa
 Herzel 18, Room 224, Haifa 33121
 Tel: 04-8643350
 Fax: 04-8644238

 Nazareth
 HaBsora Center, Box 2694, Nazarath 16126
 Tel: 04-6082228
 Fax: 153-4-6082228

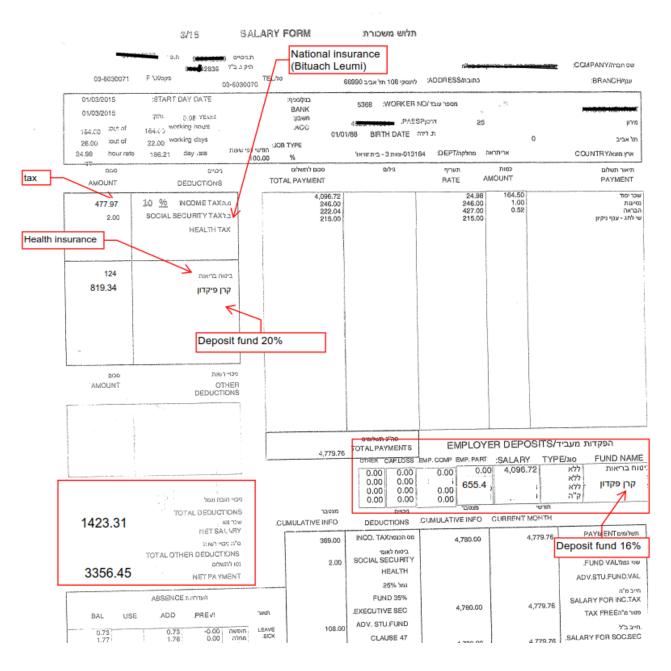
web site: www.kavlaoved.org.il | e-mail: email@kavlaoved.org.il





Can this law be repealed?

We at Kav LaOved- Worker's Hotline, oppose to this amendment and are trying to cancel it. Together with partner organizations, we appealed to the Supreme Court on this matter and as soon as there's any news, we will update you.



An example of a slip after deduction of 20%

Kav LaOved Protecting Workers' Rights

 Tel Aviv
 Nahalat Binyamin 75, Box 2319, Tel Aviv-Yafo 61022
 Tel: 03-6883766
 Fax: 03-6883537

 Haifa
 Herzel 18, Room 224, Haifa 33121
 Tel: 04-8643350
 Fax: 04-8644238

 Nazareth
 HaBsora Center, Box 2694, Nazarath 16126
 Tel: 04-6082228
 Fax: 153-4-6082228

web site: www.kavlaoved.org.il | e-mail: email@kavlaoved.org.il