Tunisia

Payroll & Employment Law Guide

2026 Edition · Last updated August 2026

Labour Code (1966, as amended) · Finance Law 2025 (Law 48-2024) · CNSS Social Insurance

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Overview

A reference for employing in Tunisia

Regional Note: Tunisia is a nearshore tech and BPO hub for European companies, especially French-speaking markets. French is the operative language for all payroll, contracts, and regulatory filings. Unlike Gulf countries, there is NO expatriate exemption from CNSS or IRPP: all employees (Tunisian and foreign) contribute at identical rates. Skilled tech talent costs 60–70% less than equivalent French/Belgian profiles.

48h	17.07%	TND 528.320	40%
MAXIMUM WORKING WEEK	EMPLOYER CNSS RATE	48-HOUR MONTHLY SMIG	TOP IRPP RATE

WHAT THIS GUIDE COVERS

I

Company Setup & Business Environment

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LEGAL ENTITY TYPES

— SARL (Société à Responsabilité Limitée): Most common for foreign investors; lower capital requirements.

— SA (Société Anonyme): For larger operations or listed companies.

— Branch (Succursale): Direct presence; taxable in Tunisia.

— EOR Option: International companies can employ Tunisian staff without a local entity through an EOR/PEO service.

KEY REGULATORY AUTHORITIES

AUTHORITY	FUNCTION
CNSS (cnss.tn)	Social insurance: contributions, registration, sick/maternity benefits
DGI	Income tax (IRPP) withholding and annual filings
CAVIS	Supplementary pension for higher earners (> 6× SMIG threshold)
Inspection du Travail	Labour inspection, work permit approvals, dispute mediation

II · WORKING HOURS & LEAVE

STANDARD HOURS

— Maximum: 48 hours/week (most sectors); 40 hours/week (administrative roles).

— Daily maximum: 10 hours (can extend to 64 hrs/week in exceptional interruption cases).

— Weekly rest: minimum 24 consecutive hours (typically Sunday).

II

Working Hours & Leave

OVERTIME

TYPE	PREMIUM
Daytime overtime	+25% (125% total)
Night shift overtime	+50% (150% total)
Weekly rest day work	+75% (175% total)

ANNUAL LEAVE

TENURE WITH SAME EMPLOYER	ENTITLEMENT
Base entitlement	12 working days/year minimum
+1 day per each 5 years with same employer	Up to 18 working days maximum

Note: Public holidays and sick leave are separate from annual leave. Employees receive full wages during annual leave. Unused leave cashed out on termination.

SICK LEAVE

— Paid through CNSS from day 4 onward (employer covers first 3 days).

— Short-term: 66.7% of average daily wage; extends up to 6 months.

— Long-term (> 6 months, up to 3 years): typically 50% of average daily wage.

— Medical certificate required. Employer coordinates with CNSS.

MATERNITY LEAVE

— Duration: 30 days paid (CNSS funds at 66.7% of average daily wage).

II

Working Hours & Leave

- Extended by 15 days if illness from pregnancy/childbirth (medical certificate required).
- Pre-natal leave: 15 days during last month of pregnancy.
- Qualifying condition: minimum CNSS contribution period.
- Employer cannot terminate pregnant employees.

> Verify before payroll
> VERIFY: Maternity leave total duration varies in sources (30 days vs 3 months total). Verify exact entitlement from current Labour Code text and CNSS guidelines before HR policy design.

PATERNITY LEAVE

1 day paid (some sources cite 2 days); within 7 days of birth.

> Verify before payroll
> VERIFY: Paternity leave duration: Labour Code sources cite 1–2 days. Verify current provision.

PUBLIC HOLIDAYS

Approximately 12 national holidays (9 paid non-working days): New Year (1 Jan), Revolution Day (14 Jan), Independence Day (20 March), Youth Day (21 March), Labour Day (1 May), Republic Day (25 July), Women's Day (13 August), Evacuation Day (15 October), National Day (7 November), Eid Al-Fitr (2 days), Eid Al-Adha (2 days), Islamic New Year, Prophet's Birthday.

III · CNSS SOCIAL INSURANCE: 2026

2025/2026 Change: Finance Law 2025 (Law 48-2024) increased both employer and employee CNSS rates by +0.5% effective 1 January 2025, to fund the new Unemployment Insurance Fund for Economic Reasons. Previous rates (16.57% / 9.18%) are now 17.07% / 9.68%.

III

CNSS Social Insurance: 2026

CONTRIBUTION	2024 RATE	2025–2026 RATE	APPLIED TO
Employer CNSS	16.57%	17.07%	Gross salary
Employee CNSS	9.18%	9.68%	Gross salary
Combined total	25.75%	26.75%	

> Verify before payroll
> VERIFY: Some sources (Trading Economics, older datasets) still show 16.57%/9.18%. Verify current rate at cnss.tn. Also confirm whether Finance Law 2026 introduced any further change.

SOCIAL SOLIDARITY CONTRIBUTION (SSC / CSS)

— Rate: 0.5% of gross salary: applied to both employer and employee.

— Extended through FY 2026 under Finance Law 2026.

— Applied on gross salary before CNSS deductions.

— VERIFY: Some sources indicate SSC reverts to 1% in 2026; others confirm 0.5%. Check Finance Law 2026 text.

CAVIS: SUPPLEMENTARY PENSION

Applies to employees earning above 6× SMIG per month (~TND 3,048/month threshold in 2025). Separate supplementary contribution on salary above the threshold. DOĞRULA / VERIFY current CAVIS rate and 2026 threshold at cnss.tn.

CNSS FILING & REGISTRATION

— All employees registered with CNSS within 1 month of hiring.

— Monthly CNSS declarations; contributions collected quarterly in practice.

— Late payment: penalties apply.

— Annual payroll reconciliation required.

IV

Income Tax: IRPP

PROGRESSIVE SCALE (FINANCE LAW 2025: NEW 8-BRACKET SCALE FROM 1 JANUARY 2025)

ANNUAL TAXABLE INCOME (TND)	RATE
0 – 5,000	0% (exempt)
5,001 – 10,000	15%
10,001 – 20,000	25%
20,001 – 30,000	30%
30,001 – 40,000	33%
40,001 – 50,000	36%
50,001 – 70,000	38%
Above 70,000	40%

CALCULATION SEQUENCE:

— Gross salary − CNSS employee contributions (9.68%)

— − Professional expenses deduction: 10% of salary (capped at TND 2,000/year)

— Apply annual progressive bracket → annual IRPP

— Monthly IRPP withheld = annual IRPP ÷ 12

— SSC (0.5%) withheld separately on gross salary

— Employer remits IRPP + SSC to DGI monthly.

IV

Income Tax: IRPP

NON-RESIDENT FLAT RATE

Foreign employees working in Tunisia for 6 months or less per fiscal year may opt for a 20% flat rate on gross income instead of the progressive scale.

V · MINIMUM WAGE (SMIG)

SECTOR	MONTHLY RATE (2025–2026)
Non-agricultural (48-hour week)	TND 528.320/month
Non-agricultural (40-hour week)	TND 448.238/month
Agricultural/industrial daily rate	TND 20.320/day

Note: SMIG last updated January 2025; unchanged for 2026. Monitor government decrees. In practice, skilled and technical roles command 3–10× SMIG in the market. Tech talent in Tunis typically earns TND 3,500–7,000/month for mid-senior roles.

VI · GROSS-TO-NET ILLUSTRATION (TND 3,000/MONTH)

ITEM	CALCULATION	TND/MONTH
Gross salary		3,000
− CNSS employee (9.68% × 3,000)		−290
− SSC (0.5% × 3,000)		−15
Net after contributions	3,000 − 305	2,695
− Professional expenses (10%, cap TND 167/mo)		−167
Monthly net taxable	2,528/month = TND 30,336/year	2,528
− IRPP (annual: 33% bracket)	approx. TND 4,811/yr ÷ 12	−401
▸ Estimated net take-home		~2,284

VI

Gross-to-Net Illustration (TND 3,000/month)

EMPLOYER COST ITEM	TND/MONTH
Gross salary	3,000
+ CNSS employer (17.07% × 3,000)	+512
+ SSC employer (0.5% × 3,000)	+15
▸ **Total employer cost**	~3,527 (~117.6% of gross)

Note: Employer on-cost ~17–18% above gross for standard roles. CAVIS adds further cost for employees above the 6× SMIG threshold. For tech/senior profiles at TND 8,000+/month, effective employer burden approaches 20%+.

VII · SEVERANCE PAY

Statutory severance under the Labour Code. Applies to employees dismissed after probation for reasons other than serious misconduct.

CATEGORY	FORMULA	CAP
Standard (Labour Code)	1 day's wage per month of continuous service	3 months' salary (90 days)
Sector CBA (insurance, construction, services, banking)	1 month per year of service	6–12 months (per CBA)
Unfair/abusive dismissal (court awarded)	1–2 months' wages per year of service	3 years' total wages maximum

Note: Serious misconduct: no severance. Sector CBA applies if applicable: verify your sector before contracting. Labour Code cap is 90 days; many sectors have significantly higher CBA caps.

VIII · HIRING & TERMINATION

EMPLOYMENT CONTRACTS

- Written contracts in Arabic or French.
- Fixed-term (CDD): maximum 4 years total (including renewals); auto-converts to CDI beyond maximum.
- Open-ended (CDI): default; requires valid grounds and notice for termination.

VIII

Hiring & Termination

— Foreign national contracts: maximum 1 year, renewable once with authority approval.

PROBATION PERIOD

EMPLOYEE CATEGORY	MAXIMUM PROBATION
Workers (ouvriers)	3–6 days
Employees (employés, clerical)	Up to 3–6 months (per CBA)
Senior/management	Typically 6 months

Note: No notice or severance required during probation. Probation period must be stated in the contract.

NOTICE PERIODS (CDI)

SERVICE / CATEGORY	NOTICE
General employees: up to 1 year	1 month (unless CBA provides longer)
General employees: 1–5 years	1–3 months (per Labour Code + CBA)
Senior employees / executives	Up to 3 months

Employer must state reasons for termination in written notice. Pay in lieu of notice permitted. During second half of notice period: employee entitled to time off for job search (no salary loss).

PROTECTED CATEGORIES: LABOUR INSPECTORATE APPROVAL REQUIRED

— Union representatives

— Pregnant women

— Employees on maternity, sick, or annual leave

IX

Work Permits & Visas for Foreign Employees

Foreign employees must have both an employment contract and a residence card with work authorisation before starting work in Tunisia.

REQUIREMENT	DETAIL
Work authorisation	Included in residence card (Carte de Séjour); issued by relevant authority

REQUIREMENT	DETAIL
Employment contract limit	Maximum 1 year for foreign national with Tunisian company
Renewal	Renewable once with authority approval; more renewals possible for approved development projects
Exemptions	Managers with full powers, legal representatives, employees of international organisations
Processing time	Typically 2–4 weeks; complex cases longer

> Verify before payroll
> VERIFY: Foreign national contract maximum duration (1 year) and renewal rules: verify current position with Inspection du Travail as regulations may have been updated.

X

Practical Notes & Key Risks

— CNSS rate changed January 2025: Both employer (17.07%) and employee (9.68%) rates increased by +0.5%. Any payroll model built on 2024 data (16.57% / 9.18%) is understating costs.

— No Gulf-style expat exemption: All employees pay CNSS + IRPP at the same rates. Budget total employer cost at ~117–120% of gross for standard roles.

— Severance cap is low but CBA can be high: Labour Code caps at 90 days; tech and services sector CBAs can reach 6–12 months. Know your sector CBA before setting employment terms.

— IRPP new 8-bracket scale from 2025: Higher earners (TND 50,000+/year) now face 38–40% marginal rates. Factor into executive compensation planning.

— Non-resident 20% flat rate: For short-term assignments (≤6 months/year), the flat 20% rate can be more favourable than the progressive scale for mid-to-high earners.

— Foreign employee contract cap: The 1-year maximum with single renewal creates operational friction for multi-year projects. EOR model or approved development project classification may be needed for longer engagements.

— French language operative: All CNSS and DGI submissions, payslips, and regulatory correspondence must be in French. Contracts may be bilingual but French governs.

— SSC rate uncertainty: The 0.5% SSC extended to 2026, but some sources indicate a reversion to 1% for 2026. Verify before running payroll.

— CAVIS threshold: Employees earning above ~TND 3,048/month (6× SMIG) attract supplementary CAVIS contributions. Identify these employees in your payroll system.

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CNSS and SSC rates, the eight-bracket IRPP scale, CAVIS, sector CBAs and foreign-worker contract limits need coordinated payroll controls. Datassist helps international employers coordinate Tunisia payroll and employment operations from one centre.

Schedule a Meeting →

7+ MENA MARKETS	**1** ONE COMPLIANCE OPERATION	**0%** MISSED PAYROLL DEADLINES