



TICKET RESTAURANT®

TICKET RESTAURANT® IMPLEMENTATION GUIDE

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1. MEAL VOUCHER LEGISLATION IN THE GRAND DUCHY OF LUXEMBOURG

Within the framework of the law of 10 December 1986 (supplemented by the grand-ducal regulations of 29 December 1986), all employers may provide their staff with meal vouchers to pay for their lunch.

The **employer's** active participation is deductible as a charge and is not subject to the employers' social security contributions.

The **employee's** portion is not taxable or subject to social security contributions.

This status applies according to **the following conditions** :

- Ticket Restaurant® vouchers may only be granted if there is no company canteen on the premises where the employees are working, or if the restaurant is not open to everyone.
- The amount of Ticket Restaurant® vouchers granted is limited to the number of days actually worked. However, it is possible to grant a set number of 18 tickets per person per month over 12 months or 20 tickets over 11 months.
- The employer is granted a tax exemption for the difference between the average value of a meal - currently € 2.80 (according to the law) - and three times this value - € 8.40 – i.e. a maximum exonerated amount of € 5.60 per voucher.
- The employer must periodically make a breakdown of the Ticket Restaurant® vouchers, to annex them to the employees account.
- Besides the employer's designation of their value and purpose, the Ticket Restaurant® vouchers must bear a distinctive sign allowing the user to be identified.

2. FINANCIAL CONTRIBUTIONS

2.1 Tax simulation

The following should be taken into account when choosing the face value of the Ticket Restaurant® vouchers you wish to provide :

- The exoneration of social security contributions for the employer is limited to € 5.60 per Ticket Restaurant®;
- The minimum contribution by the employee is €2.80 per Ticket Restaurant®. It is up to the employer to decide whether to require employees to contribute the €2.80 (deducted automatically from the salary); if the employees are not required to contribute, then €2.80 is added to the taxable earnings for purposes of income tax calculation.

For instance, if the face value is worth € 8.40, there are two possibilities:

	Face value of the Ticket Restaurant®	Active participation of the employee	Active participation of the employer, deductible for the company	Exoneration of contributions for the employer	Tax exoneration for the employee	Taxable for the employee
Option 1*	€8,40	€2,80	€5,60	€5,60	€5,60	€0,00
Option 2	€8,40	€0,00	€8,40	€8,40	€5,60	€2,80

Note* : this is the option usually chosen in the Grand Duchy of Luxembourg.

For employees, Ticket Restaurant® vouchers can represent additional purchasing power, with a tax-free amount of up to € 1.232 a year. For the company, Ticket Restaurant® vouchers can represent savings up to 36% compared with a traditional pay rise.

Standard tax simulation :

Example		
Face value of voucher	€8,40	per Ticket Restaurant®
Direct participation of employee per voucher (from 0 to € 2.80)	€2,80	per Ticket Restaurant®
Direct participation of company	€5,60	per Ticket Restaurant®
Number of vouchers per employee per month	18	Ticket Restaurant® (set amount)
Rate of employer contributions	12,80%	
Rate of social security contributions	12,45%	
Marginal income tax rate	20%	
Your company's tax rate	30%	

Standard tax simulation :

Your results			
Net sum after tax received per employee per month		100,80€	
	Ticket Restaurant® option	Pay rise option	
Targeted additional actual purchasing power		€100,80	€100,80
Taxable income		€0,00	€126,00
			Amount corresponding to the basis on which income tax is deducted to obtain the targeted net increase.
Gross income		€0,00	€143,92
			Amount corresponding to the gross income from which 10.55% in personal contributions is deducted to obtain the amount of taxable income.
Final amount paid out (including employer contributions)		€100,80	€165,04
			Amount corresponding to the actual cost for the employer. Gross income with addition of employer contributions.
Your total net final cost (after deduction of corporate tax)		€72,89	€115,53
Savings made with Ticket Restaurant®, per employee per month (after tax)		€72,89	
Your final net employer cost (after tax) with a net pay rise of		€100,8	
Is		€115,53	
With Ticket Restaurant® you make a saving of		36%	



2.2 Service provision costs

These costs cover the production, administration and delivery costs of the Ticket Restaurant® vouchers. They are calculated as a percentage of the face value and the number of vouchers ordered per year.

Please don't hesitate to contact us if you would like us to provide you with an estimate of the service provision costs. Contact us on +352 25 29 90.

3. FAST AND EASY MANAGEMENT

3.1 Implementation

During the implementation phase, it is up to you to define the number of Ticket Restaurant® delivery points. You can also choose to organise each parcel into sub-parcels to facilitate distribution, for instance, a sub-parcel per department or floor.

There are two possible implementation options :

- **Non-personalised vouchers.** In this case, you can place your order quickly and easily using our online “**Cortex**” ordering tool (indication per face value of the quantity of vouchers per envelope and the number of envelopes). This is currently the most widespread option in Luxembourg.
- **Named and personalised vouchers.** We will help you to set up your first order file in Excel in a format predefined by Edenred (every line corresponds to a beneficiary).

In both cases, you have to fill out an initial service agreement to provide us with the necessary information on your company.

3.2 Orders

You can choose the order method :

- log onto your **Customer Space via our website** and place your order in terms of face value, number of vouchers and number of envelopes. In this case, the vouchers are not personalised.
- send the updated Excel file for the first order by e-mail to **order-LU@edenred.com**. For new employees or ones who have left, you simply have to add or delete a line in the file.



Edenred will send you an e-mail confirming reception and the order. The Customer Services teams will then check and validate the order and send it off to the production team.

The Customer Services teams are available to help you with your order from Monday to Friday, from 08:30 to 18:00; you can contact them on +352 26 10 27 75.

3.3 Delivery

When you place your order, you can choose your delivery date. Edenred delivers every weekday and guarantees delivery to its customers within 3 working days from the date the order was placed.

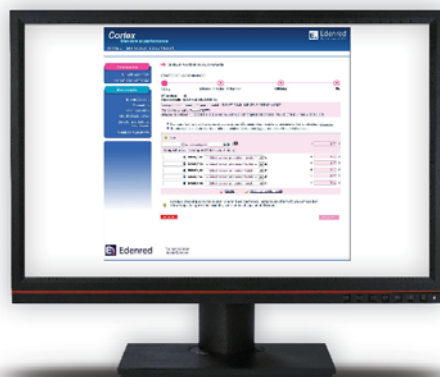
3.4 Tracking your order

Cortex, your Customer Space, is a tool that forms a bridge between your company and ours. It allows you to place your orders online and also offers you the chance to check the history of your orders (placed online or otherwise), to track them from the start to their delivery, and to consult and update your customer data as well as certain information in your contract.

Once you have logged onto your account, you can track your order status :

- Acknowledged (at this stage, the order can still be changed)
- Sent to production
- Produced
- Invoiced
- Closed, ready for shipment

The Edenred Customer Services is available to help you at any time.



3.5 Invoicing and payment

Edenred issues an invoice corresponding to the order delivery date. The invoice can be put in the parcel with the order or be sent separately, by post or by e-mail.

You pay for the order and the service provision costs upon delivery, either by bank transfer or by direct debit. In this case, the amount on the invoice will be automatically debited from your account.

Marie-Pascale Trévalinet

Area Manager Luxembourg



+352 26 00 52 15



+352 25 16 58



marie-pascale.trevalinet@edenred.com

Fiorenzo Tristaino

Sales Representative



+352 26 00 52 14



+352 25 16 58



fiorenzo.tristaino@edenred.com



Edenred Luxembourg

46a Av John F. Kenedy

1855 Luxembourg

www.edenred.lu - www.beneficioclub.lu



+352 25 29 90 -  +352 25 16 58

TVA LU 154 77706 - IBAN LU75 0030 5768 9166 0000 - BIC BGLULL