

An aerial photograph showing a multi-lane road winding through a dense forest with autumn-colored trees. A river flows alongside the road, with a small boat visible on the water. The image is overlaid with a semi-transparent dark blue geometric shape.

Doing Business in Colombia

Description of the Labor Obligations in Colombia 2026

forvismazars.com/co

**forv/
mazars**

Preamble labor obligations



Preamble



Why Forvis Mazars?

We are Forvis Mazars Group, an independent member of **Forvis Mazars Global**, a leading global professional services network. Operating as an internationally integrated partnership in over **100** countries and territories, we specialise in audit, consulting, financial advisory, outsourcing, legal, and tax advice. We draw on the expertise and cultural understanding of over **40,000** professionals across the globe to assist clients of all sizes at every stage in their development.

Global



+100

Countries and territories



+1,800

Partners worldwide



43%

Of our workforce are women



+400

Offices



+40,000

Professionals

Colombia



15 Partners



+350
Professionals



4 Cities

- Bogota
- Barranquilla
- Cali
- Medellin

Overview of labor obligations





1. Types of Contracts

1.1 Indefinite-Term Contract: Under Colombian law, this agreement should be the general rule for hiring personnel when the work to be performed is expected to be ongoing. It does not require extensive formalities, and its main characteristic is that it has no end date. The effects of termination and settlement are described below.

1.2 Fix-Term Contract: Must be in writing. It has a start date and a certain end date agreed by the parties. The term may not exceed four (4) years, including renewals. Once that limit is reached, the agreement automatically becomes an indefinite-term agreement. This agreement renews automatically unless one party notifies the other of its intention not to renew at least thirty (30) days before the end date.

When the initial term is less than one (1) year, it may be renewed up to four (4) times. However, the fifth agreed renewal and any subsequent renewals must be for a term of no less than one (1) year, and in no event may the total accumulated time exceed four (4) years.

1.3 Work-or-Project Contract: Must be in writing. This agreement is commonly used in construction or project-based industries where a specific task is assigned within a project, upon completion of which the agreement ends. It is essential that the task be described precisely and in detail; otherwise, it could be deemed an indefinite-term agreement.

1.4 Accidental or Transitory Contract: This is an exceptional type of employment agreement used to cover occasional, accidental, or temporary needs unrelated to the employer's ordinary and permanent business activities. It may not exceed thirty (30) days and may be used solely for tasks different from the employer's normal activities or corporate purpose.

1.5 Apprenticeship Agreement: This is a special arrangement for the theoretical and practical training of a student (apprentice) within a company. Its purpose is not the ordinary provision of services, but the apprentice's professional training. The characteristics of the apprenticeship



2. Trial Period

It is necessary to document the probationary period in writing within employment contracts. This period is understood as the time during which the employer can verify the employee's suitability for the contracted position and the employee can assess the convenience of the working conditions under the employer. If either party determines that these conditions are not met, the employment relationship may be terminated during this period without any type of compensation.

This period cannot exceed two (2) months in indefinite-term contracts; and in fixed-term contracts with a duration of less than one (1) year, the probationary period cannot exceed one-fifth (1/5) of the initially agreed term in the contract, up to a maximum of 2 months.





3. Working Time

The ordinary working day covers a maximum of eight (8) hours per day and forty-eight (48) hours per week, which may be distributed from Monday to Friday or Monday to Saturday. The law also allows flexible working hours to be agreed with workers, however Law 2101 of July 15, 2021 established that the maximum legal working day would be gradually reduced from 48 hours per week to 42 hours per week as follows:

Maximum legal working day 	Effective date 
48 weekly hours	Until July 14, 2023
47 weekly hours	From July 15, 2023 until July 14, 2024
46 weekly hours	From July 15, 2024 until July 14, 2026
44 weekly hours	From July 15, 2026 until July 14, 2026
42 weekly hours	From July 15, 2026 onwards

Currently, daytime work corresponds to the period between 6:00 a.m. and 7:00 p.m., and nighttime work corresponds to the period between 7:00 p.m. and 6:00 a.m.

3.1 Overtime, Night Work and Sunday and Holiday Work

Supplementary or overtime work is that which exceeds the ordinary working day and in any case that which exceeds the maximum legal working day. It does not require authorization from the Ministry of Labor, but the employer must keep a record of each employee's overtime.

Supplementary or overtime work, night work and work on Sundays or holidays (mandatory rest days) are compensated as follows:

- Night work with a surcharge of **35%** over the value of ordinary work;
- Extra daytime work with a surcharge of **25%**;
- Extra night work with a surcharge of **75%**; and,
- Work performed on Sundays and holidays (mandatory rest days) is paid with a surcharge applied as follows: **80%** as of July 1, 2026; **90%** as of July 1, 2026; and **100%** as of July 1, 2027 (Law 2466 of 2026).

Therefore, the surcharge for one hour of daytime overtime performed on a Sunday or holiday will be **105%** (**80%** for Sunday/holiday plus **25%** for daytime overtime); likewise, the surcharge for one hour of night overtime performed on a Sunday or holiday will be **155%** (**80%** for Sunday/holiday plus **75%** for night overtime).

If the employee has a position of direction, trust and management, the employee may be excluded from the recognition of overtime (**article 162, Substantive Labor Code - CST**). However, overtime for night work and Sundays or holidays must be recognized when working on the same days.



4. Salary

It is the remuneration, either in cash or in kind, paid by the employer and received by the employee for services rendered on a personal basis.

4.1 Types of Salary:

4.1.1. Ordinary Salary: Corresponds to the salary agreed with the worker, which cannot be less than the legal minimum wage, which is equivalent to **COP \$1.750.905 per month (for 2026)**. This minimum wage is updated annually by agreement between employer associations and unions; if no agreement is reached, it is set by Government decree.

4.1.2. Integral Salary: The integral salary must be agreed in writing between the parties and corresponds to thirteen (13) current legal monthly minimum wages (**COP \$22.761.765 for 2026**). This salary is normally agreed for those workers who have been assigned leadership, trust and management functions within the company.

4.2. Minimum Legal Monthly Minimum Wage in Force (SMLMV) 2026

The minimum wage is the minimum remuneration to which every worker in Colombia in any sector is entitled, with which the employee has to supply both his basic needs and those of his family. For 2026 it has been set by the national government at **COP \$1.750.905**.

4.3. Payments Constituting Salary (Salary Factor)

Salary is not only the ordinary remuneration, fixed or variable, but also everything that the worker receives in cash or in kind as direct compensation for the service (Art. 127 of the Substantive Labor Code).



4.4. Payments that do not Constitute Salary (Not Salary Factor)

The sums that occasionally and by mere liberality the employee receives from the employer, those that are granted to the employee to fully perform his duties, or those extra-legal bonuses or allowances granted on a regular basis as long as there is a written desalarization agreement (Art. 128, Substantive Labor Code) **do not constitute salary**. These amounts must not exceed **40%** of the total remuneration, since whatever exceeds this percentage must be taken into account for the payment of Social Security contributions.

5. Other Mandatory Payments

5.1. Transportation Allowance

Transportation allowance is entitled for salary assignment equal to or less than 2 times the **SMLMV (COP \$3.501.810)**; its purpose is to provide the worker with the resources to transport from his place of residence to the workplace. For 2026 it is **COP \$249.095**.

5.2 Travel Expenses

A travel expense is a payment given to an employee for his sustenance during a trip related to his work activity. Travel expenses cover concepts such as transportation, food, lodging and representation expenses; they can be occasional or habitual depending on their recurrence and their labor and tax treatment will depend on this classification.

6. Payments in Connection with the Employment Relationship

6.1. Contributions to the Social Security System and Parafiscal Contributions



Once the company has decided the type of contract and the salary for each position, it must make the payment of social security contributions. Some of these payments correspond only to the employer and others must be made by the employee and the employer in different percentages. These are:

6.1.1. Health: The employer's contribution corresponds to **8.5%** of the value of the monthly salary. The worker must contribute a value corresponding to **4%**. It is made on a monthly basis.

6.1.2. Pension: The employer's contribution corresponds to **12.5%** of the value of the monthly salary, while the worker must contribute **4%**. It is made on a monthly basis.

6.1.3. Pension Solidarity Fund: The contribution corresponds exclusively to the worker and must be paid when the worker earns more than 4 minimum wages (**COP \$7.003.620**), according to a scale of percentages ranging from **1%** to **2%**.

6.1.4. Occupational Risks System: This contribution must be made exclusively by the employer and must be paid according to a scale of percentages ranging from **0.522%** to **6.96%**, as follows:

Risk class 	Initial Value 
I	0.522%
II	1.044%
III	2.436%
IV	4.350%
V	6.960%



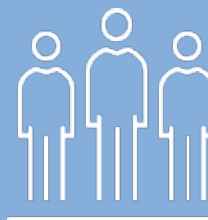
The risks will be determined according to the economic activity of the company and the activity carried out by each of the workers.

6.1.5. Family Compensation Funds: The contribution is 4% of the total amount of the worker's monthly payroll (total earned), and is made by the employer.

6.1.6. National Service of Learning (SENA): The contribution to "SENA" is **2%** of the total amount of the worker's monthly payroll (total earned), and is paid by the employer. These contributions are only paid on those workers earning from **10** minimum wages (**COP \$17.509.050**).

6.1.7. Colombian Institute of Family Welfare (ICBF): The contribution is **3%** of the total amount of the monthly payroll (**total earned**), and is paid by the employer. These contributions are only paid on those workers earning from 10 minimum wages (**COP \$17.509.050**).

6.1.8. Contributions of Employees with Integral Salary: When an integral salary is agreed, the basis for the payment of the aforementioned social security and parafiscal contributions will correspond to **70%** of the value of the monthly remuneration.





7. Social Benefits

These are the payments that must be granted to any person linked by an employment contract and must be taken into account in the payroll of each worker. These correspond to the following concepts:

7.1. Unemployment Aid

It's a social benefit paid by the employer to the employee that corresponds to one month's salary for each year of service rendered or proportionally to the time of service. Its main objective is to give monetary assistance when the employee's employment relationship ends. Unemployment Aid pay must be deposited into the Unemployment Aid Fund before February 15th of each year, although monthly accrual/payment may be agreed.

7.2. Interest on Unemployment Aid

Every employer must pay the worker annual interest on accrued unemployment aid, which is are **12%** per year on the amount of the unemployment aid. This interest must be paid to the employee no later than January 31st of each year, although monthly recognition may be agreed.

7.3. Services Bonuses

It's a social benefit corresponding to the payment of one month of Salary for each year worked, and is made in two payments, one in June and the other in December of each year.

7.4. Endowment

The regulation expressly states that the employer must give to the employee a pair of shoes and a work dress every four **(4) months**, that is, three **(3) times** a year (April 30, August 31 and December 20), to all workers earning up to **two (2)** minimum wages. It is important to note that this obligation can be fulfilled by delivering a specific bonus destined to clothing, if the Company does not adopt a uniform. It is important to have the support of the destination. The amount is not determined by law.

7.5. Social Benefits in Employees with Integral Salary

The integral salary compensates in advance the social benefits, surcharges and extra-legal benefits, therefore it is already included in such value, with the exception of vacations.



8. Mandatory Breaks



8.1. Holidays / Vacations

In Colombia the worker is recognized fifteen (15) days of vacation for each year worked. As a minimum, the employee must enjoy six **(6)** working days of vacation per year of service.



8.2. Paid Rest on Sundays and Holidays

The employer is obliged to recognize paid Sunday rest for all its workers and paid rest on civil and religious holidays. This remuneration is included in the monthly amount to be paid as salary.

The parties may agree that the mandatory day off may be other than Sunday. If the employee works on mandatory rest days, it must be verified whether it is occasional or habitual, in order to determine the surcharge or compensatory rest.





9. Termination of the Employment Contract

There are several ways to terminate an employment relationship and depending on the type of contract the employer may be obliged to pay an indemnity to the employee. In all cases, upon termination of the contract the employer must pay the employee the social benefits (unemployment aid, interest on unemployment aid, services bonuses), vacations, and other labor obligations (wages, overtime, etc.) accrued to date and pending payment. Pursuant to the foregoing, the employment contract may be terminated in the following ways:

9.1. Termination with Just Cause

In this case there are no indemnities for the employee. It is possible to terminate the contract with just cause when the employee has breached any of the obligations and prohibitions established by law, or those agreed upon by the parties in the employment contract or the Internal Work Regulations, following the completion of a disciplinary procedure or the guarantee of the employee's right to due process, as applicable.

9.2. Termination for Fix-Term

This termination occurs in fixed-term contracts when one party notifies the other of its decision not to renew the contract, with at least 30 days notice prior to the expiration date.

9.3. Termination without Just Cause

The Company may terminate the contract at any time, but an indemnity will be generated, which varies depending on the type of contract and has to be calculated as follows:

9.3.1. Indefinite- term contract: In this case, two fundamental factors are considered: salary and seniority of the employee.

For employees who earn a salary of less than ten minimum monthly salaries in force, the following shall be paid: **30 days** of compensation when the length of service is not more than **1 year**. If the employee has more than one year of service, **30 days** shall be paid for the first year and an additional **20 days** for each of the following years (if the time is less, they shall be spent proportional to the time of service).

For employees who earn a salary equal to or greater than **10** minimum monthly salaries in force, **20 days** of compensation will be paid when the service time is not greater than **1 year**. If the employee has more than one year of service, **20 days** shall be spent for the first year and an additional **15 days** for each of the following years (if the time is less, they shall be paid proportional to the time of service).

9.3.2. Fixed-term contract: In the event of termination without just cause before the completion of the agreed term, the employer shall pay the value of the salaries corresponding to the time remaining to complete the term.

9.3.3. Project or assignments contract: In the event of early termination without just cause, the employer must pay a minimum of **15 days** salary and a maximum of the time remaining to complete the project. For this reason, it is advisable to establish an objective and quantifiable measurement parameter in time, because failing to do these could generate an undetermined and costly indemnity for the Company.

9.4. Termination by Mutual Agreement

These cases are not very common within companies, except when there are employees with job stability or when both parties wish to agree on the termination of the employment relationship without the payment of severance or with the payment of severance less than the legal amount.



10. Mandatory Leaves and Permits

Maternity Leave

10.1. Maternity Leave: All pregnant workers are entitled to **18 weeks** of maternity leave, which may begin two **(2) weeks** before the expected date of delivery. This leave must be claimed by the employer from the Health Promoting Entity (EPS) or the adapted entity where the employee is affiliated within the General System of Social Security in Health.

10.2. Paternity Leave: The spouse or permanent partner shall be entitled to two **(2) weeks** of paid paternity leave.

10.3. Shared parental leave: The parents may freely distribute among themselves the last six **(6) weeks** of the mother's leave, as long as they comply with the conditions and requirements set forth in the law.

10.4. Flexible Part-Time Parental Leave: The mother and/or father may decide for a flexible part-time parental leave, in which they may exchange a determined period of their maternity or paternity leave for a period of part-time work, equivalent to double the time corresponding to the selected period of time.



10.5. Bereavement Leave: In the event of death of the spouse or permanent partner, or of a relative up to the second degree of consanguinity, first degree of affinity and first civil degree, the worker shall be entitled to a paid bereavement leave of five **(5) working days**.

10.6. Breastfeeding Leave: The employer must grant the worker two **(2) breaks**, of thirty **(30)** minutes each, within the workday to breastfeed her child, during the first six **(6)** months of age; and once this period is completed, one **(1)** break of thirty **(30)** minutes up to two **(2)** years of age of the child; provided that adequate and continuous breastfeeding is maintained and manifested.

10.7. Childcare Leave: It is granted once a year and for a period of ten **(10)** working days, by mutual agreement between employer and employee, to one of the working parents contributing to the general health social security system, or to whoever has the custody and personal care of a minor who suffers from a terminal illness or condition.

10.8. Compensatory Rest For Having Served As A Voting Juror or Voter: Voting jurors working in the public or private sector are entitled to one **(1)** compensatory paid rest day within forty-five **(45)** working days following the voting. On the other hand, workers who exercise their right to vote are entitled to half a day of paid compensatory rest, which must be enjoyed in the month following the day of voting.

10.9. Leave for Serious Domestic Calamity: The employee is entitled to leave in the event of a duly substantiated serious domestic calamity, understood as any personal or family event—up to the third degree of consanguinity, second degree of affinity, or first civil degree—fortuitous event, or force majeure whose severity affects the normal performance of the employee's duties. The number of days to be granted shall be mutually agreed upon by the employer and the employee.

10.10. Leave to Attend Medical Appointments: The employer shall grant employees paid leave to attend urgent or scheduled medical appointments, including specialist consultations. The regulation also expressly covers medical attention related to specific conditions such as endometriosis, in line with standards already established in prior health regulations.

10.11. Paid Leave for School-Related Obligations as a Guardian: Parents or legal guardians are entitled to paid leave to fulfill educational responsibilities related to their children or individuals under their care, such as attending meetings, mandatory appointments, or proceedings requiring their presence at educational institutions.

10.12. Leave for Legal, Administrative, and Judicial Proceedings: The employee may be absent from work when required to attend legal, administrative, or judicial summons.

10.13. Sustainable Mobility Incentive: Employees who regularly use a bicycle as their primary means of transportation to the workplace may agree with their employer to receive one **(1)** paid day of leave for every six **(6)** months of work, thereby promoting sustainable mobility practices and contributing to health and environmental benefits.



11. Regulations and Mandatory Policies

11.1 Internal Work Regulations: This is a document in which companies set forth the circumstances and conditions governing the development of the work provided by the workers to the employer.

The companies or employers required to have a work regulation are:

1. Commercial companies that employ more than **5 workers**.
2. Industrial companies employing more than **10 workers**.
3. Agricultural, livestock or forestry companies employing more than **20 workers**.
4. Mixed companies with more than 10 workers.

11.2. Industrial Hygiene and Safety Regulations: This regulation is mandatory for all types of organizations with 10 or more employees. Their purpose is to improve working conditions and the working environment, as well as occupational health, which entails the promotion and maintenance of the physical, mental and social wellbeing of workers in all occupations.

11.3. Work Disconnection Policy: Any natural or legal person of public or private nature, shall be required to have a policy of disconnection from work of internal regulation, which shall define at least how to ensure and exercise that right, including guidelines for the use of information technology and communications (ICT).

11.4. Telework Policy: Every employer that has this modality within its company shall adopt and publish virtually, an internal policy regulating the terms, characteristics, conditions of teleworking, according to the needs and particularities of the service. The different types of distance work, including teleworking, are described below.

11.5. Policy and Protocol for the Prevention and Response to the Use of Psychoactive Substances: Employers and contracting parties must ensure the planning, implementation, follow-up, evaluation, and adjustment of the Preventive Protocol for the Use of Psychoactive Substances (SPA), incorporating strategies for the prevention of mental health problems and disorders within the framework of the Occupational Health and Safety Management System (SG-SST), as well as have the corresponding policy for the prevention of SPA use and the sanctioning of this type of conduct.

11.6. Sexual Harassment Prevention Policy: All employers must have an internal policy establishing the guidelines and parameters for preventing, addressing, correcting, and sanctioning potential forms and behaviors constituting workplace and sexual harassment within the Company. Likewise, the employer must have a protocol and response pathway for victims of sexual harassment in the workplace, in accordance with Law 2365 of 2024. The policy must apply to all personnel with direct employment contracts, temporary or mission-based workers, students linked under learning agreements, contractors, and any other individuals participating in the workplace context, and it must be widely disseminated.

11.7. Occupational Health and Safety (OHS) Policy: Every employer or contractor must establish a written OHS (SST for its acronym in Spanish) policy covering all their workplaces and all their workers, regardless of their form of hiring or engagement, including contractors and subcontractors. This policy must be communicated to the Joint Committee or OHS Supervisor, as appropriate, and must contain the minimum elements specified in the current regulations.



12. Recognition of Medical Leave

Firstly, Medical leave refers to the document issued by the Health Promoting Entity (EPS) to which the employee is affiliated, indicating the days the employee will be unable to provide their services due to a specific health diagnosis.

Colombian legislation distinguishes between 2 types of disabilities, either by illness or accident, these being: (i) those of common origin and (ii) those of occupational origin.

Regarding the first, it must be recognized in accordance with the following guidelines:

- The first 2 days of medical leave are paid by the employer and its value is equivalent to **66.67%** of the Basis Contribution Income (IBC for its acronym in Spanish), however, it is important to note that, in practice, it is very common for employers to pay **100%** of the IBC for these first two days as a benefit for the employees;
- From the third day to the 90th day of medical leave, its payment corresponds to the EPS (for its recovery), being its value **66.67%** of the IBC;
- **From day 91 to day 180**, the value of disability assistance, payable by the EPS, corresponds to 50% of the IBC;
- From day 181 to day **540** of medical leave, the economic benefit corresponds to the Pension Fund Administrator (AFP for its acronym in Spanish) where the employee is affiliated, and its value will be **50%** of the IBC, as long as there is a favorable concept of rehabilitation issued by the EPS; and
- From day 541 onwards the responsibility of recognition and payment of disabilities of common origin will be of the EPS, as long as:



i. There is a favorable concept of rehabilitation issued by the treating physician, by virtue of which it is required to continue in medical treatment;



ii. The patient has not had recovery during the course of the illness or injury that caused disability due to general illness of common origin, having continued with the protocols and care guides and the recommendations of the treating physician;



iii. By concomitant diseases, new situations have arisen that prolong the patient's recovery time.

In all other cases, the **AFP (Pension Fund Administrator or commonly known as pension fund)** must make the payment until the worker's situation is resolved, who, if applicable, must be pensioned for disability, applying the disability qualification procedure set forth in **Article 41 of Law 100 of 1993**.

It is important to bear in mind that the monetary aid in the previous cases cannot be less than the current legal minimum wage.

Regarding the second type of disability, namely, work-related or professional origin, which refers to a condition arising from an illness linked to the employee's activities within the company or an accident occurring in the company or during work, this is paid from the first day by the Labor Risk Administrator (**ARL for its acronym in Spanish**) to which the company is affiliated and corresponds to 100% of the IBC.

The ARL must pay for the medical leaves from the first day as much as the employee recovers or until the disability pension is recognized, it does not matter if it exceeds the **540 days**.

12.1. Payment of Social Security Contributions During the Medical Leave Period

Regarding the payment of contributions to the systems of health and pension during common origin disabilities or medical leaves, article 40 of Decree 1406 of 1999, compiled in Decree 780 of 2016, indicates that these are the responsibility of the employer and employee in their respective percentages (employer, **8.5%** for Health and **12%** for Pension, and the employee, **4%** for Health and **4%** for Pension) and taking as IBC the value of disability.

In the case of work-related disabilities or medical leaves, the ARL is responsible for paying the Health and Pension contributions, and may deduct the employee's contribution amount from the disability payment.

Finally, it is necessary to indicate that in these events the payment of the ARL is suspended, considering that since the employee is disabled there is no labor risk to be covered and, therefore, there is no need to pay occupational risk contributions.

12.2. Reimbursement of Disabilities or Medical Leaves

Regarding the payment of medical leaves, although the regulation stipulates that in the case of common origin illnesses or accidents, the **EPS** or adapted entity is obligated to pay, it does so under a reimbursement system. This means that the employer pays the employee directly up to the **180th** day and then submits a reimbursement request to the corresponding **EPS**, so that the entity reimburses the employer for the amount paid for the medical leaves. This differs when the medical leaves exceeds **180** days and falls under the responsibility of the **AFP**, as the **AFP** pays the employee directly, and therefore the employer is not obligated to pay the employee and seek reimbursement.

These reimbursement requests must be accompanied by the corresponding sick leave or disability certificates issued by the **EPS** along with the employee's medical history.



13. Other Labor Obligations

13.1. Sena Apprentices

All private companies that carry out any type of economic activity other than the construction sector, and that have fifteen **(15)** or more employees, must make one **(1)** apprenticeship contract for every twenty **(20)** employees and one **(1)** additional contract per fraction between 10 and 20 employees.

Monetization: Companies that do not wish to perform apprenticeship contracts have the possibility of paying a regulated fee to the Entity, this is known as monetizing.

Monthly monetization fee: Equivalent to Number of apprentices not hired × 150% of the current statutory monthly minimum wage.

Monetization costs vs. apprenticeship contract costs

Support Allowance Quota for Apprenticeship Contract – Academic Stage: Equivalent to 100% of the statutory monthly minimum wage + Social Security contributions on Health and Occupational Risks.

Support Allowance Quota for Apprenticeship Contract – Practical Stage: Equivalent to 100% of the statutory monthly minimum wage + all guarantees applicable to a dependent employee (Social Security contributions in Health, Occupational Risks, and Pension; employment benefits, etc.).

When the company monetizes, the calculation of the fee to be paid is made on the total number of its workers, excluding independent or temporary workers, but when it makes apprenticeship contracts, the number of contracts is calculated only on a percentage of its workers, since employees working as security guards, drivers, messengers or cleaning personnel should not be counted.

13.2. Electronic Payroll: The Electronic Payroll Payment Support document is the support of the costs and deductions in income tax and complementary taxes and **VAT** deductible taxes - when applicable - derived from the payments or credits on account related to the payroll arising from an employment, pension or legal and regulatory relationship.

It is made up of the values accrued from payroll, the values deducted from payroll, and the total value of the difference thereof.

This document must be generated and transmitted for validation by the **DIAN**, one for each of the beneficiaries of the payments made by the obligated party (Employer).

13.3. Family Day: Employers shall facilitate, promote and manage a six-monthly day in which their employees can share with their family in a space provided by the employer or in one managed with the family compensation fund the employees have. If the employer does not manage to arrange this time, he shall allow workers to have this time with their families without affecting rest days, without prejudice to agreeing on complementary working hours.

Once the **42** - hour workweek is implemented (**Law 2101 of 2021**) the employer will be exempted from the application of the paragraph of **Article 3 of Law 1857 of 2017 (family day)** and **Article 21 of Law 50 of 1990** (exclusive dedication to recreational, cultural, sports or training activities during the workday).

13.4. Occupational Safety and Health Management System: The Ministry of Labor committed to the policies of protection of Colombian workers and in development of international standards and conventions, established the **Occupational Safety and Health Management System (SG-SST)**, which consists of the development of a logical and phased process, based on continuous improvement, which includes policy, organization, planning, implementation, evaluation, audit and improvement actions with the aim of anticipating, recognizing, evaluating and controlling risks that may affect safety and health in the workplace.

The SG-SST applies to all public and private employers, dependent and independent workers, cooperative workers, workers on assignment, personnel contractors under civil, commercial or administrative contracts, solidarity economy and cooperative sector organizations, temporary service companies, associations that affiliate independent workers to the Comprehensive Social Security System, labor risk administrators, the National Police in relation to its non-uniformed personnel and civilian personnel of the Armed Forces. Institutionally and legally it was determined by **Decree 1072 of 2015 Book 2, Part 2, Title 4, Chapter 6**.

13.5. Workplace Coexistence Committee (CCL): This is a group composed of representatives of the employer and representatives of the employees, whose main purpose is to prevent and protect workers from behaviors that may constitute situations of workplace harassment (Law 1010 of 2006), which fall within psychosocial risk factors and may affect workers' health in the workplace. In companies with fewer than five employees, the CCL shall be composed of one (1) representative of the employer and one (1) representative of the employees.

The Committee must adopt internal regulations that include applicable confidentiality agreements, which shall be binding upon all its members, as well as define the mechanisms and specific protocols to ensure the confidential handling of sensitive information during and after the processing of cases. The company must also implement a Coexistence Manual, which identifies unacceptable behaviors within the organization.

13.6. Public Employment Service: All employers are obliged to report their vacancies to the **Public Employment Service** in accordance with the regulations issued by the National Government. To do so, they may go to one of the Public Employment Service providers that are duly authorized to operate. Those entities or companies that have legal or regulatory reservations or restrictions may be exempted from this obligation.

13.7. Breastfeeding-friendly rooms in the workplace: Private companies with capital equal to or greater than 1,500 minimum wages, or those with lower capital but more than 50 female employees, must have a designated space in their facilities for breastfeeding employees to express breast milk, ensuring its proper preservation during the workday (Law 1823 of 2017). This space must comply with the technical specifications established in Resolution 2423 of 2018.

13.8. Verification of the sexual offenses ineligibility register: It is the duty of public or private entities to verify, with the applicant's prior authorization, that they are not listed in the register of ineligibility for sexual offenses committed against minors, during the personnel selection process for positions, jobs, or professions that involve a direct and habitual relationship with minors, as previously defined by the Colombian Institute of Family Welfare.

13.9. Hiring of persons with disabilities: Companies with up to 500 employees must hire or maintain, as applicable, at least two (2) employees with disabilities for every 100 employees. From 501 employees onward, companies must hire or maintain, as applicable, at least one (1) additional employee with disabilities for each block of 100 employees. This obligation applies to the total number of permanent employees. Persons with disabilities must have the certification issued in accordance with the provisions of the Ministry of Health and Social Protection. **This obligation will take effect as of June 25, 2026.**

13.10. Ecological restoration through tree planting: All medium and large companies duly registered in Colombia must develop a tree-planting program in the areas established under Law 2173 of 2011, which shall be incorporated into the company's environmental management measures. Companies must plant a minimum of two (2) trees for each of their employees.

14. Pension Reform (Law 2381 of 2024)

On July 16, 2024, Law 2381 of 2024 was issued - "by means of which the comprehensive social protection system for old age, disability, and death of common origin is established, and other provisions are enacted".

Among the most relevant aspects to consider are the following:

- A new pillar system was established, consisting of: (i) The Solidarity Pillar; (ii) The Semi-Contributory Pillar; (iii) The Contributory Pillar; and (iv) The Individual Savings Pillar.
- Regarding the Contributory Pillar, which includes the majority of Colombians, it was established that it would consist of 2 components: (i) The Average Premium Component, which includes all affiliates to the Contributory Pillar and will receive contributions based on the base contribution income (IBC) between one (1) and up to 2.3 current legal monthly minimum wages (SMLMV). These resources are managed by the Colombian Pension Administrator - COLPENSIONES; and (ii) The Complementary Individual Savings Component, which will receive contributions for the part of the IBC that exceeds 2.3 SMLMV and up to 25 SMLMV. Private Pension Fund Administrators will receive these resources.
- This new multi-pillar pension system would enter into force on July 1, 2025, and would apply to all workers, except those who are beneficiaries of the transition regime or belong to an exempted regime.
- With the entry into force of this new pension system, contracting parties will be responsible for paying pension contributions on behalf of their contractors (individuals), even if the respective discount of the agreed fees has not been made.

In any case, it is important to note that **this Law is currently suspended and under review by the Constitutional Court**, which, if it declares the Law unconstitutional, would render it without effect.



15. Union Rights

Workers and employers have the right to form unions or associations, without the State intervention. Their legal recognition will occur with the registration of the act of constitution.

Workers may be absent from their duties for union reasons, provided they notify the employer in advance. Paid union leave must be granted even if it is not expressly provided for in legal or conventional provisions.



16. Pension and Parafiscal Management Unit (UGPP)

It is a public entity in charge of verifying that employers and independent workers make the correct and timely payment of Social Protection contributions. The UGPP is in charge of:



The tasks of monitoring, collaborating and determining the adequate, complete and timely liquidation and payment of Social Protection parafiscal contributions.



Actions for determination and collection of Social Protection Parafiscal Contributions.



The imposition of penalties for omission, inaccuracy and late payment.



17. Telecommuting and its Regulation

In Colombia there are 3 types of distance work, which have their own requirements and characteristics. The following is a brief description of each of them:

17.1. Teleworking

- It is regulated by **Law 1221 of 2008, Resolution 2886 of 2012 and Decrees 884 of 2012 and 1227 of 2022**, compiled in **Decree 1072 of 2015**.
- There are 5 types of teleworkers or telework modalities: **(i) Autonomous:** They use their own home or a chosen place to develop their professional activity; **(ii) Mobile:** They do not have an established work place and their main work tools are information and communication technology (ICT) on mobile devices; **(iii) Hybrid:** They work two or three days a week at home and the rest of the time they work in an office. Telework days can be fixed or variable; **(iv) Transnational:** Applies to employees who have an employment relationship in Colombia but provide their services from another country; and **(v) Temporary or Emergency:** Applies in specific situations such as public health emergencies or natural disasters, without prejudice to the rules applicable to work-from-home arrangements.
- For its implementation the employer must have a Telework Policy that regulates the terms, characteristics and conditions of telework.
- Modifies the employment contract.
- Allows flexibility in working hours, without affecting in any case the personal life of the worker.
- It is terminated when the parties so agree or when the employment relationship ends.
- For employees earning up to two (2) minimum monthly wages, the legal transportation allowance is replaced by a connectivity allowance, in the same amount.
- It must be reported to the Ministry of Labor the hiring of teleworkers.
- It is required to report to the Labor Risks Administrator the place from where the teleworker will work.



17.2. Home Office

- It is regulated by **Law 2088 of 2021 and Decree 649 of 2022.**
- Allows the temporary performance of the employee's functions outside the workplace, only if there are occasional, exceptional or special circumstances that prevent the employee from performing his functions at the workplace.
- It does not modify the employment contract, but for its authorization the worker must be notified in writing indicating, among others, the equipment to be used for the performance of functions.
- It is temporary. It can be authorized for up to 3 months, extendable for an equal term only once, or until the exceptional conditions that gave rise to its authorization disappear.
- Allows to work from abroad. For this purpose, the employer must inform the Labor Risks Administrator the place from where the employee will work and must guarantee his protection by the Social Security System from abroad.
- Transportation allowance should not be recognized, when the employee is entitled to it. Instead, a connectivity allowance for the same amount shall be paid.



17.3. Remote Work

- It is regulated by Law 2121 of 2021 and Decree 555 of 2022.
- All stages of the contract, from its beginning to its termination, must be carried out remotely, which means without being present in the workplace.
- The employee must only go to the workplace in exceptional situations specified by law, such as the installation or updating of equipment.
- If the contract is initiated under this modality, it is not possible to change it later. The employment relationship must be terminated and a new contract signed.
- It does not allow working from abroad, since the regulation only applies to employees in the Colombian territory.
- Allows flexibility in the work schedule, without affecting the employee's personal life.





18. Other Forms of Hiring

18.1. Contract for the Provision of Services

A contract for the provision of services is a contract whereby a person or company (contractor) undertakes with another (contracting party) to perform or execute one or more activities with technical, administrative, and financial autonomy, that is, without any subordination. Some of its characteristics are the following:

- This relationship is regulated by the civil or commercial code, depending on the agreed activity, so it is not an employment relationship.
- The contract must clearly state the activities to be performed by the contractor, the fees for their completion, and the delivery date or termination of the relationship.
- As it is not an employment relationship, the contracting party is not obliged to recognize social benefits and other labor claims.
- Affiliation to the Social Security System is responsibility of the contractor.

18.2. Temporary Services Companies

- Temporary Services Companies (**EST for its acronym in spanish**) are entities that directly hire personnel to temporarily collaborate in the activities of a third party (beneficiary).
- There are two (**2**) categories of workers linked to the **ESTs**: permanent workers and temporary workers, the latter being those who work at the beneficiary's facilities.

- Companies (beneficiaries) may hire the services of the ESTs when they require personnel for any of the following reasons: **(i)** When dealing with occasional, accidental or transitory work, that is, of short duration and no longer than one month, for work other than the beneficiary's regular activities; **(ii)** When required to replace personnel on vacation, on leave, or on disability due to illness or maternity; and **(iii)** To attend increases in production, transportation, sales of products or goods, seasonal periods of harvests and in the provision of services, for a term of six (**6**) months extendable for up to six (**6**) more months.
- It is not possible to contract the services of an **EST** for reasons other than those mentioned above.
- The **EST** will act as the real employer of the temporary workers and will be responsible for the payment of their salary, social benefits, social security and other labor claims.
- The **EST** is responsible for the occupational health and safety of the permanent and temporary workers, but the beneficiary company must include the temporary workers in its **SG-SST**.





19. Migratory Regime

All foreign citizens interested in entering and remain in Colombian territory require authorization, which is expressed through an entry permit or a visa, except for those States or territories defined by the Ministry of Foreign Affairs in which their nationals may enter the national territory without a visa for short and non-remunerated stays.

19.1. Types of Visas

Resolution 5477 of July 22, 2022 establishes all types of visas and their scope, as well as the conditions, requirements and procedures for their application, study, inadmissibility, denial, authorization, cancellation and termination.

This resolution divides visas into **three (3)** categories: **Visitor (V)**, **Migrant (M)** and **Permanent Resident (R)**, within which we detail below the most requested in Colombia:

19.1.1. Visitor (V):

1. Tourism
2. Business
3. Student
4. Medical treatment
5. Digital Nomad
6. TLC Entrepreneur
7. Labor practice
8. Service Provider - work or labor



19.1.2. Migrant (M):

1. Spouse of a Colombian national
2. Permanent partner of a Colombian national
3. Mercosur migrant
4. Worker
5. Partner or Owner
6. Independent Professional
7. Pensioner Investor
8. Investor



19.1.3. Permanent Resident (R):

1. For renouncing the nationality
2. For accumulated time of permanence in Colombia.
3. By application of the Temporary Statute of Protection for Venezuelan Migrants.



19.2. Aspects to consider when applying for a visa

- Those who wish to obtain a Colombian visa, in any category, must have a passport with a minimum validity of six **(6)** months.
- Study time for any visa may be extended up to 30 calendar days. If the Ministry requires additional information, the study time may be extended for more unspecified days.
- The foreign citizen must remain in regular migratory situation during the entire visa application process, therefore, if he/she is in Colombian territory and his/her visa is about to expire, he/she must request a especial temporary permit called: **“Salvoconducto”** from Migration Colombia until he/she obtains a new visa or leaves the country, if the visa is denied. It should be noted that the **“Salvoconducto”** are not counted as accumulated time, in case the foreigner is applying for a resident visa.
- If the visa requested requires a professional degree, it must be duly apostilled or legalized and officially translated into Spanish. It is important to have the certifications that accredit the suitability and expertise of the foreigner to perform the activities for which he/she is required in Colombia.
- Most visas will require the foreigner to have an insurance policy against all risks, including illnesses, accidents and maternity.
- If the foreigner is outside the Colombian territory at the time a visa is required, the application must be made at the Colombian consulate of the country where he/she resides.
- The issuance time of the approved electronic visa will be ten **(10)** working days.
- In case of early termination of the visa, foreigners will have thirty **(30)** calendar days (one month) to leave the country or make a new application.
- Parents are not considered as beneficiaries for purposes of applying for this type of visa (beneficiary visa).
- It should be noted that foreigners who wish to enter Colombia for tourism purposes may do so as long as it is a visa exempt nationality (you can consult the nationalities that require a visa to enter Colombia as a tourist/short stay, in **Resolution 5488 of July 22, 2022**). Countries such as China, India, Thailand, Nicaragua, among others, which are required to apply for a visa to enter Colombia as tourists, will be exempt, as long as they have a visa or residency from a member state of the Schengen Area or the United States.

Currently, and according to Resolution 10452 of December 29, 2023, the costs for the study and issuance of a visa are as follows:

Type	Value in USD		Value in EUR	
	Study of the application	Visa issuance	Study of the application	Visa issuance
Visitor “V”	54	132	42	101
Migrant “M”	54	195	42	149
Resident “R”	54	175	42	135

The values indicated above may vary according to what is determined by the immigration authority at the time of the visa application.

In any case, the granting or renewal of visas for foreigners entering the country is a discretionary power of Colombian Government.

19.3. Obligations of the Employer of Foreign Workers

19.3.1. Registration In Sire: SIRE (Foreigners Registration Information System) is a platform of Migration Colombia where employers, educational institutions, hospitals, places of lodging, among others, must report, mandatorily, foreigners who are linked or use their services. Such registration must be made within fifteen (15) calendar days following the occurrence of the new event, which is the date of signing of the contract (engagement) or disengagement of the foreigner (termination of the contract).

19.3.2. Registration in the RuteC: The RUTEC (Single Registry of Foreign Workers in Colombia), is the system through which employers must notify the employment of all foreign workers in the company, either by means of an employment contract (in any of its modalities) or by a contract for the provision of services in the case of self-employed workers. Said registration has two terms: one hundred and twenty (120) days from the signing of the contract and another one of thirty (30) for its termination; both counted in calendar days.

19.4. Penalties

If the registrations are not made in the **SIRE**, or are made extemporaneously, Migration Colombia may impose fines of up to **2,631.30 UVT (COP \$137.811.706)**. The details of these sanctions can be consulted in **Resolution 2357 of October 22, 2020** of Migration Colombia.

On the other hand, not registering in the **RUTEC**, or doing it extemporaneously, will entitle the Ministry of Labor to impose penalties of up to five thousand **(5,000) SMLMV (COP \$8.754.525.000)**, depending on the seriousness of the infraction.



Our team



Carlos Andres Molano

International Partner /
Managing Partner Colombia /
China & Spanish Desk Leader
carlos.molano@forvismazars.com



Andres Cortes

International Partner Head
of Tax & Legal
andres.cortes@forvismazars.com



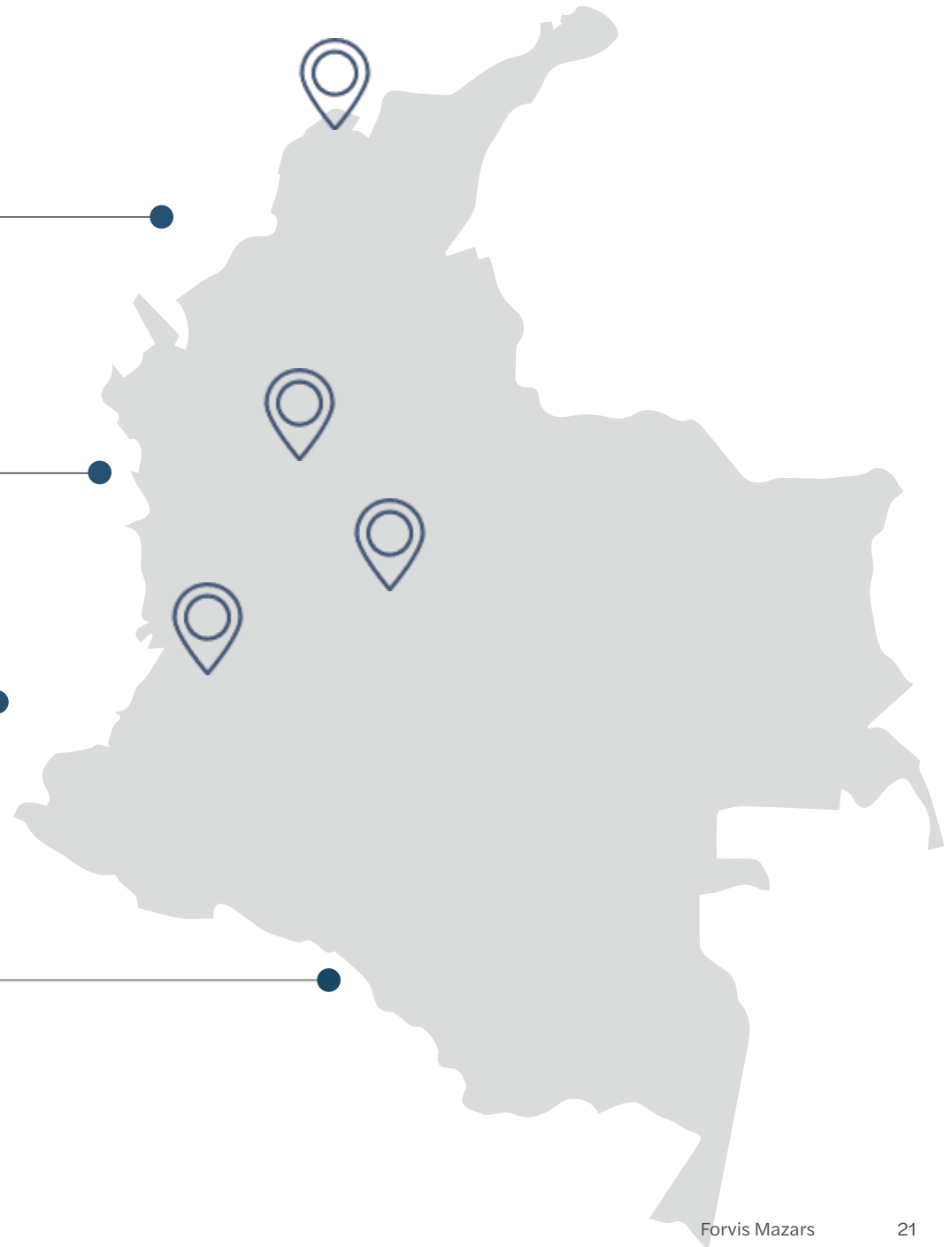
Juan Esteban Sanin

International Partner of
Tax & Legal
juan.sanin@forvismazars.com



Jaime Nieto

Labor and Immigration Partner
jaime.nieto@forvismazars.com



Contact

Forvis Mazars in Colombia

Bogota D.C

Calle 93 No. 15 – 40, Piso 2 y 4

Barranquilla

Calle 77 # 59 - 35 Centro Empresarial Las Américas III Oficina 1315

Cali

Calle 36 Norte # 6A - 65 World Trade Center Pacific Oficina 1705

Medellin

Calle 5 A No. 39 – 131 Edificio Corfín Torre 4 Pisos 4 y 6

Tel:+57 (604) 4242490

Email: marketing.co@forvismazars.com

We are Forvis Mazars Group, an independent member of Forvis Mazars Global, a leading global firm professional services network. Operating as an internationally integrated partnership in over 100 countries and territories, we specialise in audit, consulting, financial advisory, outsourcing, legal, and tax advice. We draw on the expertise and cultural understanding of over 40,000 professionals across the globe to assist clients of all sizes at every stage in their development.

forvismazars.com/co

