



COUNTRY GUIDE MOROCCO

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ABOUT US

ZAPEO is an International PEO co-employer providing Employer of Record (EOR) Services in more than 113 countries around the world.

As an EOR, we provide employment contracts, payroll employees, pay over any taxes and statutory contributions and provide sponsorship for visa applications in order to comply with specific laws and regulations in the country.

We also assist with onboarding and termination of both local or expatriate employees.

BENEFITS

- Legal compliance
- Flexibility
- Time and cost savings
- Reduced liability
- Access to global talent
- Expertise

**DEPLOY
WITH ZAPEO
IN
3 EASY STEPS**

ENGAGE

You and your employee reach an agreement to work in a country.

EMPLOY

Your employee signs a co-employment agreement with ZAPEO.

ENROLL

Your employee is enrolled on the payroll with a country specific legal entity.



WORK PERMITS AND VISAS

Foreign employees need a work visa to legally work in Morocco. The most common visa for employment is the long-term visa, valid for up to one year, with each stay limited to 90 days.

Foreign nationals must also obtain a work permit to work in Morocco. There are several processes involved in getting a work permit, which is issued for a set period and must be regularly renewed. In addition to a work permit, foreign workers may also need to apply for a residency permit within 3 months of entering Morocco.



EMPLOYMENT CONTRACTS

Probation Period

For any position, all employees start with a one-week trial period. After this, the probationary period varies by job type: blue-collar workers have a 15-day probation, white-collar employees have a 45-day probation, and management personnel have a three-month probation.

Notice period

For executives and similar positions, the notice period is as follows:

- Less than 1 year of service: one month
- Between 1 and 5 years of service: two months
- More than 5 years of service: three months

For employees, the notice period is:

- Less than 1 year of service: eight days
- Between 1 and 5 years of service: one month
- More than 5 years of service: two months

Minimum wage

The current minimum wages are:

- Public Sector: MAD 3,500.00 per month
- Private Sector: MAD 3,120.00 per month
- Agricultural Sector: MAD 2,303.00 per month

Working hours and overtime

The standard working hours for an employee shall not exceed 8 hours per day, 44 hours per week, or 2,288 hours per year, excluding overtime.

Normal overtime: 25% premium on basic salary.

Night overtime + Weekly rest day: 50% premium on basic salary

Weekly rest night or public holiday: 100% premium on basic salary

Termination

A valid reason for terminating a fixed-term employment contract includes a major contract violation, discipline-related actions and/or unforeseen circumstances.

Severance

The severance pay rates are as follows:

- 96 hours of salary per year of service for up to five years
- 144 hours of salary per year for service between five and ten years
- 192 hours of salary per year for service between ten and fifteen years
- 240 hours of salary per year for service beyond fifteen years

PAID TIME OFF



Annual Vacation

Employees are entitled to up to 18 days of paid leave per year. After six months of continuous service with the same employer, employees earn 1.5 days of paid leave for each month worked. This entitlement increases by 1.5 days for every five years of service, up to a maximum of 30 calendar days.

Sick

Employees may not miss more than four days of work due to illness or accident without a medical certificate. If an absence due to illness or injury exceeds four days, a medical certificate is required. Employers may consider an employee to have resigned if they are absent for more than 180 consecutive days. Sick leave benefits are provided by the National Social Security Fund.

Maternity

A pregnant employee is entitled to 14 weeks of maternity leave, supported by a medical certificate. If a medical condition related to pregnancy or childbirth requires it, maternity leave can be extended, up to 8 weeks before and 14 weeks after delivery.

Paternity

Three paid paternity leave days are granted to employees.

Family

Bereavement leave of up to 3 days.

National Holidays

There are 13 official holidays in Morocco.

Other Paid Time Off

Union Representative Leave:

- Granted for attending municipal council meetings and committees, unpaid unless otherwise agreed.

Special Leave for Muslim Employees:

- Unpaid leave for Hajj: up to 30 days.



EMPLOYEE BENEFITS

Statutory

	Employee	Employer	Notes
Unemployment	0.19%	0.38%	Covered by Social Security. Capped at MAD 6000.
Workers Compensation	-	-	Employers bear the total cost. Occupational injuries and diseases must be assessed and the employee must provide a medical certificate.
Social Security	6.74%	21.09%	Covers various benefits.
Retirement/Pension	3.96%	7.93%	Covered by Social Security. Capped at MAD 6000.
Health	2.26%	4.11%	Covered by Social Security.

Private

	Notes
Workers compensation	Private workers compensation is available.
Retirement/Pension	There are private pension schemes available.
Health	Private health insurance is available.
Life	Life insurance policies are also available.



TAX

Personal Income Tax (PIT)

- **Tax year** : The tax year runs from 1 January to 31 December.
- **Tax rate** : Rates range between 0-38%.
- **Tax method** : The taxation approach is a progressive income tax.
- **Tax residency requirements** : Individuals are considered as Moroccan tax residents when either: They have a habitual residence in Morocco, their economic interests are centered in Morocco or if they stay in Morocco for more than 183 days within any given 365-day period.
- **Double taxation agreements (DTA's)** : Morocco has multiple double taxation agreements.

Investment Income Tax

Investment income is subject to tax under Moroccan law.

Taxable Income

Individual income tax applies to the following categories of revenue and capital gains:

- Salary revenue.
- Revenues generated by professionals.
- Revenues from agricultural farms.
- Real estate revenue and capital gains.
- Revenue and capital gains from financial instruments.

PAYROLL



Payroll Elements

- **Income:** This includes all wages, salaries, bonuses, and other benefits received by an employee from their employer.
- **Deductions:** In Morocco, allowable payroll deductions refer to amounts that can be legally subtracted from an employee's salary before taxes are calculated. These deductions include certain expenses, social security contributions, and any other mandatory contributions.
- **Benefits in Kind:** Under Moroccan labor law, benefits in kind are considered taxable income for the employee, and the value of the benefits in kind must be included in the employee's taxable income. The value of benefits in kind is typically determined based on the market value of the benefit, and the employer is responsible for calculating and reporting the value of benefits in kind to the appropriate tax authorities.
- **Employer contributions:** Social Security.

Payroll Taxes

Employers are responsible for withholding the appropriate amount of tax and social security contributions from employees' salaries and remitting it to the government on their behalf.

Payroll Calendar

Payroll is on a done monthly basis.



LEGISLATION AND STATUTORY BODIES

LEGISLATION

- Labor Code last amended 2003

STATUTORY BODIES

- Ministry of Employment and Vocational Training
- National Social Security Fund
- National Sickness Insurance Agency (ANAM)

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further information or a
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