



## HOW TO HIRE MY FIRST EMPLOYEE IN ARGENTINA

### MAIN LEGAL STEPS TO FOLLOW TO HIRE A FIRST EMPLOYEE

Before registering the employment relationship, the employer must have their Tax Identification (CUIT) and also be registered as an employer. Both procedures are carried out at the offices of the Federal Public Revenue Administration (AFIP). If the worker does not have its Labor Identification Number (CUIL) shall apply to the National Social Security Administration (ANSES).

The employer shall record and report all matters relating to worker informing the hires and dismissals, as applicable. Thus, by the registration system "Simplification REGISTRY" the employer, through a single procedure, inform the hiring of the worker in the social security system and in the insurance and work injury system; communicate the applicable collective labor agreement and the corresponding category, data on family ties of the worker and other important data on the employment relationship.

The process can be realized through the Internet by accessing the institutional site of the Federal Administration of Public Revenues - AFIP ([www.afip.gob.ar](http://www.afip.gob.ar)) or in person to the delegation of the AFIP in which the employer is enrolled by filing Form 885 / A- duplicate, the text can be obtained from the website of the AFIP.

You must also register the worker with the relevant data of the employment relationship, in the Special Book of Salaries and Wages, established by Article 52 of the Law of Labor Contract No. 20,744, which must be previously signed by the local labor agency and it must be carried in the same conditions as trade books. During the term of the employment relationship the employer shall inform, by filing with the AFIP a monthly tax return (Form. AFIP 931), the data of workers has under its control and paid salaries, calculating and entering the System Social security contributions and contributions that apply.

### DESIGN AND CONTENTS OF AN EMPLOYMENT CONTRACT

#### REGIME OF EMPLOYMENT CONTRACT LAW

The employment relationship is where a person voluntarily develops tasks to another individual or company under its control receiving remuneration in return.

The Law of Labor Contract No. 20744 is presumed if the above conditions are met, so even if the worker parties and employer does not conclude an employment contract in writing, there will be a working relationship generated for both parties all the rights and obligations under it. Whenever there is provision of work under conditions of dependency or subordination exist employment contract, being indifferent to the type of contract and the duration of the connection. Not all types of contracts require the existence of a written contract.

#### Modes of Recruitment: *Typical forms of contracts*

##### Indefinite period

The employment relationship lasts until one particular case prevents its continuation. This type of contract does not require the existence of a written contract between the parties. It is the most used mode of recruitment.

##### Of fixed-term contract work

This type of contract is characterized by the existence of a specific duration of at most 5 (five) years. The contract duration time must be in writing, establishing expressly.

##### Seasonal work contract

Article 96 of the LCT determines that a seasonal employment contract exists when tasks correspond to the normal course of business and which by their very nature should be developed only during certain times of the year and are subject to repeated in each cycle under type activity.

##### Casual labor contract

When the work performed is required by the employer to meet the performance of unusual tasks the current activities of the company (ex.: renovation of an industrial establishment; presenting their products in a business event) or tasks without being outside the normal work of the company surpass in quality or quantity (ex.: replace a worker who is absent or meets higher demand for labor) may use any form of contract work.



## DOING BUSINESS IN ARGENTINA

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### CAN SOMEBODY DO BUSINESS FOR ME AND NOT BE AN EMPLOYEE?

While the 24 weekly hours of work are not exceeded under one employer, you can choose to perform a service contract. In this case, the other party should be registered with AFIP and be defined as the provision of services.

Another possibility is labor outsourcing, which generally occurs when an activity ceases to be developed by a company and transferred to employees who are hired by another firm. The main idea is that, in this way, the main company is engaged exclusively in the pure achievement of their economic projects, giving another the responsibility to comply with so-called secondary tasks such as cleaning, security, hiring labor, etc.