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Do the amounts of vacations not taken, paid together with severance pay, apply for Social Security taxes?

The answer to this question is not clear, and there is no case law that has clarified the matter.

CNSS Resolution 72-03 establishes that contributable remuneration includes vacations and does not clarify whether it is referring to annual vacations, when these are enjoyed, and whether it covers the vacation indemnity that is granted at the end of the termination of the contract, called "proportion of vacations".

In my opinion, the vacation indemnity or vacation ratio should not be contributable for social security since it is an indemnity as a consequence of the termination of the contract. On the other hand, annual vacations are known as "inactivity salary", which means that it is a salary that the employee receives, even if he/she is inactive or is not working, and, in other words, it is as if it were the ordinary salary that the employee receives, without being obliged to work during that period. Therefore, it is reasonable to conceive that as part of the contributable salary. But not the vacation proportion, which is paid as if it were a kind of penalty to be paid by the employer, for having terminated the contract preventing the worker from acquiring his right to annual vacation. This is how the vacation proportion provided for in Articles 179 and 180 of the Labor Code is conceived. Its legal nature is that of an indemnity; it is not a salary. And, in addition, it is granted on the termination of the employment contract, and not on the services rendered during the employment contract.

Despite all that has been said, I advise against filing a lawsuit with the TSS on this matter.