

GMS Flash Alert

2026-154 | 18 June 2026

United Kingdom – Social Security Agreement with Republic of India

On 17 June 2026, the U.K. and the Republic of India agreed that the Double Contribution Convention (the “DCC”) will come into force, alongside the broader Free Trade Agreement.¹

Please see the [GMS Flash Alert](#) (1 June 2026) for initial coverage of the DCC.

WHY THIS MATTERS

The DCC is expected to ease administrative and financial pressures for employers and internationally mobile employees by clarifying which country's social security system applies during temporary postings.

Key Highlights

Transitional Rules

The DCC will not apply to individuals who are already on assignment on the day the agreement enters into force. U.K. employees who are already working on assignment in India will not be entitled to a Certificate of Coverage and will become subject to Indian social security legislation, even if they are paying U.K. social security by virtue of the U.K. domestic 52-week liability rule. In the same manner, Indian employees who are already on assignment in the U.K. will become subject to U.K. social security legislation, even if they are within the first 52 weeks of the assignment and exempt from paying U.K. social security contributions under U.K. domestic law.

Detached Workers

- **Certificate of coverage:** Employees going on assignment from the U.K. to India and from India to the U.K. on or after 15 July 2026 can remain subject to the home country social security legislation and exempt from paying social security contributions in the host country. This is providing that the period of work abroad will not exceed 60 months (as opposed to the 36 months initially announced) and that certain eligibility conditions are met.

- **Certificate of coverage eligibility:** The U.K. and India have agreed that to benefit from a Certificate of Coverage and remain insured in the home country social security scheme, employees must have been subject to the legislation of the home country for at least 30 days prior to their assignment in the host country or employer and employee contributions must have been paid in respect of the employment for the calendar month before the start of the assignment.
- **Assignments from third countries:** An individual who is sent by their employer on assignment to the other state from a third country can still be entitled to a Certificate of Coverage, as long as they are paying social security contributions in their home country immediately before the start of the assignment.
- **Personal choice:** An individual who personally decides to work temporarily in the other country can still be entitled to a Certificate of Coverage, as long as their employer agrees to this. There is no requirement for a formal assignment to be in place.
- **Cooling-off period:** If an individual completes an assignment and is subsequently sent to work in the host country again, they are not entitled to a Certificate of Coverage until a period of six months has elapsed. If their previous assignment was shorter than six months, the “cooling-off period” will be the same length of time as the previous period of work in the host country.
- **Exceptions:** The competent authorities of both states may agree on exceptions for particular individuals or categories of individuals. In exceptional situations, this could allow employees to remain within their home-country system for 36 months, providing that a request for an exception is made, wherever possible, in advance.

Voluntary Contributions

- Individuals who are subject to the legislation of the U.K. or India are not entitled to pay voluntary social security contributions under the legislation of the other state for the same period.
- Individuals who are already on assignment from the U.K. to India on the date the agreement comes into force, who will become subject to the Indian social security legislation, will not be entitled to pay voluntary U.K. social security contributions.

Split Social Security Liability

As the DCC does not contain specific rules for individuals working simultaneously or alternately in both countries, HMRC clarifies that individuals employed in both countries may be liable to pay social security contributions in both the U.K. and India, regarding earnings from their respective employments in the U.K. and India.

Entry into Force

The DCC will take effect from 15 July 2026 after both countries exchange written confirmation that domestic legal requirements have been fulfilled.

KPMG LLP (U.K.) INSIGHTS

The DCC will eliminate historical double social security contribution liabilities. Employers should review their current and planned assignments between the U.K. and India to ascertain the implications of the DCC, ensure they are compliant with the rules and structure assignments efficiently.

If assignees and/or their programme managers have any questions or concerns about the scope of the update, its application and potential impacts, and appropriate next steps, they should consult with their qualified

professional or a member of the GMS team with KPMG in the U.K. (see the Contacts section).

ENDNOTES:

- 1 GOV.UK website, "[UK-India Double Contributions Convention \(DCC\) explainer - GOV.UK](#)," published on 17 June 2026.
- 2 GOV.UK website, "[Agreement between Great Britain and India](#)," published on 10 February 2026.
- 3 GOV.UK website, "[National Insurance Manual NIM33250](#)," updated on 7 May 2026.

* * * *

Contacts

For additional information or assistance, please contact your local GMS or People Services professional or the following professional with the KPMG International member firm in the United Kingdom:



Dario Di Capua

Director

Tax & Legal - GMS

Tel. + 44 (0) 7713 751845

dario.dicapua@kpmg.co.uk

The information contained in this newsletter was submitted by the KPMG International member firm in the United Kingdom.

© 2026 KPMG LLP a U.K. limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

www.kpmg.com

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

Learn about us:



kpmg.com

© 2026 KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG LLP is the U.S. firm of the KPMG global organization of independent professional services firms providing Audit, Tax and Advisory services. The KPMG global organization operates in 147 countries and territories and has more than 219,000 people working in member firms around the world.

Each KPMG firm is a legally distinct and separate entity and describes itself as such. KPMG International Limited is a private English company limited by guarantee. KPMG International Limited and its related entities do not provide services to clients.

GMS Flash Alert is a publication of the KPMG LLP Washington National Tax practice.

KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm. The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.