



ACT

on Bereavement Leave

No. 77/2022

Entered into force on 1 January 2023. For limits of legal applicability see further Art. 37 and the Temporary Provision.

Any mention in this Act of the Minister or Ministry, without stating their function specifically, refers to the Minister of **Social Affairs and Housing** or the **Ministry of Social Affairs and Housing**, which administers this Act. Information on the functions of Ministries as provided for by Presidential Decree is available here. <https://www.althingi.is/lagas/nuna/2025005.html>

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SECTION I

Scope, objectives and definitions

Article 1

Scope.

This Act provides for the rights of parents who have been continuously employed in the domestic labour market to bereavement leave, as well as to payments to compensate for their loss of income during the period of bereavement leave. The Act also provides for the rights of parents outside the labour market or working less than 25% of full-time employment and parents in full-time studies to bereavement grants.

Article 2

Objective.

The aim of this Act is to guarantee parents scope for dealing with grief following the loss of a child and, depending on the circumstances, to support surviving siblings in adapting to changed circumstances. The Act is also intended to increase the likelihood that parents will be able to successfully return to the labour market and actively participate in society again following the loss of a child.

Article 3

Definitions.

For the purposes of this Act the following definitions shall apply:

1. *Child*: an individual younger than 18 years of age.
2. *Loss of a child*: when a parent experiences the death of their child.
3. *Parent*: a parent and/or guardian of a child, according to the provisions of the Children's Act, as well as other persons who have performed parental duties towards the child in question for a period longer than the last 12 months before the death of the child.
4. *Full-time study*: pursuit of 75-100% of a continuous study programme, practical or theoretical, at a recognised educational institution in the general education system in Iceland, lasting at least six months, which can therefore be a period that is not delimited by whole calendar months. Furthermore, this refers to 75-100% programmes of studies at university/tertiary level and other studies with similar requirements for preparatory education as studies at university level. Individual courses are not considered study programmes.



5. *Continuous work*: employment in at least 25% of full-time employment each month in the domestic labour market for a specified period, which can therefore be a period that is not delimited by whole calendar months. Furthermore, those cases listed in subparagraphs a) to f) of the second paragraph in Art. 14. are considered to be continuous work.

6. *Bereavement leave*: leave for a parent from paid work in the domestic labour market following the loss of a child, as well as in the event of miscarriage after 18 weeks of pregnancy or stillbirth after 22 weeks of pregnancy.

7. *Bereavement grants*: a grant to a parent outside the labour market or employed in less than 25% of full-time employment and a parent in full-time study following the loss of a child, as well as in the event of miscarriage after 18 weeks of pregnancy or stillbirth after 22 weeks of pregnancy.

SECTION II

Administration.

Article 4

Ultimate responsibility.

The Minister in charge of labour affairs is ultimately responsible for matters provided for in this Act.

Article 5

Implementing body.

The Directorate of Labour is in charge of implementing this Act and handles payments, as referred to in Chapters IV and VI, to parents who exercise their right to payments during bereavement leave or to a bereavement grant.

The costs arising from payments to parents during bereavement leave and bereavement grants shall be paid from the National Treasury.

Article 6

Right of appeal.

Appeals against decisions of the Directorate of Labour based on provisions of this Act may be made to the Welfare Appeals Committee. The handling of cases shall proceed as prescribed in the Act on the Welfare Appeals Committee and in general procedural provisions of the Administrative Procedures Act.

Rulings of the Welfare Appeals Committee on the recovery of overpayments made under this Act are enforceable by execution.

An appeal to the Welfare Appeals Committee does not suspend the legal effects of a decision, cf. the Act on the Welfare Appeals Committee. An administrative appeal, however, postpones enforcement based on a decision of the Directorate of Labour to recover overpayments during bereavement leave or overpaid bereavement grants, cf. Art. 28.

SECTION III

Bereavement leave.

Article 7

A parent's right to bereavement leave due to the loss of a child.

A parent who has been continuously employed has an independent right to bereavement leave for up to six months from the date they experience the loss of a child.

The entitlement to bereavement leave as provided for in the first paragraph is established on the date a parent experiences the loss of a child and expires 24 months later.

Article 8

A parent's right to bereavement leave in the event of stillbirth or miscarriage.



A parent who has been continuously employed has an independent entitlement to bereavement leave for up to three months from the date a stillbirth occurs after 22 weeks of pregnancy. In the event of a miscarriage after 18 weeks of pregnancy, the parent has an independent entitlement to bereavement leave for up to two months from the date the miscarriage takes place.

The entitlement to bereavement leave as provided for in the first paragraph is established in the event of a stillbirth after 22 weeks of pregnancy or a miscarriage after 18 weeks of pregnancy and expires 24 months after the stillbirth or miscarriage.

The duration of pregnancy as referred to in the first paragraph must be attested to with a certificate from a specialist physician; the original certificate must be provided to the Directorate of Labour. If the parents were not married or in a registered partnership at the time of the stillbirth or miscarriage, as referred to in the first paragraph, the certificate must also contain details of the parents.

Article 9

Notification of bereavement leave.

When a parent who is gainfully employed by other parties intends to exercise their right to bereavement leave, the parent must notify the employer as soon as possible in a verifiable manner, e.g. in electronic or written format, specifying the start date, the length and other structure of the bereavement leave.

If the parent wishes to alter the previously announced structure of their bereavement leave, the parent must notify the employer at least one week before the start date of the new bereavement leave arrangements, specifying as appropriate the new start date, length and structure of bereavement leave.

Article 10

Structure of bereavement leave.

A parent who is gainfully employed by other parties shall be able to exercise their right to bereavement leave in a single continuous period.

Notwithstanding the provisions of the first paragraph, the parent is authorised, by agreement with the employer, to structure their bereavement leave so that it will consist of more than one period and/or will be utilised in tandem with a reduced work contribution. However, the right to bereavement leave may never be used for less than a fortnight at a time. The employer shall endeavour to accommodate the parent's wishes regarding the structure of their bereavement leave under this provision.

If the parent wishes to take bereavement leave in a specific way, cf. the second paragraph, but the employer cannot accommodate the parent's wishes, the employer and the parent shall reach an agreement on an alternate structure for the bereavement leave, cf. Art. 9. This shall be done in electronic or written format, stating the reasons for the altered structure.

If an agreement cannot be reached between the parent and the employer regarding the parent's exercise of their entitlement to bereavement leave, cf. the third paragraph, the parent may exercise their right to bereavement leave in a single period, cf. the first paragraph, from the starting date decided upon by the parent.

Article 11

Accumulation and protection of entitlement.

Bereavement leave is included in the period of employment when assessing work-related entitlement, such as entitlement to sick leave, vacation entitlement and the right to extend vacation provided for in collective bargaining agreements, wage increases due to length of service, notice periods and unemployment benefits.

SECTION IV

Payments during bereavement leave.

Article 12

Application for payments during bereavement leave.



A parent must apply to the Directorate of Labour for bereavement leave payments. The application must be made in the form prescribed by the Directorate of Labour, e.g. in electronic or written format, and must be accompanied by a copy of the notice of bereavement leave, cf. Art. 9, stating the start date, duration and structure of bereavement leave in other respects. If an agreement has been reached on a structure for bereavement leave other than those stated in the notification of bereavement leave, cf. the third paragraph of Art. 10, a copy of the agreement must also be attached to the application.

If the parent is self-employed, this must be stated in the application, together with the start date, duration and the structure of bereavement leave in other respects.

Article 13

A parent's right to bereavement leave payments.

A parent acquires entitlement to bereavement leave payments after participating in the domestic labour market for six months before the loss of a child, stillbirth or miscarriage; this can therefore be a period that is not limited to whole calendar months.

When a parent has worked in the domestic labour market for at least the last month of the reference period, as provided for in the first paragraph, the Directorate of Labour, as necessary, shall take into account their period of employment in another member state of the Agreement on the European Economic Area, the Nordic Convention on Social Security, the European Free Trade Association (EFTA) Treaty, or the agreement between the government of Iceland, on the one hand, and the government of Denmark and the government of the Faroe Islands, on the other, during the reference period. However, if the parent has worked in the domestic labour market for less than the last month of the reference period under the first paragraph, the Directorate of Labour shall assess whether the person is considered to have worked in the domestic labour market for the purposes of this Act, so that consideration shall be given as necessary to the period of employment of the parent in another state party to the above-mentioned agreements during the reference period. The condition for so doing is that the parent has commenced work in the domestic labour market within ten working days of leaving the labour market in another state party to the above-mentioned agreements. An application for payments during bereavement leave, as referred to in Art. 12, must be accompanied by the requisite certificates concerning the period of employment and insurance in another state in accordance with the provisions of the above agreements.

Article 14

Participation of the parent in the domestic labour market.

Participation of the parent in the domestic labour market, as referred to in Art. 13, means that the parent has been in continuous employment. Full-time work by an employee is based on 172 working hours per month; however, consideration shall normally be given to the number of working hours that is regarded as full-time work according to the collective agreement. Full-time work in the case of self-employed persons shall be based on the person's having paid monthly deductions of tax at source and social insurance tax on calculated remuneration or wages that are equivalent to the minimum reference amount applied by the Directorate of Internal Revenue in occupation in question, or to what is regarded as full-time employment according to a collective agreement. The following also counts as participation in the domestic labour market:

a. the vacation or leave of a parent who is gainfully employed by other parties, as provided for by law, a collective bargaining agreement or an employment contract, even if partly or entirely unpaid, and the parent has, during the period in question, been employed in at least 25% of full-time employment;

b. the period during which a parent receives unemployment benefit, is waiting for such benefit, would have been entitled to it if it had registered as unemployed, or has temporarily stopped seeking employment due to a vacation taken abroad, not more than ten working days having elapsed until the search for employment is resumed under the valid legislation on unemployment insurance, providing that the job proportion in which the parent worked during the reference period for the aforementioned payments was at least 25%;



c. the period during which a parent receives payments from the Maternity/Paternity Leave Fund, under the Act on Maternity/Paternity and Parental Leave, or would have been entitled to such payments if the parent had applied for them, if the parent during the reference period for the aforementioned payments was employed in at least 25% of full-time employment;

d. the period during which a parent receives *per diem* benefit allowance due to illness or accident, is waiting for such allowance or would have been entitled to it if the parent had applied for it to the health insurance institution under the Health Insurance Act and the Social Security (Accident Insurance) Act, or receives *per diem* benefit payments from the sick-pay fund of a trade union, providing that the parent has stopped paid employment due to health reasons, if the job proportion in which the parent worked during the reference period for the aforementioned payments was at least 25%;

e. the period during which the parent receives compensation from an insurance company to replace wages due to temporary employment injury resulting from an accident, if the parent during the reference period for the aforementioned payments was employed in at least 25% of full-time employment;

f. the period during which a parent receives income-related payments under Section III of the Payments to the Parents of Chronically Ill or Seriously Disabled Children Act, No. 22/2006, or would have been entitled to such payments if it had applied for them to the Social Insurance Administration, if the job proportion in which the parent worked during the reference period for the aforementioned payments was at least 25%.

The Directorate of Labour shall assess, having regard to the Act on Unemployment Insurance, whether a parent would have been entitled to unemployment benefits if they had registered as unemployed during the time in question, cf. subparagraph b of the second paragraph. The same applies as to whether a parent would have been entitled to payments from the Maternity/Paternity Leave Fund if the parent had utilised their entitlement to maternity/paternity leave for the time in question, cf. subparagraph c of the second paragraph.

Icelandic Health Insurance shall assess, having regard to the Act on Health Insurance and the Act on the Accident Insurance of Social Security, whether a parent would have been entitled to sickness or accident allowance if they had applied for it for the time in question, cf. subparagraph d of the second paragraph.

The Social Insurance Administration shall assess, having regard to the Act on Payments to Parents of Chronically Ill or Severely Disabled Children, whether a parent would have been entitled to income-related payments on the basis of that law if they had applied for them for the time in question, cf. subparagraph f of the second paragraph.

Article 15

Reference period and calculation of bereavement leave payments.

The monthly payment to a parent on bereavement leave shall amount to 80% of their average aggregate wages and imputed wages, as appropriate, as provided for in the second paragraph, based on the continuous six-month period ending two calendar months before the loss of a child, a stillbirth or a miscarriage. Only the average aggregate wages for the calendar months during the reference period in which the parent has been in the domestic labour market shall be taken into account, cf. also subparagraphs a–f of the second paragraph of Art. 14, regardless of whether wages or imputed wages are concerned. However, never fewer than three calendar months shall be taken into account when calculating average aggregate wages.

Wages in the domestic labour market shall include all types of wages and other remuneration covered by the Social Security Charge Act. Furthermore, those instances shall be included that are considered to be participation in the domestic labour market under subparagraphs a–f of the second paragraph of Art. 14. In addition, payments under subparagraphs a and b of [Art. 5 of the Act on the Wage Guarantee Fund, No. 88/2003](#). In the case of 100% payments, during a reference period in connection with instances covered by subparagraphs a–f of the second paragraph of Article 14, to which the parent was entitled, the reference income on which those payments were based shall be taken into consideration. If, on the other hand, the parent has chosen to spread payments, in connection with



instances covered by subparagraphs a-f of the second paragraph of Art. 14, proportionally over a longer period of time in tandem with part-time work or leave, paid or unpaid, the reference income on which those payments were based shall be taken into account in the same proportion as the payments made during the reference period in question. The same shall apply if the parent has chosen to spread payments, in connection with instances covered by subparagraphs a-f of the second paragraph of Article 14, proportionally over a longer period of time, even if the parent was not in an employment relationship at the same time. An amount exceeding the reference income that is to be taken into account as referred to above shall never be taken into account, even if the parent received compensation for the difference between payments, in connection with instances covered by subparagraphs a-f of the second paragraph of Art. 14, and the average aggregate wages in tandem with the payments. When payments under subparagraphs a and b of [Art. 5 of the Act on the Wage Guarantee Fund, No. 88/2003](#), are made during the reference period, the reference income on which those payments were based shall be taken into account.

The calculation of payments to a parent during bereavement leave must be based on information that the Directorate of Labour obtains about the person's income from tax returns, withholding tax records and the tax authorities' records of social security charges. The Directorate of Labour shall seek confirmation from the tax authorities that information from withholding tax and social security charge records corresponds to levies by the tax authorities for the reference period referred to in the first paragraph. The Directorate of Labour must inform the parent of proposed gathering of information, as provided for in the second paragraph of [Art. 17 of the Act on Data Protection and the Processing of Personal Data, No. 90/2018](#).

The tax authorities shall provide the Directorate of Labour with the information necessary for the implementation of the law free of charge and in the format requested.

Article 16

Payments during bereavement leave.

Notwithstanding the first paragraph of Art. 15, the monthly payment to a parent on bereavement leave shall never exceed ISK 600,000.

When a parent is entitled to bereavement leave payments under Art. 13, but has not worked in the domestic labour market during the reference period provided for in Art. 15, the parent shall acquire the right to minimum payments under the third paragraph corresponding to their job proportion.

The payment to a parent on bereavement leave, who has been working on average 25-49% of full-time employment in each calendar month during the reference period referred to in Articles 13 and 14, shall never be lower than ISK 143,963 in proportion to the structure of the parent's bereavement leave for the calendar month or part of the calendar month for which it is paid, cf. the fourth paragraph and Art. 10. The payment to a parent on bereavement leave who has been working on average 50-100% of full-time employment in each calendar month during the reference period referred to in Articles 13 and 14, shall never be lower than ISK 199,522 in proportion to the structure of the parent's bereavement leave for the calendar month or part of the calendar month for which it is paid, cf. the fourth paragraph and Art. 10.

Payments during bereavement leave shall be made in arrears, on the first working day of each month for the preceding calendar month or part of a calendar month. A parent may not receive retrospective payments for more than three calendar months prior to the calendar month in which the application for bereavement payments, as referred to in Art. 12, was received by the Directorate of Labour.

During bereavement leave, the parent shall pay a minimum of 4% of the bereavement leave payments to a pension fund and the Directorate of Labour a minimum 11.5% employer's contribution. The parent may also pay into a private pension scheme.



Article 17

Reduction of payments.

The entitlement of a parent who has been continuously employed in the domestic labour market to bereavement leave payments is conditional upon the parent fulfilling the requirements for entitlement to bereavement leave in Chapter III and discontinuing paid employment during the period in which they exercise their entitlement to bereavement leave.

Payments from the employer to the parent during bereavement leave, that form the base for social security contributions under the Act on the Social Security Charge, which are higher than the difference between bereavement leave payments under Art. 16 and the parent's average aggregate wages during the reference period under Art. 15 in proportion to the structure of the parent's bereavement leave in the calendar month or part of the calendar month for which they are paid, cf. Articles 10 and 16, shall be deducted from bereavement leave payments. The income of a parent who is on bereavement leave and concurrently has reduced employment participation, cf. the second paragraph of Art. 10, which is in accordance with the average aggregate wages during the reference period referred to in Art. 15, shall not affect bereavement leave payments for the same period.

Only payments from the employer for the period during which the parent is on bereavement leave in each calendar month shall be deducted from payments during bereavement leave. This applies to the period that begins on the first day of the parent's bereavement leave within a specific calendar month and ends on the day on which the parent no longer exercises their entitlement to bereavement leave within the specified calendar month. The same shall apply whether the parent utilises their entitlement to bereavement leave in full or concurrently with work in a reduced proportion during the aforementioned period. Account may, however, be taken of wage increases provided for in collective bargaining agreements, other payments under collective bargaining agreements and wage increases that may be traced to changes in the parent's employment after the end of the reference period referred to in Art. 15 and up until the first day of the parent's bereavement leave. Changes during the above-mentioned period shall be taken into account in the same way as is done when the parent's average aggregate wages are calculated as provided for in Art. 15. The parent must demonstrate with written documentation the grounds on which such wage changes are based, and the Directorate of Labour may request confirmation by the employer of the documentation submitted by the parent for this purpose.

If the parent has received unusually high payments from their employer, prior to or after bereavement leave or during bereavement leave, compared to income during the reference period referred to in Art. 15, which can be regarded as being intended to cover the same period as the period during which the parent exercises their entitlement to bereavement leave, the Directorate of Labour shall request that the parent in question demonstrate with written documentation the period to which the payments in question apply. The same shall apply to unusually high payments from the employer to the parent for the period during which the parent has reduced their work proportion concurrently with exercising their entitlement to bereavement leave. The Directorate of Labour may request confirmation by the employer of documentation submitted for this purpose.

A parent who is entitled to bereavement leave as provided for in Chapter III, but who does not meet the conditions of Art. 13, is entitled to bereavement grants under Articles 18 or 19, as appropriate. Payments from the employer to a parent on bereavement leave which exceed the difference between the amount of a bereavement grant and the parent's average aggregate wages shall be deducted from the grant. In calculating average aggregate wages under this paragraph, account shall be taken of the two calendar months preceding the month in which the loss of a child, stillbirth or miscarriage occurred. In other respects the provision of the first paragraph shall apply as appropriate.

SECTION V

Bereavement grants.

Article 18

*Entitlement of parents outside the labour market or employed
in less than 25% of full-time employment to bereavement grants.*



A parent who has been outside the labour market or employed in less than 25% of full-time employment has an independent entitlement to bereavement grants for up to six months from the date they experience the loss of a child.

The entitlement to bereavement grants as provided for in the first paragraph is established upon the loss of a child and expires 24 months later.

Article 19

Entitlement of parents in full-time studies to bereavement grants.

A parent who has been studying full-time for at least six of the 12 months preceding the loss of a child and who satisfies the requirements regarding academic progress during that time shall have an independent entitlement to bereavement grants for up to six months from the date they experience the loss of a child. The parent must submit confirmation from the educational establishment in question that they have been enrolled in full-time study and have satisfied the requirements regarding academic progress during that period. Pursuit of studies, rather than academic achievement, during the academic semester in which the loss of a child occurs may be taken into account.

The entitlement to bereavement grants as provided for in the first paragraph is established upon the loss of a child and expires 24 months later.

Article 20

A parent's right to bereavement grants in the event of stillbirth or miscarriage.

A parent has an independent entitlement to bereavement grants for up to three months from the date a stillbirth occurs after 22 weeks of pregnancy. In the event of a miscarriage after 18 weeks of pregnancy, the parent has an independent entitlement to bereavement leave for up to two months from the date the miscarriage takes place.

The entitlement to bereavement grants as provided for in the first paragraph is established in the event of a stillbirth after 22 weeks of pregnancy and expires 24 months later.

The duration of pregnancy as referred to in the first paragraph must be attested to with a certificate from a specialist physician; the original certificate must be provided to the Directorate of Labour. If the parents were not married or in a registered partnership at the time of the stillbirth or miscarriage, as referred to in the first paragraph, information on the parents must be included in the certificate.

Article 21

Exemptions from the condition of full-time study.

A bereavement grant may be paid to a parent as provided for in Art. 19 may be paid to a parent, even though the condition of full-time study during at least six of the 12 months preceding the loss of a child is not met, if the parent has been in continuous employment in the domestic labour market, cf. also the second paragraph of Art. 13, until the study began, provided that continuous employment and study have lasted for at least six months.

A bereavement grant may be paid to a parent as a student when the parent has completed at least one semester of study as referred to in Art. 19 and has since been in continuous employment in the domestic labour market, provided that the study and continuous employment have lasted for at least six months.

A bereavement grant may be paid to a parent as a student, even though they do not meet the conditions for full-time study when the loss of a child occurs, provided that the parent is in the final semester of study and it is clear that the person is completing a degree programme.

A bereavement grant may be paid to a parent as a student, even though they do not meet the condition of full-time study during at least six of the 12 months preceding the loss of a child, provided the parent has received payments under the Act on Payments to Parents of Chronically Ill or Severely Disabled Children, or would have been entitled to such payments if they had applied for them to the Social Insurance Administration. In such cases, confirmation must be submitted from the educational institution that the parent has been enrolled in full-time study.

A bereavement grant may be paid to a parent as provided for in Art. 19 even though they do not satisfy the requirements regarding academic progress and/or pursuit of studies, if they were unable to



pursue their studies due to illness or accident. The parent must submit a certificate from the specialist doctor who attended them for confirmation; the original certificate must be provided to the Directorate of Labour. In addition, confirmation must be provided from the educational institution that the parent has been enrolled in full-time study.

The Social Insurance Administration shall assess, having regard to the Act on Payments to Parents of Chronically Ill or Severely Disabled Children, whether the parent would have been entitled to payments on the basis of that law if they had applied for them for the time in question, cf. the fourth paragraph.

Article 22

Conditions regarding domicile.

A parent must have legal domicile in Iceland, cf. [Art. 2 of the Act on Legal Domicile and Residence, No. 80/2018](#), upon the loss of a child, stillbirth or miscarriage, and must have had legal domicile in Iceland for the last 12 months prior to that time to be entitled to payment of bereavement grants.

A parent, who has received a residence permit in Iceland on the basis of international protection or on the basis of humanitarian considerations under the Foreign Nationals Act, may be entitled to a bereavement grant even though they have not been domiciled in Iceland for the last 12 months prior to the loss of a child, stillbirth or miscarriage, provided that less than twelve months has elapsed since the granting of their residence permit and the other conditions laid down in this Act are met.

Exemption from the conditions regarding domicile may be granted if the parent has transferred their domicile temporarily in connection with studies abroad, provided that the parent has been domiciled in Iceland for at least five continuous years before the transfer. The same shall apply if the parent has transferred their domicile temporarily and pursues studies in an Icelandic educational establishment via distance learning during the period, provided that the parent has been domiciled in Iceland for at least five continuous years before the transfer and meets the other requirements for bereavement grants made of parents in full-time study.

If a parent has been domiciled in Iceland for at least some time during the last month prior to the loss of a child, stillbirth or miscarriage, the Directorate of Labour shall, to the extent necessary, take into account the parent's residence during the reference period in another member state of the Agreement on the European Economic Area, the Nordic Convention on Social Security, the European Free Trade Association (EFTA) Treaty, or the agreement between the Government of Iceland, on the one hand, and the Government of Denmark and the government of the Faroe Islands, on the other, when assessing whether the parent satisfies the conditions on domicile of the first paragraph, provided that the parent was insured at the same time in that state and that no more than one month has elapsed since the insurance period under the legislation of that state ended. An application for payment of a bereavement grant, as referred to in Art. 24, must be accompanied by the requisite certificates concerning the period of employment and insurance in another state in accordance with the provisions of the above agreements.

Article 23

Structure of bereavement grants.

A parent may divide the bereavement grant payment period into more than one period. However, a payment period can never be less than a fortnight at a time.

SECTION VI

Bereavement grant payments.

Article 24

Application for bereavement grant payments.

A parent must apply to the Directorate of Labour for bereavement grants. The application must be made in the format prescribed by the Directorate of Labour, e.g. in electronic or written format, and



must state the initial date for payment of bereavement allowance to the parent and the length of the payment period.

Article 25

Bereavement grant payments.

Bereavement grant for a parent outside the labour market or employed in less than 25% of full-time employment shall never be less than ISK 87,062 per month. Bereavement grant for a parent in full-time study shall never be less than ISK 199,522 per month.

Payments of bereavement grants shall be made in arrears, on the first working day of each month for the preceding calendar month or part of a calendar month. Payments of bereavement grants to a parent may begin in the month in which the loss of a child, stillbirth or miscarriage occurs. A parent may not receive retrospective bereavement grant for more than three calendar months prior to the calendar month in which the application for bereavement payments, as referred to in Art. 24, was received.

Article 26

Reduction of bereavement grant payments.

A parent's right to bereavement grants is conditional upon the parent fulfilling the requirements for entitlement to bereavement grants in Chapter V. Payments from an employer to the parent, which are higher than half the amount of the grant paid to the parent under Art. 25, shall be deducted from bereavement grant payments. In other respects the provision of Art. 17 shall apply as appropriate.

SECTION VII

Monitoring, correction of payments and reassessment of entitlement.

Article 27

Monitoring.

The Directorate of Labour shall monitor the implementation of this Act, including whether a parent has received higher payments during bereavement leave or higher bereavement grants than they were entitled to, cf. Art. 28.

The tax authorities shall provide the Directorate of Labour with such information on parents' income from their tax returns, the register of taxation deductions at source and the register of social security tax as may be necessary for the Directorate of Labour to monitor the application of this Act, providing that the parent concerned in any given case has been informed of such a measure. The Directorate of Labour may process personal data, including data that may be considered sensitive, to the extent that such processing is considered necessary for monitoring under the first paragraph. To the extent necessary for monitoring the application of this Act, including ensuring that a parent does not receive higher payments for bereavement leave or a higher bereavement grants than they are entitled to under the provisions of the Act, it shall be permitted, for the purpose of processing personal data (*cf.* the third paragraph) to link data from the Directorate of Labour and data from the tax authorities regarding parents' income obtained from tax returns, the register of taxation deductions at source and the register of social security tax for the period during which parents exercise their maternity/paternity leave or maternity/paternity grant entitlements. In other respects, procedure in the handling of personal data shall be subject to the Personal Data Act.

Should monitoring of this Act give rise to grounds to expect that a parent has received higher payments during bereavement leave or a higher bereavement grant than it was entitled to under the provisions of this Act, the Directorate of Labour shall request that the parent in question demonstrate with written documentation that this was not the case. The Directorate of Labour may request confirmation from an employer of documentation submitted by a parent for this purpose, as appropriate.

The minister may issue regulations setting more detailed rules on the conduct of monitoring by the Directorate of Labour under this provision.



Article 28

Correction of payments during bereavement leave and of bereavement grants.

If changes have been made to a parent's income tax assessment in connection with income on which payments during bereavement leave are based, cf. the third paragraph of Art. 15, the Directorate of Labour shall adjust payments for bereavement leave to accord with the assessment by the tax authorities.

If a parent has received higher payments during bereavement leave or a higher bereavement grant than they were entitled to under the provisions of this Act, based on the assessment by the tax authorities or for other reasons, the parent must repay the overpayment to the Directorate of Labour.

Overpayments during bereavement leave or overpayment of bereavement grants, may be set off against the parent's credit arising from overpaid taxes, child benefits or interest benefits under the Income Tax Act.

The collection of overpayments during bereavement leave or overpaid bereavement grants is governed by [Art. 111 of the Income Tax Act, No. 90/2003](#). The Minister may entrust a special collection agent with their collection.

If a parent has received lower payments during bereavement leave than they were entitled to, according to the tax authorities' assessment, the Directorate of Labour shall pay the parent the amount owed with interest for the period during which the money was in the custody of the Directorate of Labour. The interest rate shall be equivalent to the current rate as determined by the Central Bank of Iceland, as provided for in the first paragraph of [Article 8 of the Act on Interest and Indexation, No. 38/2001](#). The same shall apply when the conclusion reached by the Welfare Appeals Committee is that the parent was entitled to payments during bereavement leave but was either denied such payments or was awarded lower payments than they were entitled to. When payments during bereavement leave are underpaid due to lack of information, the interest is forfeit.

Decisions of the Directorate of Labour on repayment of overpayments during bereavement leave or overpaid bereavement grants, as referred to in the second paragraph, are enforceable by execution.

SECTION VIII

Common provisions.

Article 29

Right to work.

The employment relationship between a parent exercising their right to bereavement leave and the employer remains unchanged during bereavement leave.

A parent who exercises their right to bereavement leave shall be entitled to return to their job at the end of the bereavement leave. If this is not possible, they shall be entitled to a comparable position with the employer, in accordance with their employment contract.

Article 30

Protection against termination.

A parent who has given notice of the exercise of their entitlement to bereavement leave, or who is on bereavement leave, may not have their employment terminated unless valid reasons exist for so doing, in which case written justification must accompany the notice of termination.

Article 31

Liability for compensation.

An employer violating provisions of this Act is liable for compensation under general rules.

Article 32

Incompatible entitlement.

A parent receiving payments from the Maternity/Paternity Leave Fund, on the basis of the Act on Maternity/Paternity and Parental Leave, cannot exercise their entitlement to bereavement leave payments during the same period.



A parent receiving payments from the Unemployment Insurance Fund, on the basis of the Unemployment Insurance Act, cannot exercise their entitlement to bereavement leave payments during the same period.

A parent receiving accident allowance, on the basis of the Act on the Accident Insurance of Social Security, sickness allowance on the basis of the Act on Health Insurance, or rehabilitation pension, on the basis of the Social Assistance Act, cannot exercise their entitlement to bereavement leave payments during the same period.

A parent receiving sickness allowance from a trade union's sickness fund cannot exercise their entitlement to bereavement leave payments during the same period.

A parent receiving compensation from an insurance company to replace wages due to temporary employment injury cannot exercise their entitlement to bereavement leave payments during the same period.

A parent receiving income-linked payments under the Act on Payments to Parents of Chronically Ill or Severely Disabled Children cannot exercise their entitlement to bereavement leave payments during the same period.

A parent drawing vacation pay cannot exercise their entitlement to bereavement leave payments during the same period.

A parent receiving payments in connection with termination of employment, including vacation pay, cannot exercise their entitlement to bereavement leave payments during the same period covered by those payments. If a parent receives vacation pay due to termination of employment during the same period as the parent receives bereavement leave payments, the parent must notify the Directorate of Labour of the said vacation pay immediately and of the period for which the vacation pay is intended, assuming that it will be before the end of the following vacation pay year (cf. the Holiday Allowance Act). The parent is then not entitled to payments during bereavement leave for the same period, in which case the parent's bereavement leave is considered to be postponed for that period of time if it is not concluded and the parent can apply for a change in the structure of bereavement leave or the payment of bereavement grants accordingly. In other respects, such as with regard to payments due to termination of employment other than vacation pay, the provisions of Art. 17 shall apply as appropriate.

Income-linked payments from other states for the same loss of a child, the same stillbirth or the same miscarriage, for the same period, shall be deducted from bereavement leave payments as provided for in Chapter IV.

Article 33

Review of amounts.

The amounts of payments to parents during bereavement leave, as provided for in Art. 16, and the bereavement grant payments, as provided for in Art. 25, shall be reviewed during the budget process each year, having regard to the development of wages, prices and economic affairs.

Notwithstanding the first paragraph, the Minister may, after obtaining the government's approval, alter the amounts referred to in the first paragraph upwards such as if substantial changes have taken place in wage trends and the underlying premises of the national economy since the passing of the budget.

Should there be a change in the amounts on the basis of the first or second paragraph, the Minister shall issue a regulation¹⁾ altering the amounts.

¹⁾[Reg. 1466/2023.](#)

Article 34

Prohibition on attachment.

Payments during bereavement leave or bereavement grants that have yet to be made are not subject to attachment. Nor may payments during bereavement leave or bereavement grants be allocated for payment of public levies other than the withholding tax on public levies.

Article 35

International agreements.



The implementation of this Act shall take into consideration intergovernmental agreements on social security and social affairs to which Iceland is a party.

Article 36

Regulation.

The Minister may issue a regulation on the detailed implementation of this Act, such as the manner in which an application must be submitted for bereavement leave payments, cf. Art. 12, or for bereavement grant payments, cf. Art. 24.

The Minister responsible for the state's revenues shall set in a regulation more detailed rules on debt set-off and the priority of overpayments in bereavement leave or overpaid bereavement grants pursuant to the third paragraph of Art. 28.

Article 37

Entry into force.

This Act shall enter into force on 1 January 2023 and shall apply to parents who experience the loss of a child on or after 1 January 2023. The same shall apply to a stillbirth after 22 weeks of pregnancy or a miscarriage after 18 weeks of pregnancy.

Article 38

Amendments to other Acts [...]

Interim Provisions.

Notwithstanding subparagraphs a-c of point 2 of Art. 38, a parent already receiving payments on the basis of the seventh paragraph of Art. 8, the sixth paragraph of Art. 14 or the seventh paragraph of [Art. 19 of the Act on Payments to Parents of Chronically Ill or Severely Disabled Children, No. 22/2006](#), shall have the right, upon the entry into force of this Act, to exercise in full their entitlement under the provision concerned in each instance.