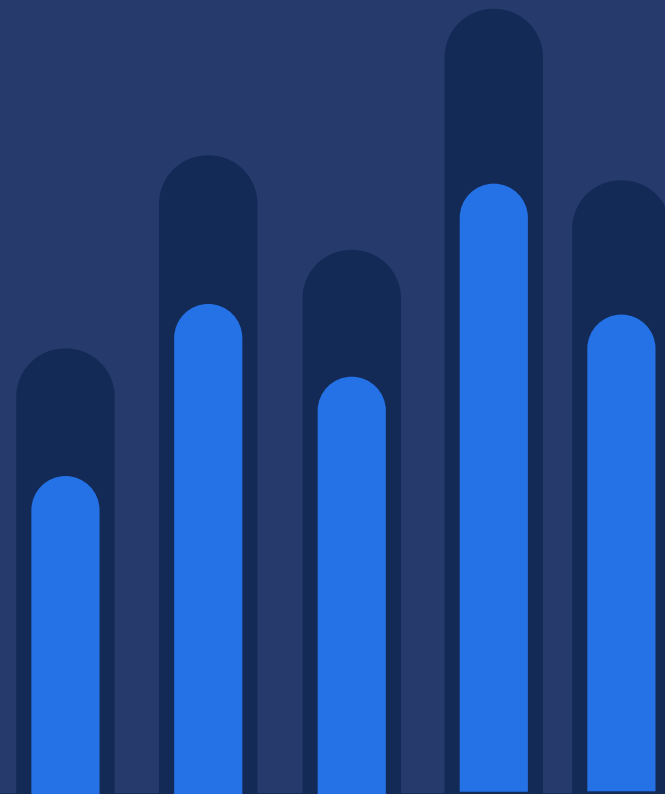




# Understanding Employment Costs in Europe in 2025

An In-Depth Analysis of Employment Costs, Net Pay,  
and Average Salaries in 36 European Countries



When hiring talent across borders, the salary a company offers is just the beginning of the story. It's the visible part of the iceberg, and what lies beneath can dramatically transform the financial reality of each hire.

In some countries, mandatory contributions (social security, payroll taxes, and statutory benefits) may only add a modest increase to overall costs. In others, these expenses could dramatically inflate the cost of bringing talent on board, potentially blocking the hire altogether.

For employees, the picture is just as varied. The same salary in one country might translate to vastly different take-home pay in another. In turn, this has a direct impact on the net compensation employees receive, their purchasing power, and quality of life.

Following on from last year's edition, this eBook cuts through the complexity of European employment costs in 2025, providing a clear picture of what employers actually pay at various salary levels and what employees really take home across the continent after deductions.

This year, we've taken the eBook a step further and enhanced our analysis by including **average salary figures (for a mid-level Software Developer) and cost of living data**. This additional context gives employers the crucial perspective they need when considering hiring in specific regions, helping them make more informed decisions about compensation and budgeting.

Whether you're a startup making your first overseas hire or an established enterprise fine-tuning your global employment strategy, this guide will equip you with the practical insights needed to make informed decisions in the European talent marketplace.

# Methodology

Our comprehensive analysis draws on a few primary sources:

**Internal data** collected and verified through our network of in-country experts. This data is systematically compiled from real payroll processing and rigorously reviewed on an annual basis to ensure accuracy and compliance with current regulations.



**Public information** including official tax and statutory contribution rates from each country.

**Cost of living** metrics provided by [Numbeo](#) which aggregates thousands of user-contributed data points on everyday expenses across different regions. This provides a standardised approach to comparing living costs across diverse European economies.



**Average salary data** provided by [TalentUp](#), which offers salary and talent data for over 650 roles across 190+ cities in 70 countries. Their AI-driven insights deliver real-time, trustworthy salary benchmarks.



## How We Selected Our Benchmarks

To provide meaningful comparisons across European economies, we chose to examine and benchmark three annual gross salaries. Choosing these specific levels allows us to highlight how employment costs and net pay fluctuate based on three distinct compensation ranges:

€32,000

This is our starting point for comparison. It is intentionally aligned with the highest statutory minimum wage found across the countries we analysed, found in Luxembourg.

€60,000

This remains our primary reference point, carried over from last year's analysis. It serves as a representative salary for the skilled professionals and 'knowledge workers' frequently hired by companies operating internationally (as seen across our internal payroll data).

€150,000

Including this higher salary benchmark allows us to explore the financial dynamics associated with hiring for senior management, executive positions, or highly specialised roles.

## Key Metrics We'll Review

### TOTAL EMPLOYMENT COST

Gross salary plus all mandatory employer contributions

### NET PAY

The amount employees receive after taxes and deductions

### COST-TO-NET PAY RATIO

How many Euros an employer spends for each Euro an employee takes home

### AVERAGE SALARY DATA

#### (Software Developer)

The average salary figures are specific to a mid-level Software Developer in each country

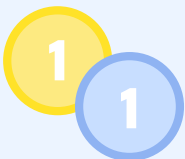
### COST OF LIVING DATA

The cost of living figures represent estimated annual expenses for a single person

## Important Considerations

### Currency Conversions:

For ease of comparison, all primary financial figures in this analysis are presented in Euros (€). Where applicable, the conversions from local currencies to Euros were performed based on exchange rates at the time of data compilation. Please be aware that currency exchange rates fluctuate constantly, so these Euro equivalents may differ slightly from current market rates. It's also important to note that this eBook was created during a period of particularly high currency volatility, which may amplify differences between the figures presented here and real-time conversions.



### Cost of Living Data:

The cost of living figures in our analysis represent estimated annual expenses for a single person living in a one-bedroom apartment located in the capital city of each country. It's important to understand that these figures serve as general benchmarks for comparison and context purposes only, not as precise budget calculations applicable to every individual or situation.



### Salary Benchmarks:

We recognise that our chosen salary benchmarks are higher than typical skilled worker pay in many of the countries analysed. However, establishing a consistent baseline was essential for comparing how different national systems calculate costs and deductions across the full spectrum of economies studied, from lower-income to higher-income nations. For instance, the approximate annual minimum wage in Luxembourg is €32,000. Using this figure as our lowest benchmark allows us to compare the mechanics of the financial and governmental systems.

### Why Benchmark a Software Developer Salary?:

To provide a more concrete, role-specific anchor point alongside our fixed benchmarks, we included the average salary for a Software Developer (data sourced from [TalentUp](#)). We chose this role because it represents a highly sought-after and commonly hired position across Europe, particularly for companies operating internationally.



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## Conclusion: Navigating the Complexities of European Employment Costs in 2025

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# An Overview

Throughout this eBook, our graphs and analysis mainly focus on the **€60,000 gross salary benchmark**. As you'll see in our data, what a business actually pays at this salary level varies dramatically across Europe. And while employers naturally focus on total cost for budgeting purposes, employees experience vastly different financial realities when it comes to their take-home pay (what they actually receive after all mandatory deductions).



## How We'll Break Down the Analysis

In the following sections, we will explore these differences in a structured way:

### Total Employment Cost:

We'll start with a graph visualising the estimated total employment cost across Europe for the €60,000 benchmark, immediately followed by an insights section digging into the key takeaways, trends, and interesting findings around employer expenses.

### Employee Net Pay:

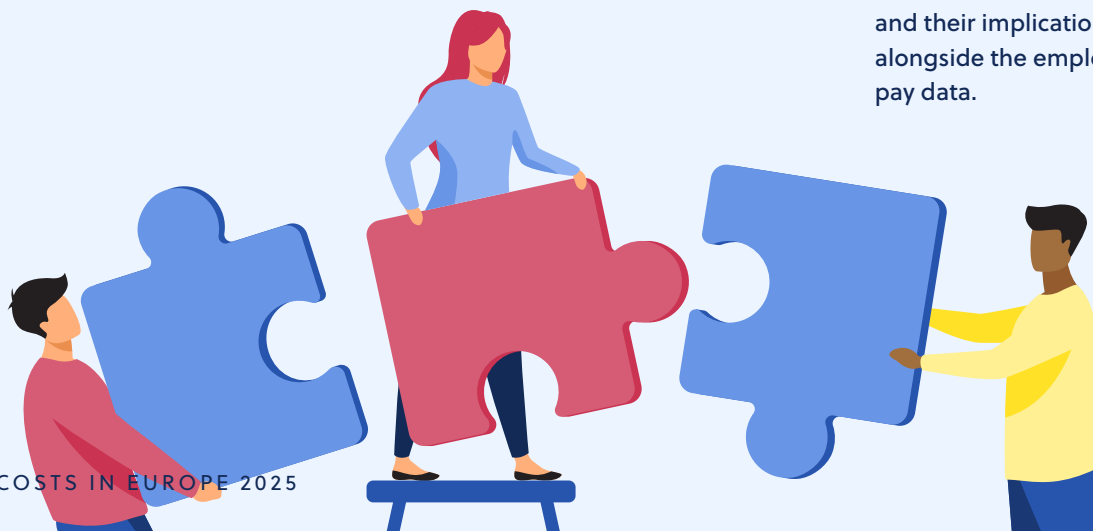
Next, we shift focus to the employee perspective with a graph showing estimated net pay outcomes across the continent for the same €60,000 salary. An accompanying insights section will analyse the disparities in take-home pay and what it means for employees.

### Average Salary & Living Costs:

Before diving into individual countries, we'll present comparative data on the estimated average salary for a software developer and the estimated cost of living (for a single person in a one-bedroom apartment in the capital city) in each country. A dedicated insights section will discuss these figures and their implications when viewed alongside the employment cost and net pay data.

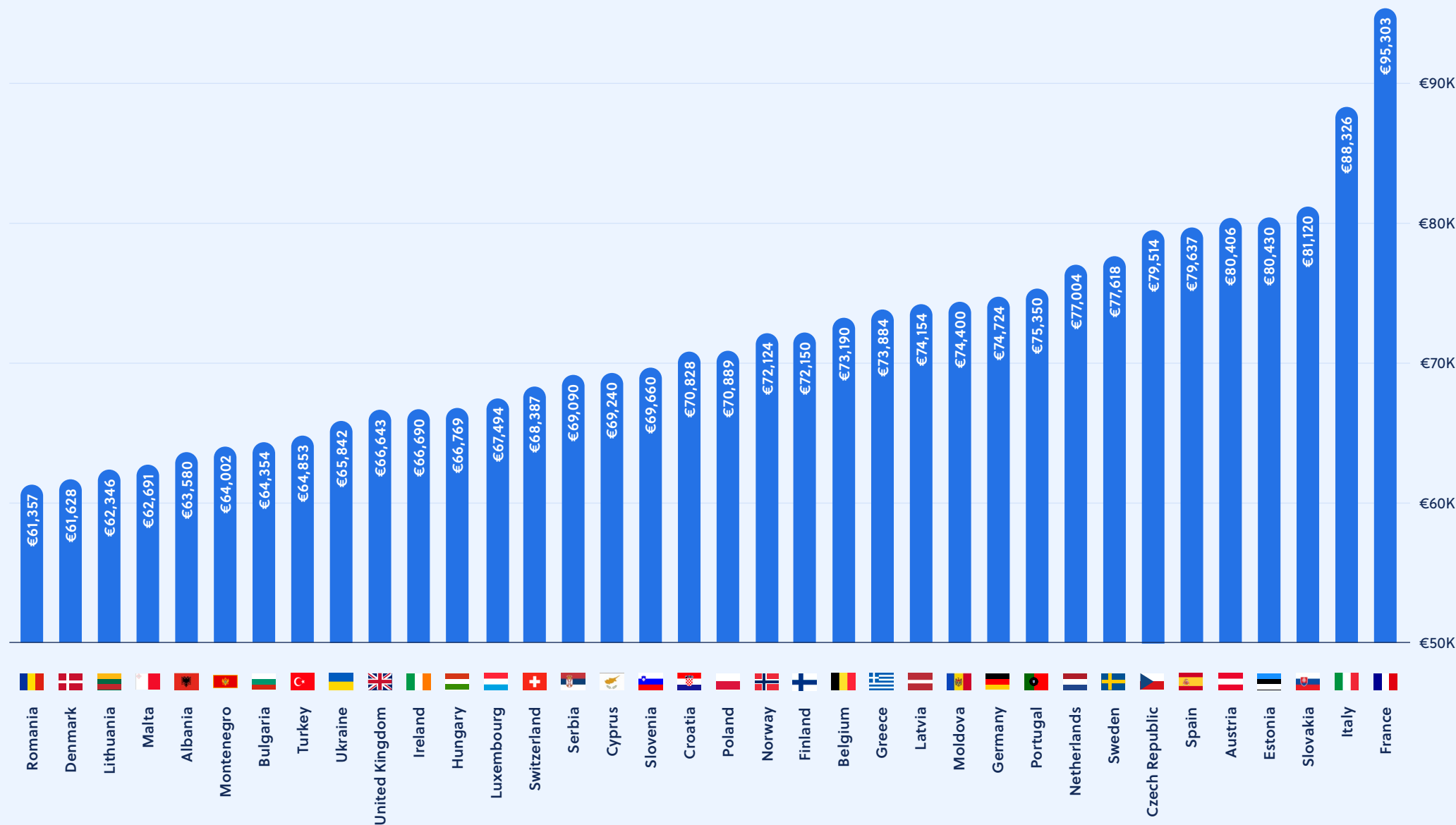
### Country-by-Country Analysis:

Finally, we provide detailed country-by-country analyses. For each of the 36 nations, we examine employment costs and net pay across all three salary benchmarks (€32,000, €60,000, and €150,000). Importantly, within each country profile, we also calculate and display the total cost to employ someone at the specific average Software Developer salary for that location, along with the corresponding net pay the employee would receive at that local average salary.



# Estimated Total Employment Cost

FOR A €60,000 SALARY








# Employment Cost Insights

As you can see from the graph above, the financial realities of hiring talent on a €60,000 gross salary varies dramatically across Europe. Here's some of the main insights from our 2025 analysis:



## Western European Hubs Carry Significant Overheads

Perhaps unsurprisingly, we see several major Western European economies sitting near the top of the cost chart. Here's a look at the top five:

- 1  **France:** €95,303
- 2  **Italy:** €88,326
- 3  **Slovakia:** €81,120
- 4  **Estonia:** €80,430
- 5  **Austria:** €80,406

While France and Italy lead with substantial employer contributions well above the gross salary, it may be surprising to see Slovakia and Estonia complete the top five alongside Austria. This shows that economy size doesn't necessarily correlate with employer costs. Smaller nations can impose equally significant or even higher mandatory contributions than their larger neighbours.

## Where Employer Overheads are Lower

### Low-Cost EU Nations:

Within the European Union, several member states stand out for their low employer overheads. Romania (€61,357) leads the way as the absolute lowest cost location in our study. It's joined by the Baltic nation of **Lithuania** (3rd lowest), the Mediterranean island of Malta (4th lowest), and **Bulgaria** (7th lowest), all offering attractive cost advantages compared to many Western European peers.

### Competitive Non-EU Alternatives:

Opportunities for cost savings also exist outside the EU bloc. Albania (€63,580) ranks 5th lowest overall, followed closely by Montenegro (€64,002) as 6th lowest, Turkey (€64,853) at 8th lowest, and Ukraine (€65,842) at 9th lowest. These locations could be of particular interest for companies that don't require operating within the EU's single market while still wanting access to European talent markets at competitive costs.



## The Remote Work Factor: Cost Implications of Talent Hubs

Countries that welcome remote workers through Digital Nomad Visas or remote-friendly policies show a wide range in what it costs employers to hire there. For companies considering these locations, it's worth understanding these differences.

### Low-Cost Hubs:



Malta stands out with total employer costs of just €62,691 at the €60,000 salary level, making it the 4th lowest cost location in our entire analysis. [Hungary](#) (€66,769) also offers competitive costs as the 12th lowest, with [Cyprus](#) (€69,240) following closely behind.

### Mid-Range Costs:



[Croatia](#) presents reasonable employer costs at €70,828 while Greece requires a somewhat higher investment at €73,884. Both of these countries are roughly middle of the pack when it comes to employer costs.

### Higher-Cost Hubs:



The sunny and ever-popular Mediterranean destinations of [Portugal](#) (€75,350) and Spain (€79,637) rank among the more expensive nations at 10th and 6th highest for total employer cost respectively. Digitally-savvy [Estonia](#) (€80,430) ranks 4th highest.

## Surprising Cost Profiles: Challenging Preconceptions

### Denmark's Low Employer Burden:

Denmark (€61,628) is well known for its high taxes and comprehensive welfare state. Yet when looking specifically at mandatory employer costs, it ranks remarkably low – the 2nd lowest in our study at the €60,000 level. This suggests [Denmark](#) funds its social programmes primarily through direct employee income taxes, rather than placing heavy social contributions on businesses.



### English Speaking Tech Hubs at Competitive Costs (UK & Ireland):

As global centers for finance, technology, and innovation, the [United Kingdom](#) (€66,643) and [Ireland](#) (€66,690) naturally attract highly skilled English-speaking talent. Surprisingly, their total employer costs remain quite competitive, ranking 10th and 11th lowest, respectively. This gives businesses access to deep talent pools and established ecosystems without the large mandatory costs associated with other major continental economies.

### Switzerland's High Wages and Moderate Overhead:

Switzerland (€68,387) is well-known for its high cost of living, which typically requires higher salaries. Despite this, the additional mandatory costs placed on employers is moderate, ranking 14th lowest. This points to an efficient structure for employer contributions, making it more competitive from an overhead perspective than its high-wage reputation might suggest.

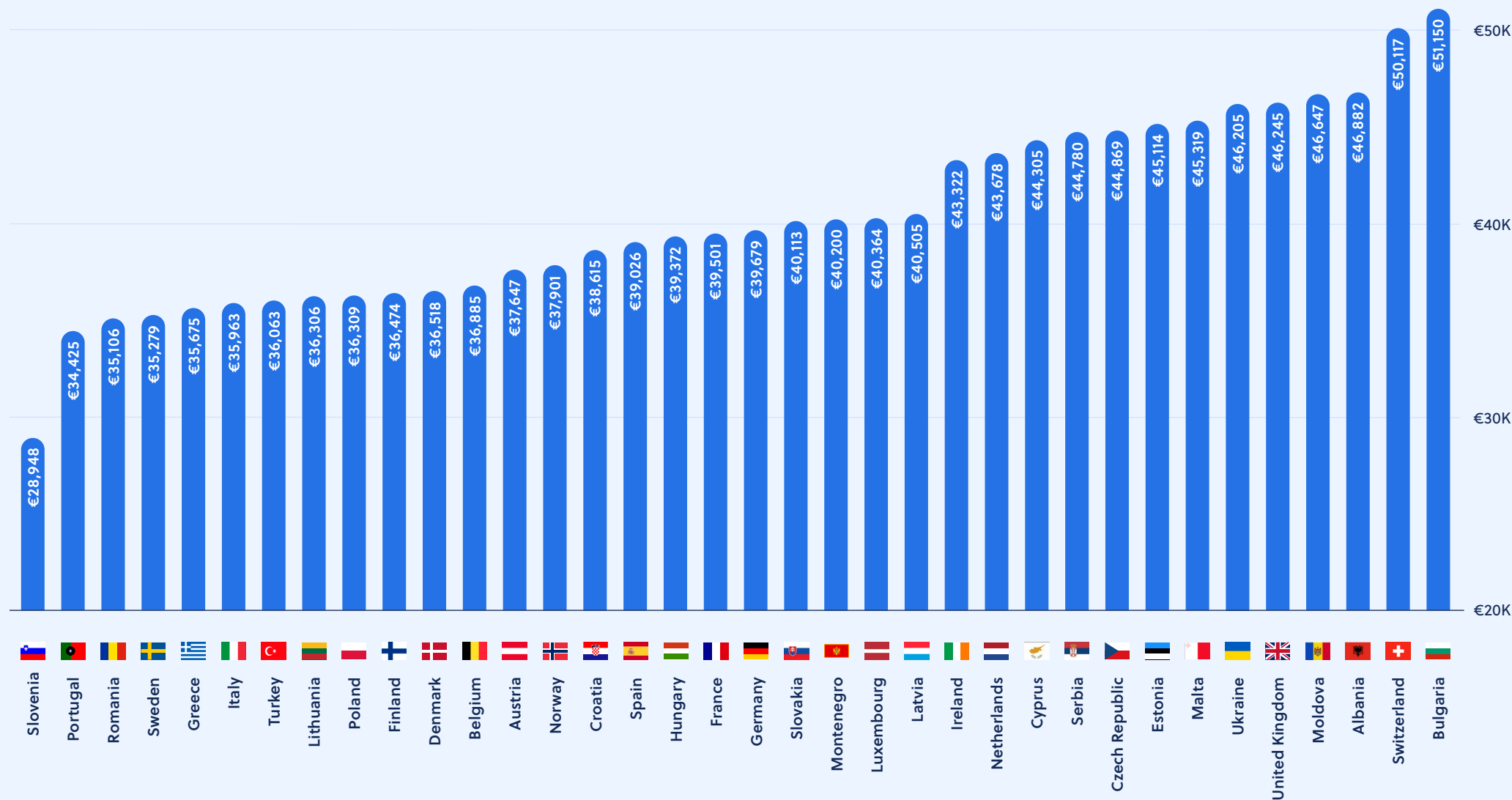


### STRATEGIC TAKEAWAY

**The data clearly shows that “cost” is multi-faceted.** Businesses need to look beyond gross salary and understand the structure of mandatory contributions. A country's reputation for high personal taxes (like Denmark) or high living costs (like Switzerland) might not translate directly to the highest employer overheads, while major economic hubs (like the UK/Ireland) can offer relative affordability. Choosing where to hire requires balancing these direct costs against strategic goals like talent access, market presence, and operational simplicity.

# Estimated Net Pay

FOR A €60,000 SALARY



# Employee Net Pay Insights

Gross salaries are just the starting point. What really matters to employees is their net pay — the amount they receive after taxes and social contributions. Looking at what happens to a €60,000 annual salary across Europe, we found some eye-opening differences in take-home pay. These variations show just how significantly a country's tax system affects what ends up in workers' bank accounts.

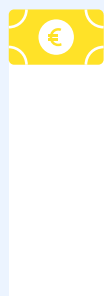
## Important Note on Salary Benchmarks:

*The €60,000 gross annual salary used in this analysis serves as a consistent benchmark for comparing how different national tax and social security systems function across Europe. It is not intended to represent an average, typical, or easily attainable salary in each country studied. We would also like to restate that the net pay figures provided are estimates. An individual's actual take-home pay can differ significantly due to personal circumstances, such as tax deductions, dependents, or marital status.*



**€51,150**

The **highest net pay** in our study, found in **Bulgaria**.



**€28,948**

The **lowest net pay** in our study, found in **Slovenia**.

## From Low Employer Costs to Low Net Pay: Shifting the Burden

Countries with very low employer costs often balance this by deducting more from employees' gross salaries, resulting in lower take-home pay.

Here's some examples:



**Romania**

Ranks **1st** lowest for employer cost but **34th** for net pay



**Denmark**

Ranks **2nd** lowest for employer cost but **26th** for net pay



**Lithuania**

Ranks **3rd** lowest for employer cost but **29th** for net pay



**Turkey**

Ranks **8th** lowest for employer cost but **30th** for net pay



**Slovenia**

Ranks **17th** lowest for employer cost but has the absolute lowest net pay (**36th**)

## Switzerland






### High Net Pay Efficiency

Employees in Switzerland take home the second-highest net pay in our entire study at the €60,000 gross salary level (€50,117).

According to our 2025 estimates, these deductions are 12.1% at the €32,000 level, 16.5% at the €60,000 level, and 21.2% at the €150,000 level. While not the absolute lowest, these rates are significantly less than in many neighbouring countries. This is attributed to Switzerland funding its public systems through a mix of sources, including other forms of taxation and mandatory private schemes (like health insurance), rather than relying solely on heavy deductions directly from employee salaries. This approach allows workers in Switzerland to retain a larger portion of their gross earnings compared to employees in most other European nations.

## Comparing Europe's Major Economies

A look at five key economic hubs reveals striking differences in what employees actually take home from a €60,000 gross salary. The [United Kingdom](#) stands out significantly in this comparison. Not only does it offer relatively competitive costs for employers (ranking 10th lowest), but employees also benefit considerably, receiving the 5th highest across all 36 countries studied.

1		<b>United Kingdom</b>	€46,245 net pay (5th highest overall)
2		<b>Germany</b>	€39,679 net pay (18th highest overall)
3		<b>France</b>	€39,501 net pay (19th highest overall)
4		<b>Spain</b>	€39,026 net pay (21st highest overall)
5		<b>Italy</b>	€35,963 net pay (31st highest overall)

The difference here is substantial – a UK employee takes home more than €10,000 more per year than an Italian worker on the exact same gross salary. Considering the UK's advantages as a major English-speaking hub with deep talent pools, this favourable net pay outcome reinforces its standing as a solid strategic location for businesses. Later on in the eBook, we will further analyse these countries and how well they perform when factors like cost of living and purchasing power come into play.



## Employer Investment vs. Employee Take-Home: The Cost-to-Net Pay Ratio

There's a clear connection between employee take-home pay and the overall efficiency of a country's employment cost system, as measured by the Cost-to-Net Pay Ratio (Total Employer Cost/Employee Net Pay):

### HIGH NET PAY = HIGH EFFICIENCY:

Countries delivering high net pay typically show low ratios (meaning employers spend less for every €1 employees actually receive).

Notable examples include:

	Bulgaria	1.26	€ = €
	Switzerland	1.36	€ = €
	Malta	1.38	€ = €
	United Kingdom	1.44	€ = €
	Ireland	1.54	€ = €

### LOW NET PAY = LOWER EFFICIENCY:

Countries with low net pay often have high ratios (employers spend significantly more per €1 of net pay).

Examples include:

	Italy	2.46	€ = €€€
	France	2.41	€ = €€€
	Sweden	2.20	€ = €€€
	Portugal	2.19	€ = €€€
	Austria	2.14	€ = €€€

To put this in practical terms, if an employer wanted to increase an employee's take-home pay by €1,000, they would need to spend approximately €2,460 in Italy, but only €1,260 in Bulgaria. This dramatic difference in efficiency directly impacts compensation planning and highlights why understanding these ratios is crucial when budgeting for international teams.

### STRATEGIC TAKEAWAY

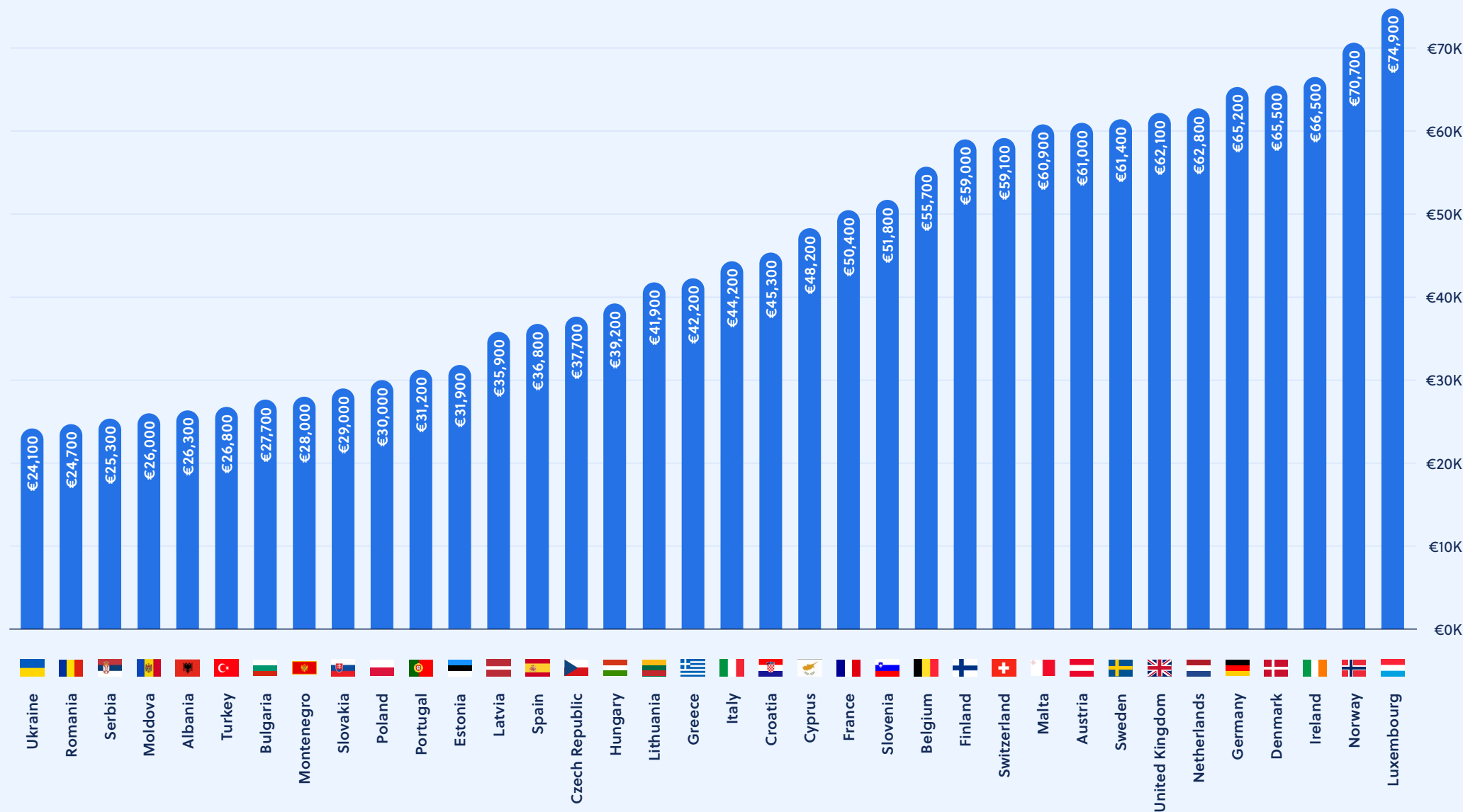
The wide differences in take-home pay across Europe highlight a crucial point for employers: **gross salary figures don't tell the whole story.** Understanding what employees actually receive in their bank accounts is essential for several reasons:

- > Crafting truly competitive offers that reflect local realities
- > Accurately benchmarking compensation against market standards
- > Budgeting effectively by considering the cost-to-net pay efficiency
- > Attracting and retaining talent in diverse markets with different tax systems

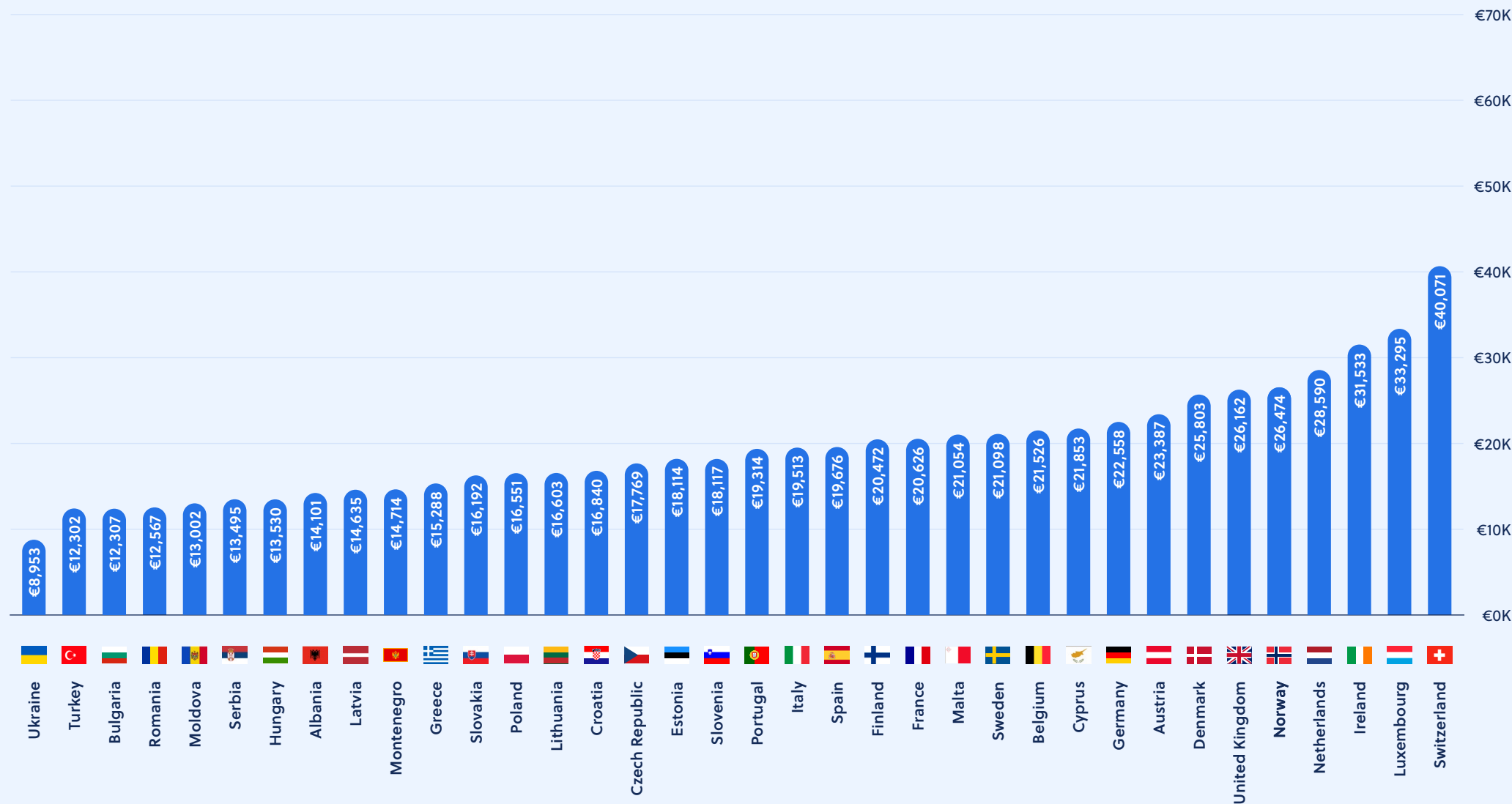
To make informed decisions when hiring across the continent, businesses need to factor these net pay realities into their strategic planning. What matters isn't just what is offered on paper, but what employees can actually take home.



# Average Salary for Software Developer



# Average Cost of Living by Country



# Average Salary and Cost of Living Insights

## A Look Into Employee Purchasing Power

When comparing employment costs and net pay across Europe, we need to ground these figures in economic reality. After all, what good is knowing take-home pay without understanding what that money actually *buys* in each country? An employee earning €30,000 in [Romania](#) is likely to have a vastly different lifestyle than someone earning the same amount in [Norway](#). This is a reality that affects a wide range of factors, from job satisfaction to talent retention rates.

**Note:** For the sake of providing a consistent benchmark across all countries, we've used [TalentUp's gross salary data](#) for a mid-level Software Developer role—a position commonly hired internationally and representative of the skilled "knowledge worker" roles that often form the backbone of cross-border teams.





### What Software Developers Earn Across Europe (Gross Salaries)

As expected, the average salaries for mid-level Software Developers across Europe reveals significant disparities:

#### TOP 5 HIGHEST AVERAGE GROSS SALARIES

-  **Luxembourg** (€74,900)
-  **Norway** (€70,700)
-  **Ireland** (€66,500)
-  **Denmark** (€65,500)
-  **Germany** (€65,200)

#### BOTTOM 5 LOWEST AVERAGE GROSS SALARIES


-  **Ukraine** (€24,100)
-  **Romania** (€24,700)
-  **Serbia** (€25,300)
-  **Moldova** (€26,000)
-  **Albania** (€26,300)

Comparing these rankings to gross salary shows some interesting shifts. Countries like Switzerland and the [UK](#) are not present in the top five for gross pay, but they claim the top two spots for net pay. At the other end of the scale, countries with the lowest gross salaries ([Ukraine](#), [Romania](#), [Serbia](#), [Moldova](#), [Albania](#)) generally stay at the bottom

### Net Pay for Average Software Developer Salary Across Europe

Based on the average gross salary for a mid-level Software Developer in each country, here's what they are estimated to take home after deductions:

#### TOP 5 HIGHEST AVERAGE NET SALARIES

-  **Switzerland** €49,415 (€59,100 gross)
-  **United Kingdom** €48,340 (€62,100 gross)
-  **Luxembourg** €47,806 (€74,900 gross)
-  **Ireland** €46,825 (€66,500 gross)
-  **Malta** €45,905 (€60,900 gross)

#### BOTTOM 5 LOWEST AVERAGE NET SALARIES

-  **Romania** €14,450 (€24,700 gross)
-  **Turkey** €16,146 (€26,800 gross)
-  **Ukraine** €18,557 (€24,100 gross)
-  **Montenegro** €18,760 (€28,000 gross)
-  **Serbia** €18,893 (€25,300 gross)






for net pay too. Even with varying deduction rates, the low starting salary means less take-home pay, directly affecting local purchasing power despite potentially lower living costs. [Romania](#) stands out with the lowest net pay (€14,450) from its gross salary (€24,700), showing substantial deductions even at lower incomes.

## Adding the Cost of Living Context

We've seen how gross salaries translate into net pay, but that's only half the story. A high net salary in an expensive city might offer less real purchasing power than a moderate salary in an affordable location. To explore this, we'll compare the estimated net pay for the average mid-level Software Developer with the average yearly cost of living for a single person residing in the capital city (including rent).

### Countries with the Highest Potential Disposable Income






These locations demonstrate a strong balance where the average developer's net pay significantly exceeds the estimated cost of living, indicating substantial purchasing power:

Country	Avg. Net Pay (Software Developer)	Est. Yearly Cost of Living	Potential Surplus (Net Pay - Cost of Living)
 Malta	€45,905	€21,054	€24,851
 United Kingdom	€48,340	€26,162	€22,178
 Germany	€42,475	€22,558	€19,917
 Netherlands	€45,055	€28,590	€16,465
 Ireland	€46,825	€31,533	€15,292

**Important Note:** Cost of Living data is sourced from [Numbeo](#). This data aggregates user-contributed figures and is highly dependent on individual lifestyle, spending habits, and the specific city chosen within a country. Therefore, treat these figures as a guide to illustrate general trends, not as exact financial planning tools.

### Countries with the Lowest Potential Disposable Income

In these countries, the estimated cost of living consumes the largest portion of the average developer's net pay, leaving the smallest potential surplus.

Country	Avg. Net Pay (Developer)	Est. Yearly Cost of Living	Potential Surplus (Net Pay - Cost of Living)
 Romania	€14,450	€12,567	€1,883
 Turkey	€16,146	€12,302	€3,844
 Montenegro	€18,760	€14,714	€4,046
 Poland	€21,282	€16,551	€4,731
 Serbia	€18,893	€13,495	€5,398



#### PURCHASING POWER LEADERS:

Malta, [UK](#), [Germany](#), [Netherlands](#), and [Ireland](#) emerge as locations where the average mid-level Software Developer's net salary provides the highest potential disposable income, indicating strong purchasing power.

#### THE HIGH COST OF LIVING EFFECT:

A high net salary doesn't automatically guarantee a high disposable income, especially when high living costs come into play. Switzerland provides the most striking example of this. Despite Software Developers in Switzerland earning the highest average net pay in our analysis (€49,415), it has the highest cost of living (€40,071) out of any country in our study. This cuts the potential annual surplus down to just €9,344. This figure stands in stark contrast to the substantial surpluses seen in countries like Malta and the UK (both well over €20,000).



#### LOW INCOME CONSTRAINTS:

At the other end of the spectrum, despite relatively low estimated living costs in some cases the low net salaries leave very little margin after covering essentials. Take Turkey, for example. While the estimated annual living cost is €12,302, the average developer's net pay of €16,146 results in a potential annual surplus of only €3,844. [Romania](#) illustrates this further, where €14,450 in net pay minus €12,567 in estimated living costs leaves a minimal €1,883 for the year.



#### STRATEGIC TAKEAWAY

As the data shows, the relationship between take-home pay and living costs creates dramatically different financial situations for employees doing the same job in different countries. The contrast is clear — from the comfortable surplus and purchasing power enjoyed by mid-level Software Developers in Malta to the much tighter margins faced by their colleagues in Romania, with location being the only variable. However, these realities are not just influenced by local economies, but by employer compensation strategies.

Some companies may choose to pay employees based on local market rates, which will likely lead to varying levels of purchasing power across their international teams. Others adopt a global or regional standard, aiming for similar pay for similar roles regardless of location. Neither approach is inherently right or wrong. What matters most is making informed decisions thoughtfully. Understanding the real-world impact of compensation in different economic environments allows employers to develop strategies that balance business objectives with the goal of supporting employee wellbeing and financial security, regardless of which model they choose to implement.



## **A Country-by-Country Analysis**



# Albania

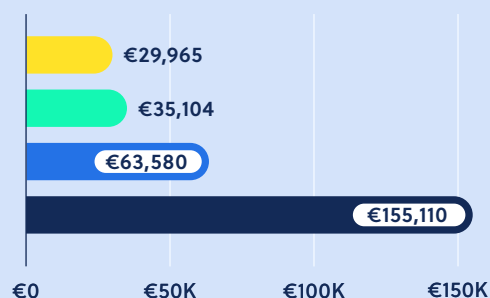


**Avg Yearly Gross Salary for Mid-Level Software Developer: €26,300**

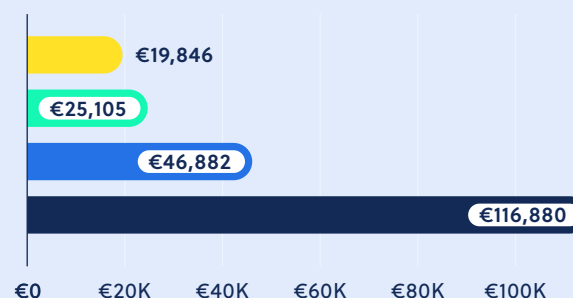


**Avg Yearly Cost of Living: €14,101**

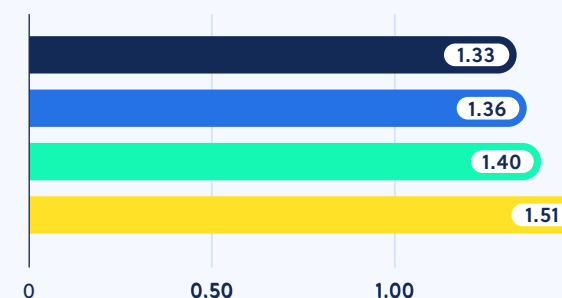
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

Albania emerges as one of the most cost-effective locations for employers, ranking 5th lowest in Europe for total employment costs at our €60,000 benchmark (€63,580 total cost). This affordability comes largely from Albania's minimal mandatory employer contributions, which make up only 5.6% of the total cost at the €60,000 benchmark. Hiring a mid-level Software Developer at the local average salary of €26,300 costs employers just €29,965 annually.

What makes Albania's system particularly interesting is how it becomes more cost-efficient as salaries increase. This creates a distinct advantage for employers hiring for higher-paid positions.

For employees, the picture is equally positive at our benchmark levels. At a €60,000 gross salary, employees take home €46,882 net, the 3rd highest among all countries we studied. Looking at more typical local earnings, a Software Developer making the average

salary of €26,300 gross would receive approximately €19,846 after taxes and deductions. When stacked up against Albania's low yearly cost of living (€14,101), this creates a potential surplus of €5,745 for the average developer. This favourable balance points to strong purchasing power within the local economy, suggesting that technical professionals can enjoy a comfortable lifestyle relative to what they earn.



# Austria

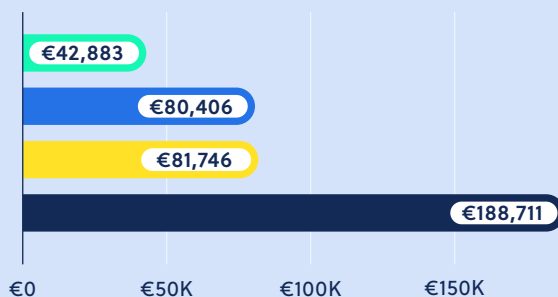


**Avg Yearly Gross Salary for Mid-Level Software Developer: €61,000**

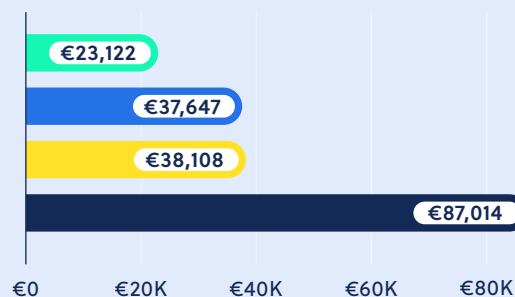


**€ Avg Yearly Cost of Living: €23,387**

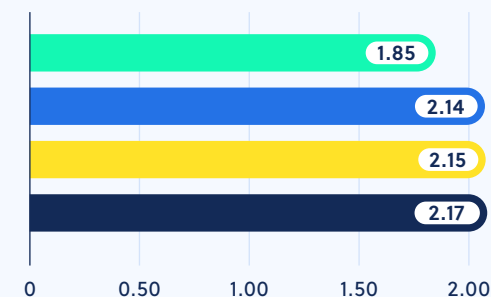
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

Austria presents itself as a higher-cost market for employers, ranking 5th highest for total employment expenses at our €60,000 benchmark salary (€80,406 total cost). What's particularly noteworthy here is how closely this benchmark aligns with the average local salary for a mid-level Software Developer (€61,000). This works out to an estimated total employer cost of €81,746 for this role, giving a sense of the significant investment required, largely due to substantial mandatory social contributions.

While businesses face higher costs, let's take a look at what this means for employees and their financial wellbeing. The net pay from the €60,000 benchmark is €37,647 (ranking 24th highest), and the average developer takes home a similar €38,108 after deductions. Although this net pay might seem moderate compared to some other countries in our ranking, Austria's high prevailing salary levels generally ensure strong local purchasing power.

When measured against the high estimated cost of living (€23,387), this net income leaves a considerable potential surplus (€14,721). For employers, this indicates that while Austria requires a higher upfront investment, the compensation structure typically allows skilled professionals like Software Developers to maintain a comfortable standard of living, justifying the salary levels demanded in this competitive market.



# Belgium

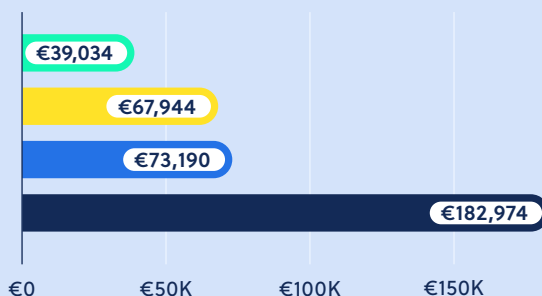


**Avg Yearly Gross Salary for Mid-Level Software Developer: €55,700**

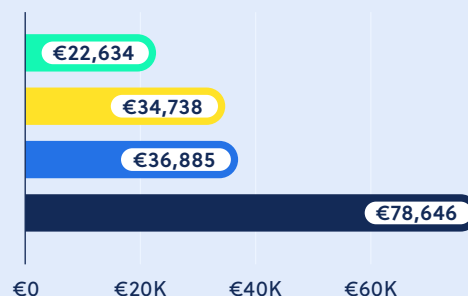


**€ Avg Yearly Cost of Living: €21,526**

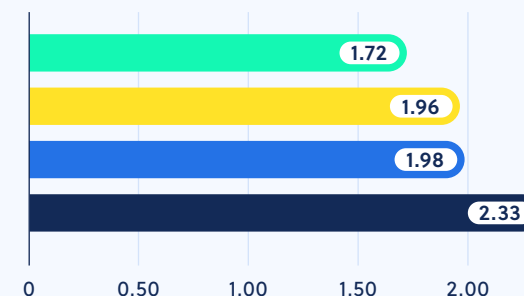
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio

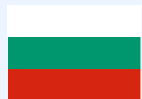


● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

**Belgium** falls into the mid-to-high cost range for employers, ranking 15th highest for total employment expenses across Europe at our €60,000 benchmark salary (€73,190 total cost). Employing a mid-level Software Developer at the local average salary of €55,700 requires a comparable investment, totaling €67,944. One helpful aspect for financial planning is Belgium's consistent mandatory employer contribution rate, which stays steady at 18% of the total cost regardless of salary level.

Looking at the employee side, a €60,000 gross salary translates to €36,885 in net pay, ranking 12th lowest in our study. This lower position comes from Belgium's strongly progressive deduction system, where the employee's contribution jumps sharply as income rises (from 29.3% at €32,000 to 47.6% at €150,000). For the typical Software Developer earning €55,700 gross, the net pay works out to €34,738.

When matched against the estimated yearly cost of living of €21,526, this creates a potential surplus of around €13,212. While this does indicate decent purchasing power, the gap between Belgium's employer cost ranking and its net pay ranking highlights the substantial tax and social security burden placed directly on employees, especially those earning higher salaries.



# Bulgaria

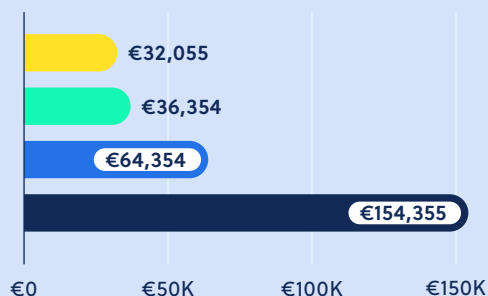


**Avg Yearly Gross Salary for Mid-Level Software Developer: €27,700**

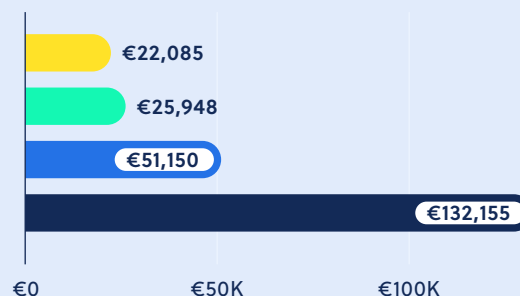


**Avg Yearly Cost of Living: €12,307**

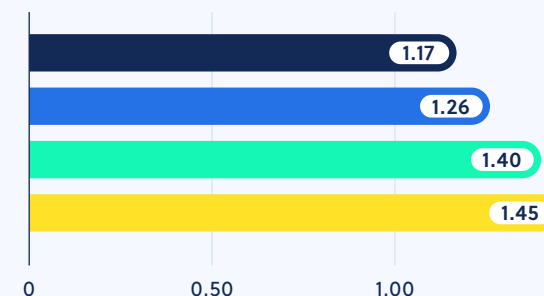
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

**Bulgaria** offers an attractive financial landscape for both employers and employees, making it one of the stand out locations for costs in our 2025 analysis. For businesses, it ranks as the 7th lowest cost country for employment at our €60,000 benchmark salary (€64,354 total cost). Hiring a local mid-level Software Developer at the average market rate of €27,700 is similarly economical, costing employers only €32,055 annually. This cost advantage comes from Bulgaria's low mandatory employer contributions, which account for just 6.8% at the €60,000 level. Like only a few other countries in our study, Bulgaria's system becomes even more cost-efficient as salaries increase.

The most impressive aspect, however, is what employees take home. Individuals earning the €60,000 benchmark salary receive €51,150 net – the highest net pay figure across all 36 countries in our analysis. This advantage comes from Bulgaria's remarkably low employee deductions (only 14.8% at €60,000). For the average Software Developer making €27,700 gross, the net pay comes to €22,085.

When compared with Bulgaria's very low estimated cost of living (€12,307), this creates a potential surplus of around €9,778. While this surplus might be lower in absolute terms than in some wealthier Western European nations, it represents exceptionally strong purchasing power within the local economy.



# Croatia

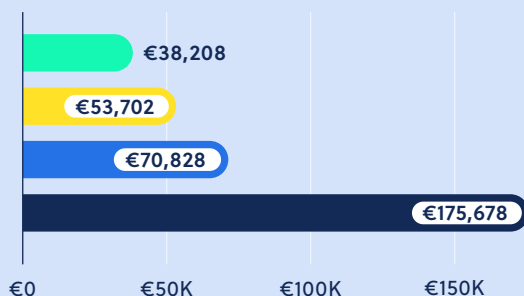


**Avg Yearly Gross Salary for Mid-Level Software Developer: €45,300**

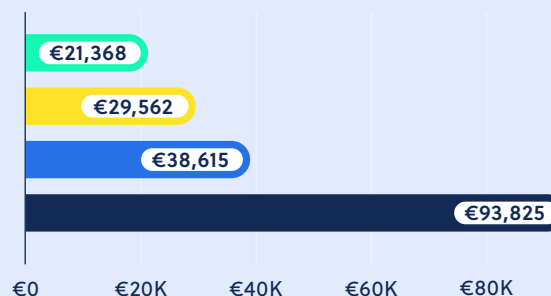


**€ Avg Yearly Cost of Living: €16,840**

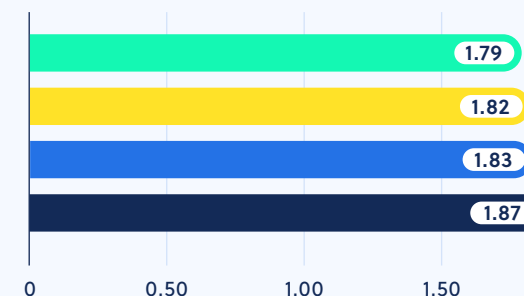
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

**Croatia** presents a balanced and relatively stable picture within the European employment landscape. For employers looking at this Adriatic nation, total costs fall squarely in the middle range, ranking 19th highest at our €60,000 benchmark salary (€70,828 total cost). Hiring a local mid-level Software Developer at their average salary of €45,300 requires a moderate total investment of €53,702. What's interesting about Croatia's system is how the costs are distributed: while employer mandatory contributions remain moderate (15.3% at €60,000), a larger share of social funding comes directly from employee deductions (35.6%).

This approach results in net pay figures that also land in the middle of the pack. Employees earning the €60,000 benchmark take home €38,615 (ranking 22nd). For the average Software Developer making €45,300 gross, this means approximately €29,562 after taxes and contributions.

When matched against Croatia's reasonable estimated cost of living (€16,840), these earnings provide solid purchasing power, leaving a potential annual surplus of around €12,722 for professionals in this role. For businesses, Croatia offers a predictable, middle-of-the-road cost environment without the extremes found elsewhere in Europe.



# Cyprus

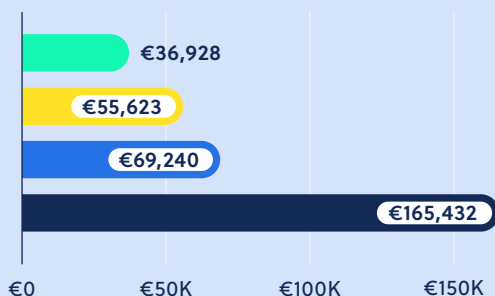


**Avg Yearly Gross Salary for Mid-Level Software Developer: €48,200**

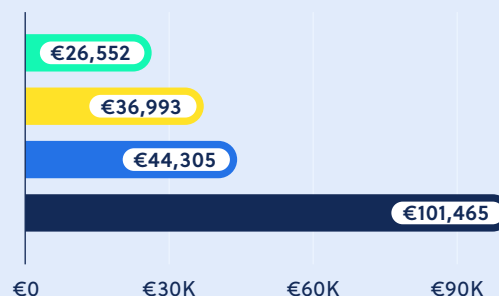


**€ Avg Yearly Cost of Living: €21,853**

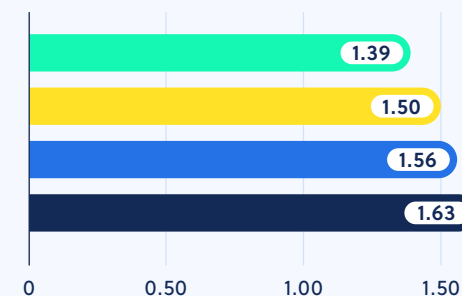
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

Actively attracting international talent through initiatives like its Digital Nomad Visa (aimed at non-EU/EEA citizens), **Cyprus** presents itself as more than just a desirable Mediterranean lifestyle destination; it also makes a strong financial case for employers. Cyprus ranks 21st for total employment costs at our €60,000 benchmark (€69,240 total cost). When hiring a local mid-level Software Developer at the average market rate of €48,200, employers face a reasonable total cost of €55,623, thanks to Cyprus's moderate mandatory contributions.

Workers earning at the €60,000 benchmark would take home €44,305 net—ranking an impressive 11th highest among all countries studied. At the more typical local developer salary of €48,200 gross, professionals receive €36,993 after taxes and deductions.

With the estimated annual cost of living at €21,853, this creates a comfortable potential surplus of around €15,140 for the average developer. This combination of talent attraction policies, reasonable employer costs, and strong take-home pay makes Cyprus a standout option in the European employment landscape.



# Czech Republic

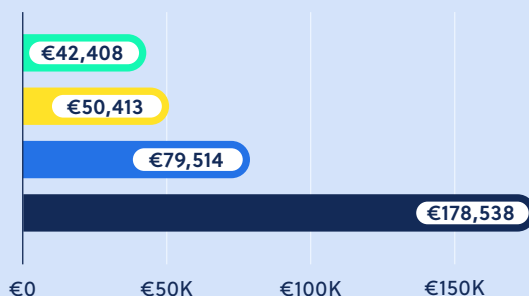


**Avg Yearly Gross Salary for Mid-Level Software Developer: €37,700**

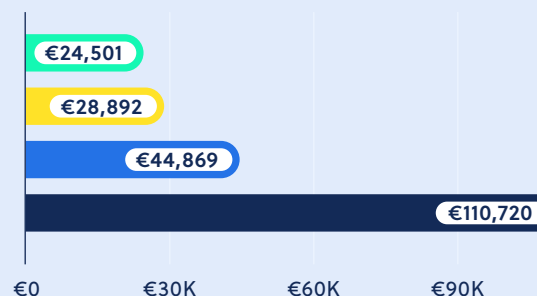


**€ Avg Yearly Cost of Living: €17,769**

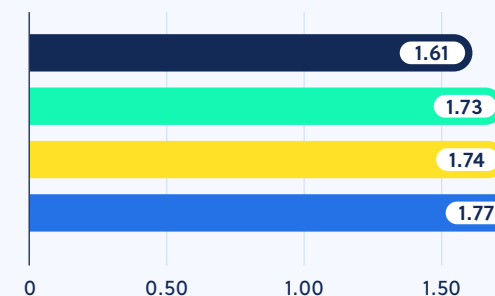
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

The **Czech Republic** presents a somewhat complex picture for employers, initially appearing as a high-cost location, ranking 7th highest for total employment expenses based on our €60,000 benchmark (€79,514 total cost). Hiring a local mid-level Software Developer (average salary €37,700) incurs a total cost of €50,413.

However, a key strategic insight emerges when looking at higher salary brackets. Unlike many European nations, hiring senior talent here becomes notably more cost-efficient. This is driven by a significant drop in the mandatory employer contribution rate at the €150,000 level (down to 16% from 24.5% at lower levels), improving the ratio of total cost to employee net pay (from 1.77 down to 1.61).

In contrast to the higher initial cost for employers, employees tend to fare relatively well in terms of take-

home pay. At the €60,000 benchmark, net pay is €44,869, ranking a competitive 9th highest overall. For the average Software Developer (€37,700 gross), the net pay comes to €28,892. When set against the country's moderate estimated cost of living (€17,769), this leaves a potential annual surplus of around €11,123. This suggests skilled workers of this level can attain solid local purchasing power, supported by relatively stable employee deduction rates across income levels.



# Denmark

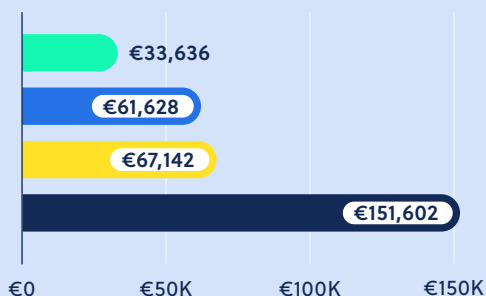


**Avg Yearly Gross Salary for Mid-Level Software Developer: €65,500**

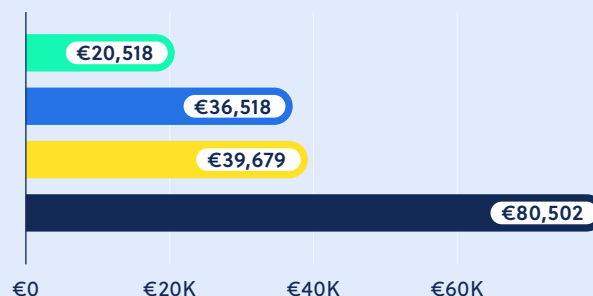


**Avg Yearly Cost of Living: €25,803**

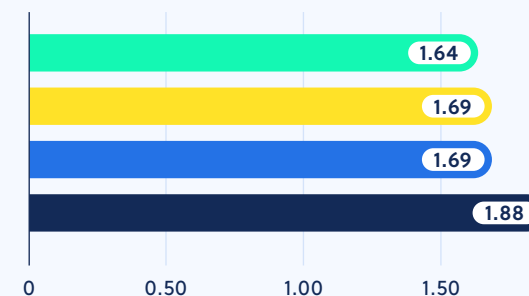
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

For employers, [Denmark](#) is remarkably cost-efficient, ranking as the 2nd lowest cost country in Europe at our €60,000 benchmark salary (€61,628 total cost). This advantage becomes even more striking at higher pay levels; Denmark actually claims the absolute lowest total employer cost for the €150,000 salary benchmark. When hiring a local mid-level Software Developer (average salary €65,500), employers face a total cost of just €67,142. This exceptionally low overhead comes from Denmark's minimal mandatory employer contributions—a mere 2.6% at the €60,000 level.

However, this employer-friendly approach comes with a trade-off. Denmark funds its comprehensive social system primarily through employee contributions. Workers face substantial deductions from their gross pay (approximately 39.1% at €60,000), resulting in a net pay of €36,518 at our benchmark level. This places Denmark in the bottom third for take-home pay, ranking 26th highest overall. The average Software Developer (€65,500 gross) takes home €39,679 after deductions.

While Denmark does have a high cost of living (estimated at €25,803 annually), the country's high prevailing salaries mean this net pay still provides reasonable purchasing power, leaving a potential surplus of around €13,876. For employers, Denmark offers extremely low direct costs, but compensation strategies need to account for the high employee tax burden and the higher gross salaries needed to ensure attractive take-home pay in this high-cost, high-service environment.



# Estonia

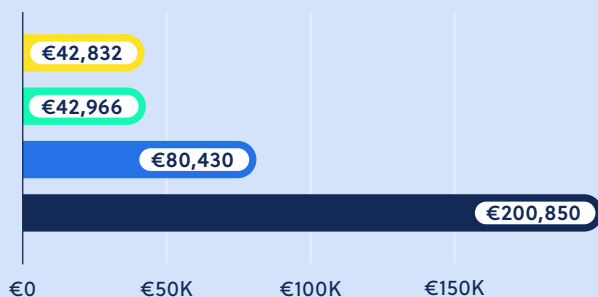


**Avg Yearly Gross Salary for Mid-Level Software Developer: €31,900**

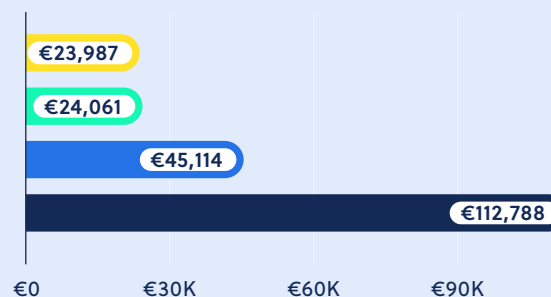


**€ Avg Yearly Cost of Living: €18,114**

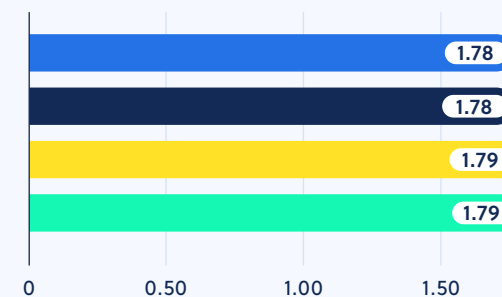
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Known as a digital pioneer and an attractive hub for tech talent, bolstered by its early adoption of a digital nomad visa, [Estonia](#) presents a somewhat higher-cost profile for employers. It ranks 4th highest in Europe for total employment expenses based on our €60,000 benchmark salary (€80,430 total cost). Employing a local mid-level Software Developer at their average salary of €31,900 involves a total cost of €42,832. Across all salary levels, employer contributions make up around 25% of the total cost package.

Despite these substantial employer-side costs, the system delivers competitive outcomes for employees. Net pay from the €60,000 benchmark is €45,114, ranking a strong 8th highest overall. The average Software Developer (€31,900 gross) takes home €23,987 net.

What makes Estonia stand out is the consistency in its contribution structure; both employer and

employee deduction percentages remain virtually unchanged regardless of income level. This predictability simplifies financial planning. When combined with Estonia's moderate estimated cost of living (€18,114), the net pay provides reasonable local purchasing power for skilled professionals, leaving a potential surplus of around €5,873 for the average developer.



# Finland

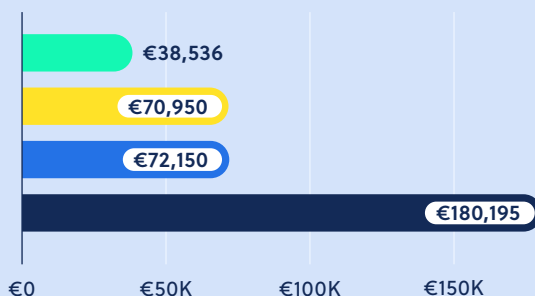


**Avg Yearly Gross Salary for Mid-Level Software Developer: €59,000**

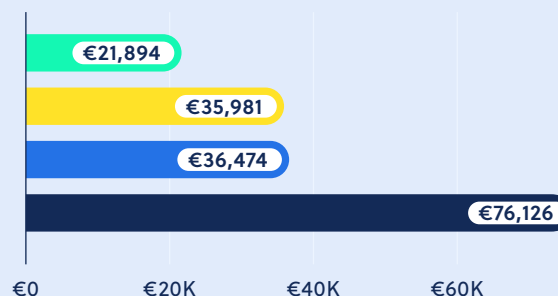


**€ Avg Yearly Cost of Living: €20,472**

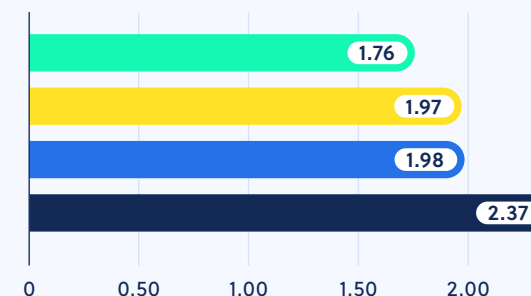
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

**Finland**, known for its progressive approach to flexible work and impressive mandatory benefits, follows what might be viewed as the typical Nordic welfare state pattern in its employment cost structure. At our €60,000 benchmark, Finland ranks 16th highest for total employment expenses (€72,150 total cost), placing it squarely in the middle of European countries from a business costs perspective. When hiring a local mid-level Software Developer at the average market rate of €59,000, employers face a similar total cost of €70,950.

This moderate employer burden is counterbalanced by significant employee-side contributions. As a result, the net pay at our €60,000 benchmark sits at €36,474, positioning Finland toward the lower end of our rankings (10th lowest). This reflects a system where a substantial portion of gross earnings goes toward funding the country's comprehensive social benefits, with employee deductions reaching 39.2% at the €60,000 level and increasing progressively at higher salaries.

For the average Software Developer earning €59,000 gross, take-home pay amounts to €35,981. When measured against Finland's moderate-to-high cost of living (estimated at €20,472 annually), this still creates a healthy potential surplus of approximately €15,509. So while direct take-home pay might rank lower compared to other countries, the typically high salaries in Finland help maintain good purchasing power for professionals.



# France

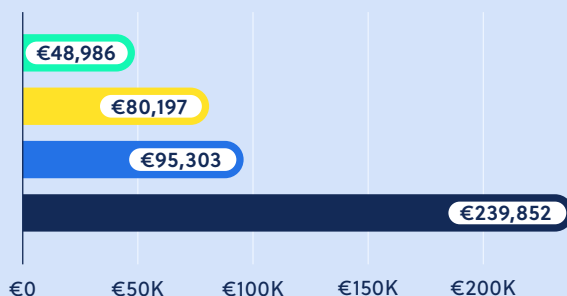


**Avg Yearly Gross Salary for Mid-Level Software Developer: €50,400**

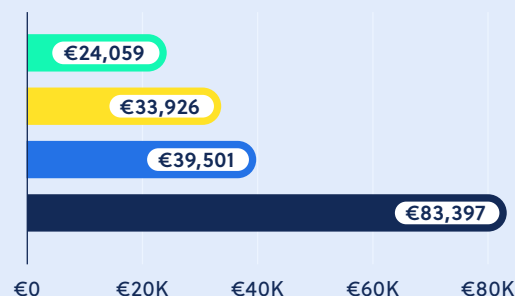


**€ Avg Yearly Cost of Living: €20,626**

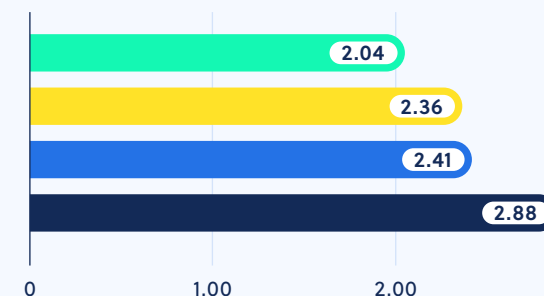
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Topping the charts in our 2025 analysis, **France** clearly stands as the most expensive country in Europe for employers across all three salary benchmarks. At the €60,000 level, the total cost reaches a substantial €95,303, driven by the highest mandatory employer contributions in our study (37% of total cost at €60,000). This high cost becomes even more pronounced for senior roles, with a Cost-to-Net Pay ratio climbing to €2.88 at the €150,000 level – meaning employers spend almost three Euros for every one Euro an employee takes home. Bringing on a local mid-level Software Developer (average salary €50,400) also requires a significant investment, totalling €80,197.

Interestingly, while employer costs in France have increased significantly since our 2024 study (up by nearly 10%), employee-side deductions have actually decreased, resulting in a 9% improvement in net pay. At the €60,000 benchmark, take-home pay is currently €39,501, placing France 19th highest – a middle-ranking outcome despite the high employer costs.

For the average Software Developer (€50,400 gross), net pay comes to €33,926. When compared with the estimated annual cost of living (€20,626), this leaves a potential surplus of around €13,300, indicating reasonable purchasing power. This situation reflects the significant expenses associated with France's extensive social system, requiring careful planning for businesses operating there, even as employees enjoy improved take-home pay compared to last year.



# Germany

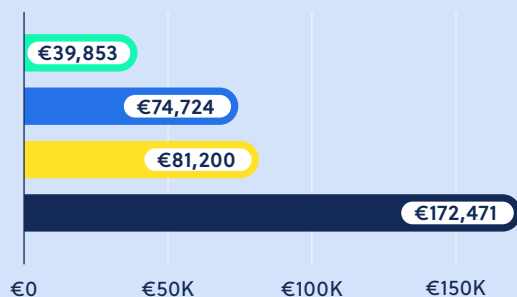


**Avg Yearly Gross Salary for Mid-Level Software Developer: €65,200**

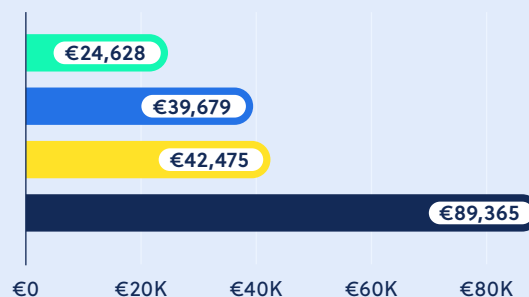


**Avg Yearly Cost of Living: €22,558**

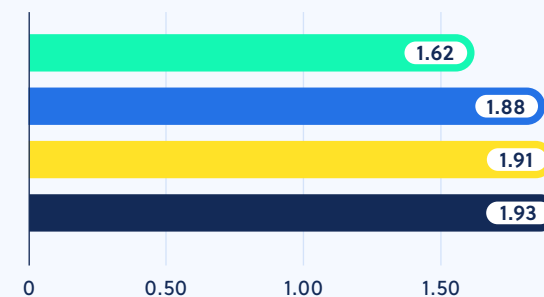
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

As Europe's largest economy, **Germany** presents a significant, though not top-tier, cost profile for employers. It ranks 11th highest for total employment expenses at our €60,000 benchmark (€74,724 total cost). The average salary for a local mid-level Software Developer is estimated at €65,200, translating to a total employer cost of €81,200 for this role. This highlights the high level of investment needed to tap into this major market.

From the employee's perspective, Germany offers middle-of-the-pack take-home pay. At the €60,000 benchmark, employees receive €39,679 net, placing Germany 18th highest overall. For the average Software Developer earning €65,200 gross, the net pay comes to €42,475.

While deductions increase progressively with income, Germany's high prevailing salaries mean this net

pay delivers strong purchasing power against the country's relatively high cost of living (estimated at €22,558 annually). This creates a comfortable potential surplus of around €19,917 for the average developer. For employers, while Germany requires a considerable investment, the compensation structure supports a skilled workforce accustomed to a high standard of living.



# Greece

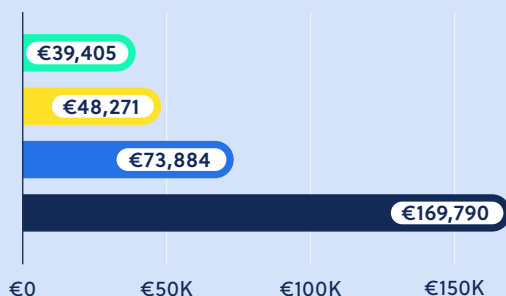


**Avg Yearly Gross Salary for Mid-Level Software Developer: €39,200**

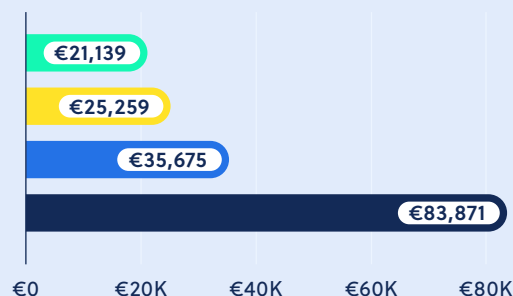


**€ Avg Yearly Cost of Living: €15,288**

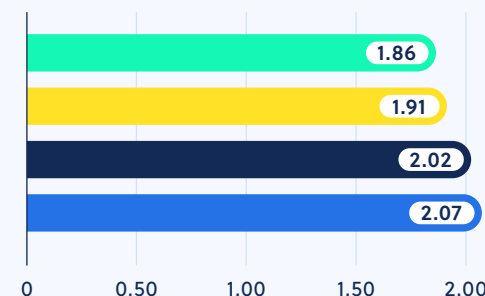
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

Greece, another country actively attracting international talent with its Digital Nomad Visa, sits in the middle tier for employer costs in Europe. Ranking 14th highest for total employment expenses at our €60,000 benchmark (€73,884 total cost). When hiring a local mid-level Software Developer at the average market rate of €39,200, employers can expect a total annual outlay of €48,271. The cost structure in Greece is fairly predictable, with employer contributions hovering around 18.8% at lower salary levels.

However, the financial picture looks quite different from the employee perspective. Despite the middle-of-the-road employer costs, take-home pay from our €60,000 benchmark amounts to just €35,675, placing Greece near the bottom of the rankings at 32nd highest (or 5th lowest). This relatively low net pay reflects the significant deductions employees face—around 40.5% at the €60,000 level.

For the average Software Developer earning €39,200 gross, the net pay comes to €25,259. When stacked up against Greece's estimated cost of living (€15,288), this creates a potential annual surplus of about €9,971. While this indicates reasonable purchasing power for skilled professionals at this income level, the stark contrast between Greece's employer cost ranking and its net pay ranking highlights how the Greek system places the heavier burden directly on employees rather than employers.



# Hungary

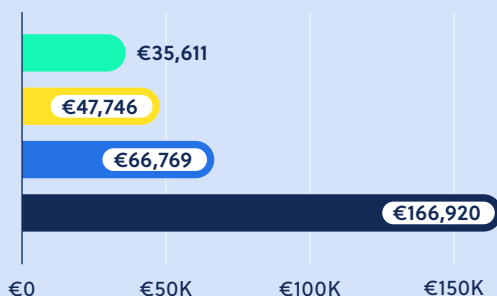


**Avg Yearly Gross Salary for Mid-Level Software Developer: €42,200**

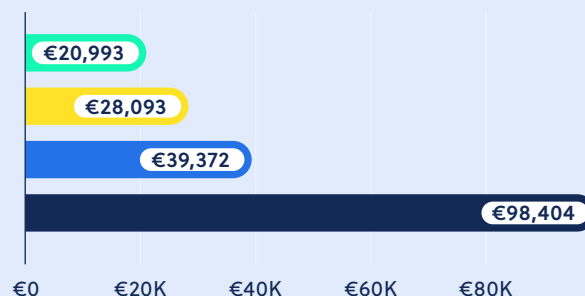


**€ Avg Yearly Cost of Living: €13,530**

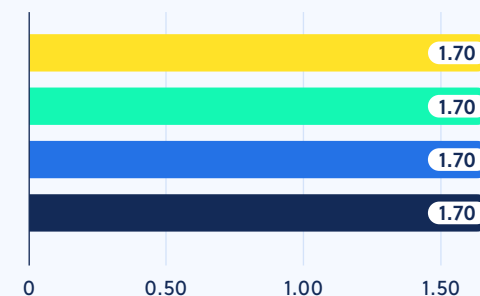
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

**Hungary** offers employers a highly predictable and relatively cost-effective employment environment, ranking 12th lowest for total expenses at the €60,000 benchmark (€66,769 total cost). Bringing on a local mid-level Software Developer at the average salary of €42,200 costs employers a total of €47,746.

One of the more interesting aspects of the Hungarian system is its straightforward flat-rate approach. Mandatory employer contributions stay consistently low at 10.1% of total cost, while employee deductions remain fixed at 34.4% of gross pay, regardless of whether someone earns €32,000, €60,000, or €150,000. This creates exceptional budget predictability for businesses hiring across different seniority levels.

This flat structure places Hungary in the middle of the pack for employee net pay. At our €60,000 benchmark, take-home pay amounts to €39,372, ranking 20th highest overall. For the average Software Developer earning €42,200 gross, the net pay comes to €28,093. When viewed alongside Hungary's relatively low estimated cost of living (€13,530 annually), this net income translates to solid purchasing power, with a potential surplus of around €14,563 for professionals in this role.



# Ireland

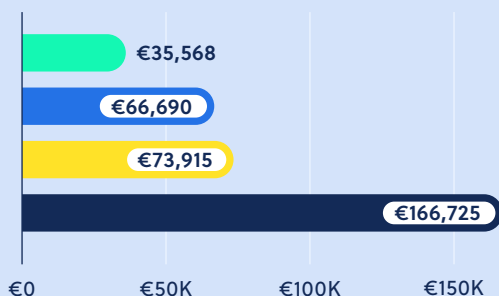


**Avg Yearly Gross Salary for Mid-Level Software Developer: €66,500**

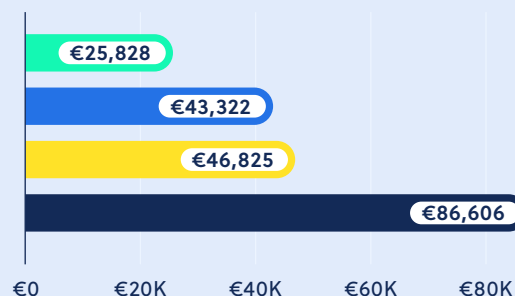


**€ Avg Yearly Cost of Living: €31,533**

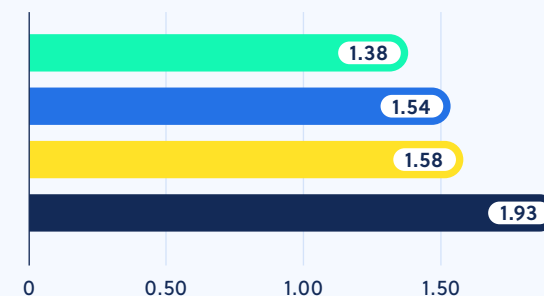
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

As a major English-speaking and global tech hub, **Ireland** has established itself as a hotspot for international talent. It offers a competitive environment for employment costs, ranking 11th lowest for total employer expenses at the €60,000 benchmark, thanks to low mandatory employer contributions (just 10% of total cost). This gives businesses hiring in Ireland a clear advantage compared to many continental European countries. Hiring a local mid-level Software Developer at their high average salary of €66,500 involves a total employer cost of €73,915, reinforcing Ireland's position below many other major Western European economies in terms of overheads.

Employees also fare well with take-home pay, securing the 13th highest net pay in our analysis at the €60,000 level (€43,322). While deductions start at reasonable levels (27.8% at €60,000), they climb significantly for higher earners, reflecting Ireland's progressive tax system.

Considering Ireland's high cost of living (estimated at €31,533 annually), the high skilled worker salaries ensure this net pay translates into strong purchasing power, leaving a potential surplus of around €15,292 for the middle-level developer. This combination of competitive employer costs, strong net pay, and access to a deep talent pool solidifies Ireland's strategic importance for businesses, particularly in the tech sector.

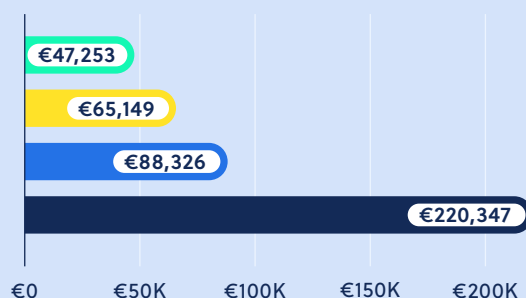


**Avg Yearly Gross Salary for Mid-Level Software Developer: €44,200**

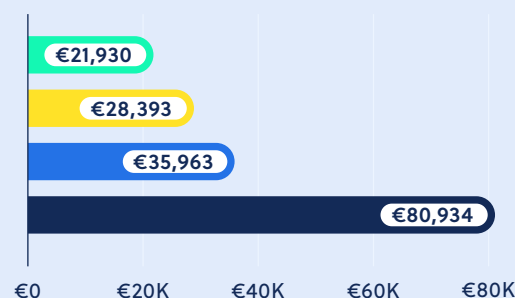


**Avg Yearly Cost of Living: €19,513**

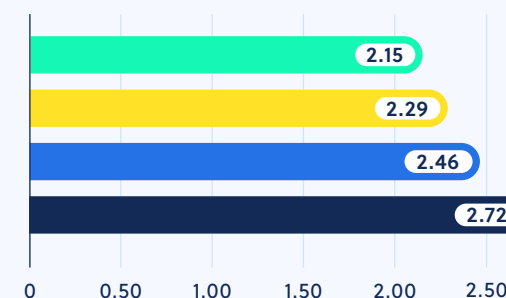
### Estimated Total Employment Cost



### Estimated Net Pay



### Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Italy ranks among Europe's most expensive countries for employment, placing 2nd highest for total employer costs at our €60,000 benchmark salary (€88,326 total cost). Bringing on a local mid-level Software Developer at their average salary of €44,200 requires a substantial investment of €65,149. This steep cost comes from hefty mandatory employer contributions, which make up nearly a third (32.1% at €60,000) of the total package. Italy also shows particularly poor cost efficiency, with one of the highest Cost-to-Net Pay ratios (€2.46 at €60,000)—meaning employers spend nearly €2.50 for every Euro an employee actually receives.

This costly structure for businesses pairs with a challenging situation for employees. Despite the significant employer expense, workers take home just €35,963 from the €60,000 benchmark, ranking Italy near the bottom at 31st highest (or 6th lowest). This reflects the substantial deductions that employees face, which climb progressively with income. For the average Software Developer earning €44,200 gross, the take-home pay amounts to €28,393.

When matched against Italy's moderate estimated cost of living (€19,513), this leaves a relatively modest potential surplus of €8,880. Yet, this combination of high employer costs and low net pay highlights the heavy overall tax burden in the Italian system, putting pressure on both company budgets and employee purchasing power.



# Latvia

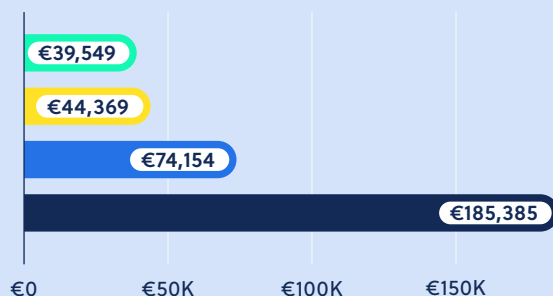


**Avg Yearly Gross Salary for Mid-Level Software Developer: €35,900**

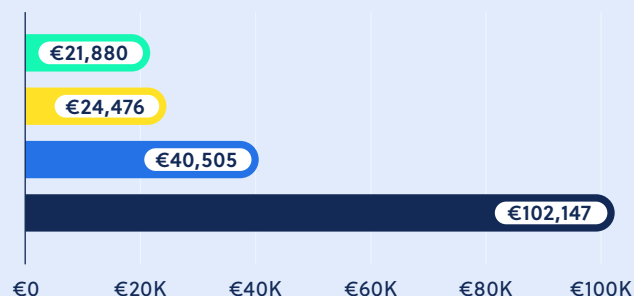


**€ Avg Yearly Cost of Living: €14,635**

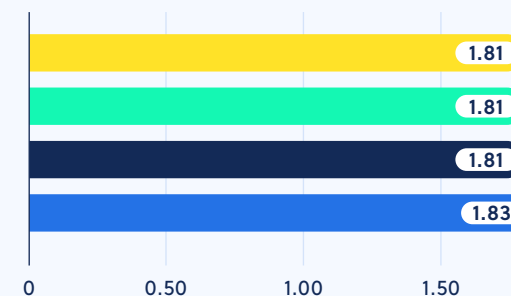
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

For businesses looking for predictability in employment costs, Latvia delivers with a stable system. Sitting in the middle of our rankings at 13th highest for total employer expenses at the €60,000 level (€74,154 total cost), Latvia's standout feature is its consistency. Whether you're hiring junior staff or executives, both the employer contributions (around 19.1% of total cost) and what employees see deducted from their salaries (about 32% of gross pay) stay practically the same across all salary levels. This leads to a stable Cost-to-Net Pay ratio (around 1.81), making financial planning straightforward regardless of seniority level.

Employees earning the €60,000 benchmark take home €40,505 net (ranking 14th highest), reflecting its mid-range cost position. For the average Software Developer (€35,900 gross), the net pay is €24,476. With Latvia's relatively low estimated cost of living at €14,635, this suggests solid purchasing power, leaving a potential

annual surplus around €9,841 for someone in this role. For businesses valuing straightforward financial planning, Latvia offers a consistent, moderately-costly environment without the complexities seen in more progressive systems.



# Lithuania

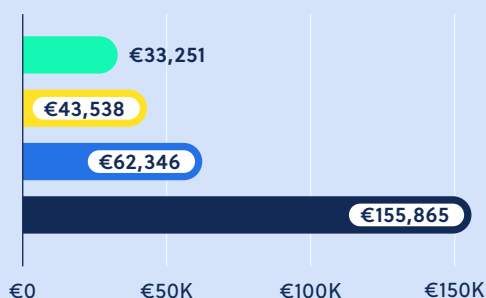


**Avg Yearly Gross Salary for Mid-Level Software Developer: €41,900**

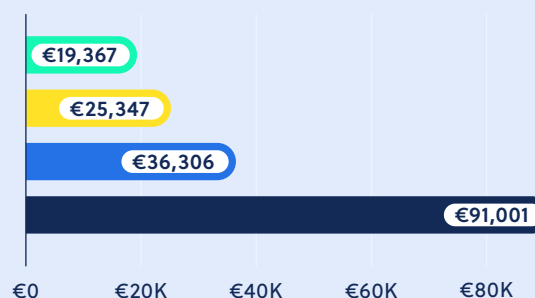


**Avg Yearly Cost of Living: €16,603**

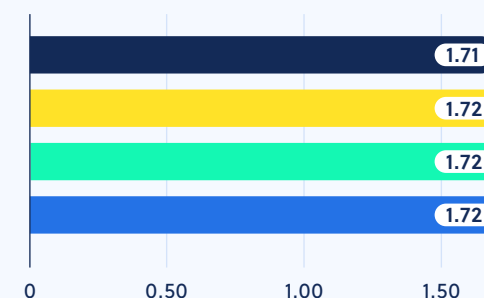
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

**Lithuania** is one of the most cost-effective locations in Europe for employers, ranking 3rd lowest for total employment expenses at the €60,000 range (€62,346 total cost). Hiring a local mid-level Software Developer (average salary €41,900) is similarly economical, costing the employer just €43,538 annually. This exceptional affordability stems directly from minimal mandatory employer contributions, just 3.8% of the total cost, a rate that remains consistently low across all salary levels, offering impressive predictability for employers.

However, this significant employer advantage comes with a direct trade-off for employees. The Lithuanian system places a heavy burden on workers through high, flat-rate deductions, which hover around 39.5% of gross pay regardless of income. As a result of this, net pay from the €60,000 benchmark is €36,306, ranking near the bottom at 29th highest (or 8th lowest).

For the average Software Developer (€41,900 gross), the net pay is €25,347. While Lithuania's cost of living is moderate (estimated at €16,603 annually), leaving a potential surplus of around €8,744 for the average developer, the low net pay ranking is an important factor to keep in mind. Employers gain significant cost savings and predictability in Lithuania, but should factor the high employee deductions into their compensation and talent attraction strategies.



# Luxembourg

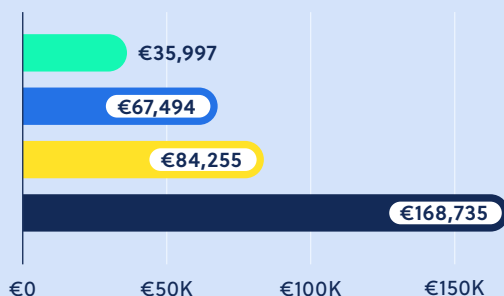


**Avg Yearly Gross Salary for Mid-Level Software Developer: €74,900**

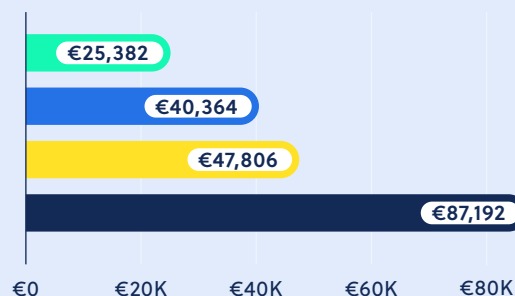


**Avg Yearly Cost of Living: €33,295**

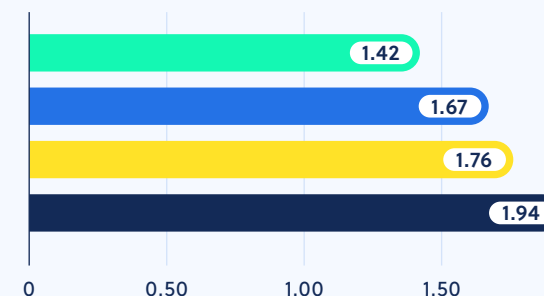
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Luxembourg is well-known for its high salaries, and the data from TalentUp reflects this, showing the highest average for mid-level Software Developers at €74,900. Given this, employers might expect high overheads. However, Luxembourg offers a surprisingly favourable structure when it comes to mandatory employer contributions, ranking 13th lowest for total cost at our €60,000 benchmark (€67,494). This relative affordability for businesses comes from low, flat-rate employer contributions fixed at just 11.1% across all salary levels. Hiring the mid-level developer at €74,900 involves a total employer cost of €84,255.

While employers benefit from these low contributions, the cost for employees grows significantly with income. At the €60,000 benchmark, net pay is €40,364 (ranking 15th highest). The average developer nets €47,806. However, Luxembourg's highly progressive system means employee deductions climb steeply, from around 20.7% at €32,000 to over 41.9% at €150,000.

This dynamic dramatically impacts cost efficiency for higher earners; the Cost-to-Net Pay ratio deteriorates

from an efficient 1.42 at €32,000 to 1.94 at €150,000. Considering Luxembourg's very high cost of living (estimated at €33,295 annually), the average developer's potential surplus of ~€14,511 is reasonable but underscores the necessity of high gross salaries. For employers, Luxembourg requires high initial salaries but offers manageable direct overheads, though the decreasing cost efficiency and increasing employee tax burden at senior levels are important strategic considerations.



# Malta

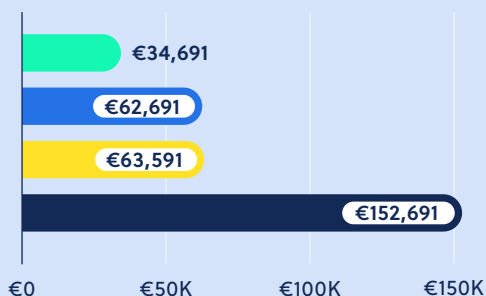


**Avg Yearly Gross Salary for Mid-Level Software Developer: €60,900**

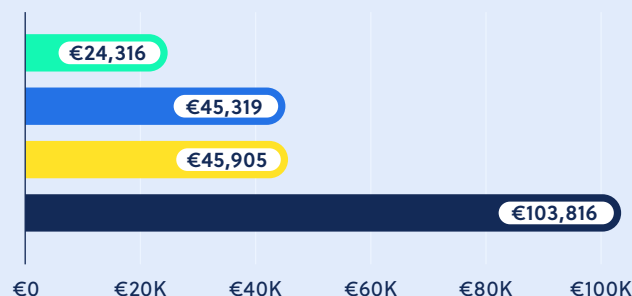


**€ Avg Yearly Cost of Living: €21,054**

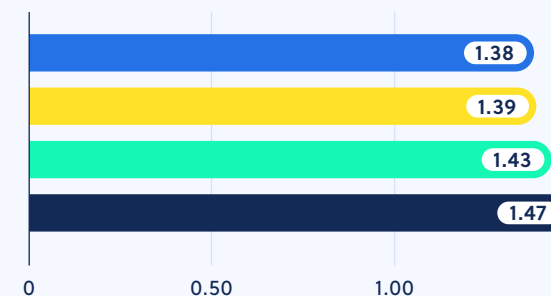
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

Malta has emerged as a hotspot for remote workers, backed by its digital nomad residence permit, and offers an exceptionally attractive financial package for both businesses and talent. It ranks as the 4th lowest cost country in Europe for employers at our €60,000 benchmark, with a total cost of just €62,691, making it highly affordable for businesses.

While a mid-level Software Developer in Malta commands a relatively high average salary of €60,900 (almost identical to our €60,000 benchmark), costs for employers are only €63,591 in total. This cost advantage comes from Malta's structure, which features low mandatory employer contributions—only 4.3% of the total cost at the €60,000 level.

Employees also fare well. At the €60,000 level, workers take home the 7th highest net pay in our study

(€45,319), thanks to reasonable deduction rates of around 24.5%. Mid-level Software Developers earning the local average salary net approximately €45,905 after taxes and contributions. When this strong take-home pay is measured against Malta's moderate estimated cost of living (€21,054 annually), the result is excellent purchasing power. In fact, our analysis shows Malta offering the highest potential surplus of any country studied, approximately €24,851 annually for the average developer.



# Moldova

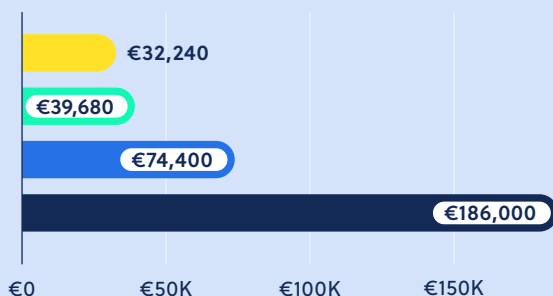


**Avg Yearly Gross Salary for Mid-Level Software Developer: €26,000**

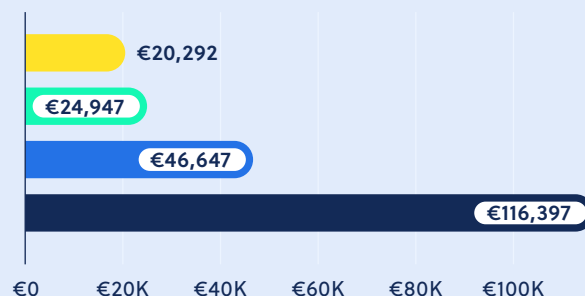


**€ Avg Yearly Cost of Living: €13,002**

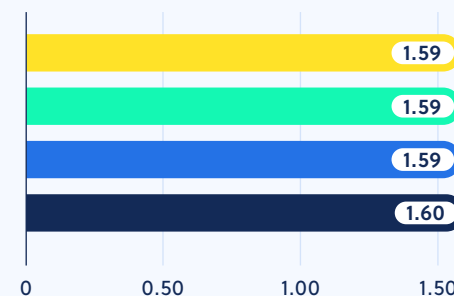
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Employees in Moldova enjoy some of the highest take-home pay in Europe. At our €60,000 benchmark salary, employees pocket €46,647 net—ranking an impressive 4th highest overall. This attractive take-home pay comes from a straightforward and predictable system where employee deductions hover around just 22% of gross pay, regardless of income level. When hiring a local mid-level Software Developer at the average salary of €26,000, they'll take home €20,292 after taxes.

For employers, Moldova sits in the mid-to-high range, ranking 12th highest for total costs at the €60,000 benchmark (€74,400 total cost). Employing the average developer would cost a total of €32,240 annually. Like the employee side, employer contributions follow a refreshingly simple pattern—fixed at 19.4% of the total cost across all salary levels. This consistency makes budgeting more straightforward.

When you factor in Moldova's very low estimated cost of living (€13,002 annually), the average developer's net pay (€20,292) delivers solid local purchasing power, with a potential surplus of around €7,290. While not an EU member state, Moldova's combination of predictable costs and remarkably high net pay creates a unique financial landscape within the European context.



# Montenegro

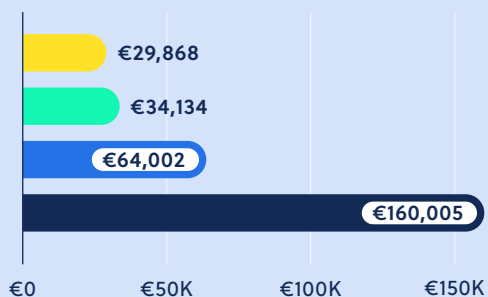


**Avg Yearly Gross Salary for Mid-Level Software Developer: €28,000**

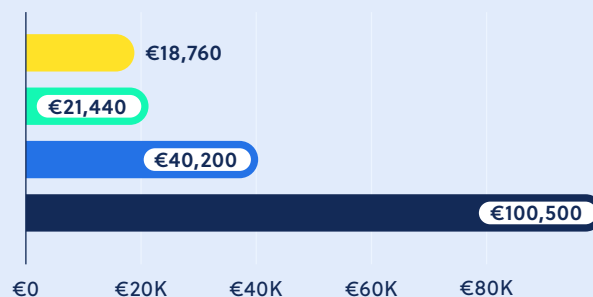


**€ Avg Yearly Cost of Living: €14,714**

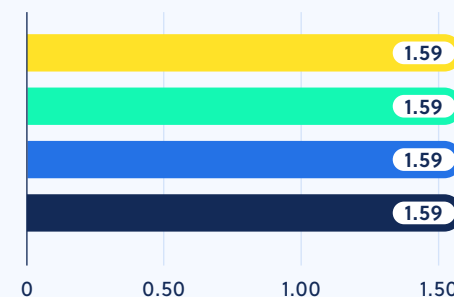
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

Montenegro stands out for offering excellent value for employers looking for low overheads. It ranks as the 6th lowest cost country in our European study for total employment expenses, based on our €60,000 benchmark (€64,002 total cost). Hiring a local mid-level Software Developer (average salary €28,000) is also relatively affordable, costing the employer just €29,868 annually. This low cost is thanks to consistently low mandatory employer contributions – just 6.3% of the total cost, a rate that remains flat whether hiring junior or senior staff. The system is also straightforward for employees, with deductions fixed around 33% of gross pay across all income levels.

This predictable structure delivers respectable net pay for employees. At the €60,000 benchmark, take-home pay is €40,200, ranking 16th highest overall – placing Montenegro solidly in the middle range. For the average Software Developer (€28,000 gross), the net pay is €18,760. Given Montenegro's low estimated cost of living (€14,714 annually), this net income provides reasonable local purchasing power, leaving a potential surplus of around €4,046.



# Netherlands

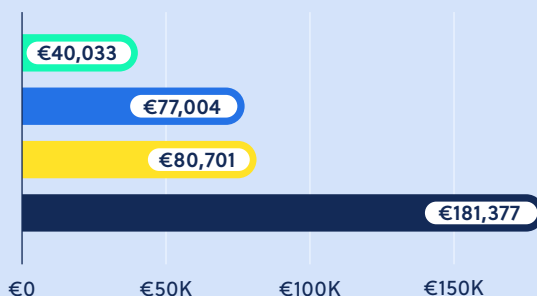


**Avg Yearly Gross Salary for Mid-Level Software Developer: €62,800**

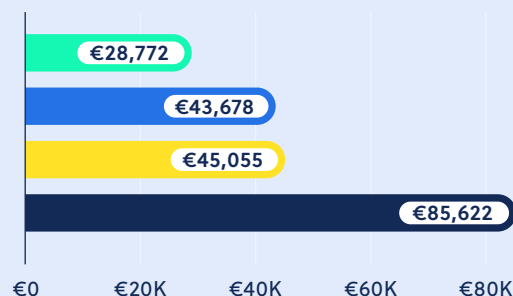


**Avg Yearly Cost of Living: €28,590**

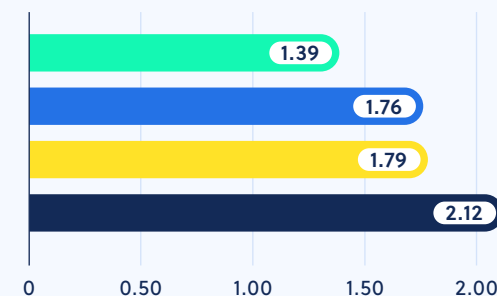
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

The **Netherlands**, a major international business hub renowned for its high quality of life, brings a nuanced employment cost picture that tends to favour those at lower income levels while becoming increasingly expensive for higher earners. It ranks as the 9th most costly country for employers at our €60,000 benchmark (€77,004 total cost). Bringing on a local mid-level Software Developer at their substantial average salary of €62,800 costs employers €80,701 annually.

What stands out with the Dutch system is how net pay is affected across different salary levels. While the Netherlands ranks 12th highest for take-home pay at our €60,000 benchmark (€43,678), employees earning at the €32,000 level receive €28,772 net – making it the absolute highest take-home pay at this lower salary level across all 36 countries we studied.

However, this advantage quickly disappears as income rises, thanks to steeply progressive deductions that jump from just 10.1% to a substantial 42.9% at €150,000. This progression dramatically impacts cost efficiency for higher earners, with

the Cost-to-Net Pay ratio deteriorating from 1.39 to 2.12 as salaries increase.

For the typical Software Developer earning the local average (€62,800 gross), the net pay amounts to €45,055. When compared to the country's high estimated cost of living (€28,590), this creates a healthy potential surplus of €16,465. While employers in the Netherlands do face higher costs, particularly for well-compensated positions, the system ensures that lower-wage earners keep a very high portion of their income.



# Norway



**Avg Yearly Gross Salary for Mid-Level Software Developer: €70,700**

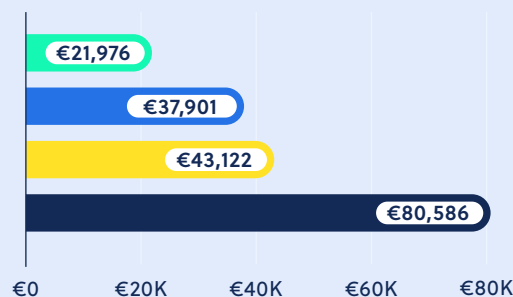


**€ Avg Yearly Cost of Living: €26,474**

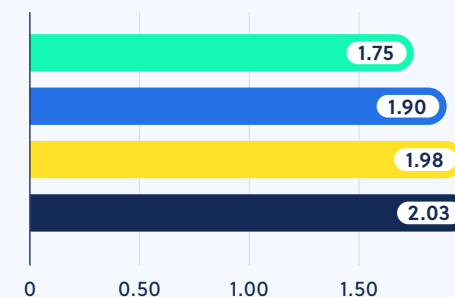
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Norway fits the profile of a high-salary, high-service Nordic nation, resulting in a mid-range cost structure for employers but placing a significant contribution burden on employees. Ranking 17th highest for total employment expenses at the €60,000 benchmark (€72,124 total cost), Norway sits squarely in the middle tier from a business cost perspective. Hiring a local mid-level Software Developer at their high average salary of €70,700 involves a total employer cost of €85,222.

Despite these high prevailing salaries, employee take-home pay ranks lower than might be expected. Net pay from the €60,000 benchmark is €37,901, placing Norway 23rd highest overall. This is a direct consequence of the considerable deductions (around 36.8% at €60,000) required to fund Norway's extensive public services and welfare system.

For the average Software Developer (€70,700 gross), the net pay is €43,122. When measured against Norway's high estimated cost of living (€26,474 annually), this leaves a strong potential surplus of around €18,517. For businesses operating in Norway, the moderate direct employer costs should be weighed against the high salaries required and the significant tax deductions impacting employee net compensation within this high-cost environment.



# Poland

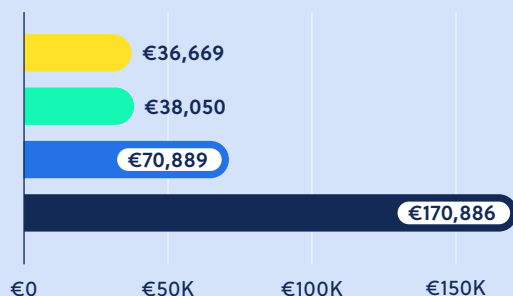


**Avg Yearly Gross Salary for Mid-Level Software Developer: €30,000**

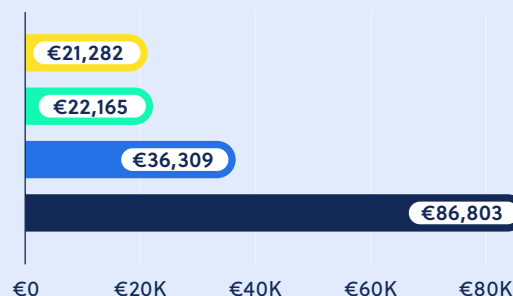


**€ Avg Yearly Cost of Living: €16,551**

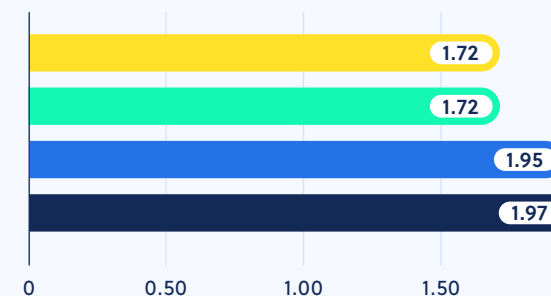
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

**Poland** sits squarely in the middle range for employer costs across Europe, ranking 18th highest for total employment expenses at our €60,000 benchmark (€70,889 total cost). When hiring a local mid-level Software Developer at the average market rate of €30,000, employers face a total cost of €36,669. While not among Europe's most expensive locations, Poland's cost structure reveals moderate employer contributions combined with substantial deductions from employee gross pay (approximately 39.5%).

This setup directly affects what employees take home. Despite the reasonable employer costs, Poland ranks low for net pay, with the €60,000 benchmark resulting in just €36,309 take-home pay, ranking 9th lowest, in our study. For the typical Software Developer earning €30,000 gross, the net pay works out to €21,282. When compared against

Poland's estimated annual cost of living (€16,551), this leaves a relatively tight potential surplus of €4,731. The practical implication for employers is that while direct costs remain manageable, the high employee deductions significantly reduce what team members actually receive in their bank accounts.



# Portugal

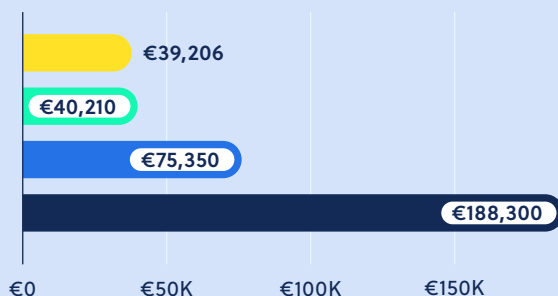


**Avg Yearly Gross Salary for Mid-Level Software Developer: €31,200**

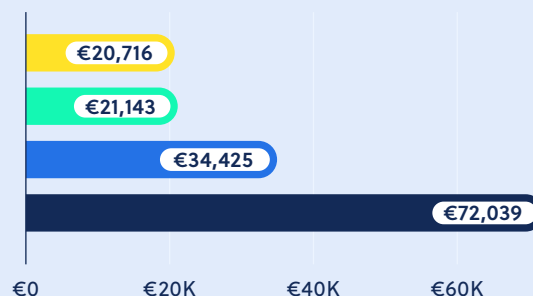


**€ Avg Yearly Cost of Living: €19,314**

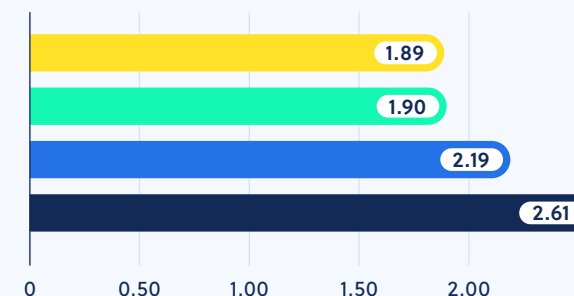
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

**Portugal**, a popular destination for remote workers drawn to its D8 visa and attractive lifestyle, presents some challenges when it comes to employment costs. It sits among the higher-cost countries for employers (10th highest total cost at €60,000 — €75,350) and carries the 3rd highest combined tax and contribution burden for both employer and employee at this level. This heavy overall tax load results in one of the lowest take-home pay for employees — the second lowest in our study at the €60,000 benchmark (€34,425 net).

Similar to Belgium, Portugal keeps a steady employer contribution rate (20.4% across all salary levels). However, employees face high deductions that scale sharply with income—climbing from 33.9% to over 52% across the salary bands. For the average Software Developer (€31,200 gross), this results in a net pay of only €20,716.

When compared against the estimated annual cost of living (€19,314), this leaves a very minimal potential

surplus of just €1,402. The escalating employee contribution also makes hiring less cost-efficient as salaries rise (the ratio of what employers pay versus what employees take home jumps from 1.90 to 2.61). While Portugal's appeal for remote work is clear, the low take-home pay — providing very little buffer over living costs even for skilled roles like developers — is an important consideration for both talent and employers.



# Romania

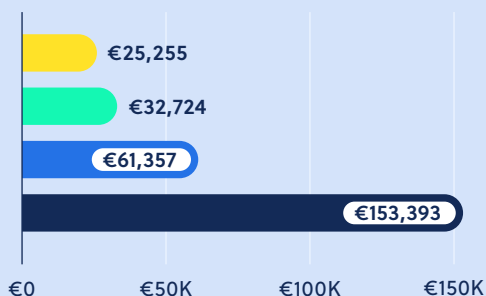


**Avg Yearly Gross Salary for Mid-Level Software Developer: €24,700**

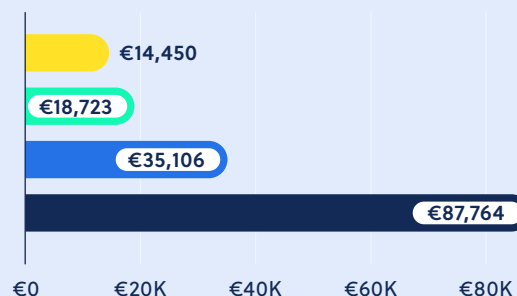


**€ Avg Yearly Cost of Living: €12,567**

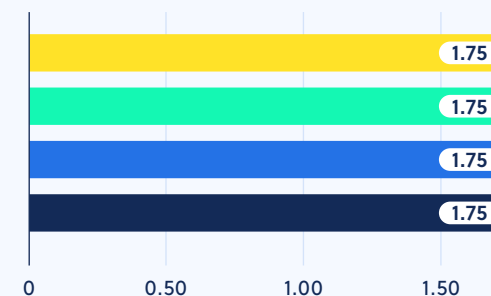
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

**Romania** stands out in our 2025 analysis as the absolute lowest-cost country for employers at both the €32,000 and €60,000 salary levels (€61,357 total cost at €60,000). Hiring a local mid-level Software Developer (average salary €24,700) is also budget-friendly, costing the employer just €25,255 annually. This affordability comes from minimal mandatory employer contributions of just 2.2% of the total cost, which stays flat regardless of salary level.

However, this creates a striking difference for employees. Workers face an extremely high and flat 41.5% deduction from their gross pay. This results in one of the lowest take-home pay outcomes in our analysis; at the €60,000 benchmark, net pay is €35,106, ranking 3rd lowest overall. For the average Software Developer (€24,700 gross), the net pay is €14,450 (the lowest in our analysis).

In fact, Romania is where employees shoulder the largest share of the total employment cost relative to their employers. While Romania's low estimated cost of living (€12,567) helps, the average developer's potential surplus is minimal at just €1,883. This extremely low buffer highlights the trade-off: high employer affordability versus significant employee deductions and constrained purchasing power, even for skilled roles.



# Serbia



**Avg Yearly Gross Salary for Mid-Level Software Developer: €25,300**

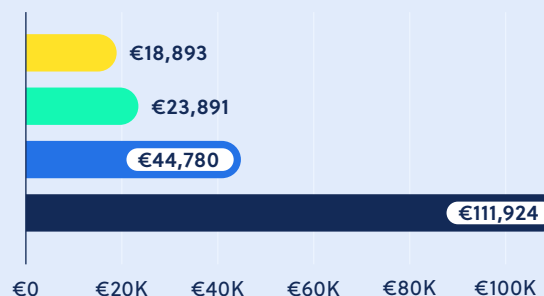


**€ Avg Yearly Cost of Living: €13,495**

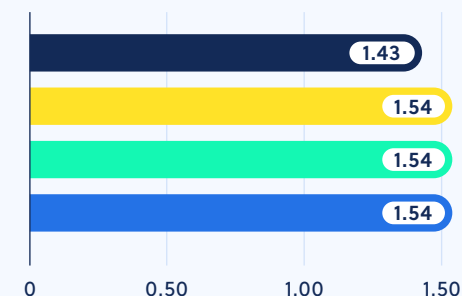
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary ● €32K ● €60K ● €150K

Serbia sits comfortably in the middle of the pack for employer costs, ranking 22nd highest (or 15th lowest) at the €60,000 benchmark (€69,090 total cost). If you're looking to hire a local mid-level Software Developer at the market rate of €25,300, you'll face a total employer cost of €29,133. While these numbers put Serbia squarely in the mid-tier for costs, employees do well on take-home pay. At the €60,000 level, they net €44,780, the 10th highest in our study. The average developer takes home €18,893.

Set against Serbia's affordable cost of living (€13,495), this gives developers a potential surplus of about €5,398. This indicates sufficient (yet modest) local purchasing power for this role.

A particularly interesting feature for businesses operating in Serbia is the improving cost efficiency when hiring senior talent. The ratio of total employer cost to employee net pay becomes more favourable at higher salaries (improving from 1.54 at €60,000 to

1.43 at €150,000). This is due to mandatory employer contributions decreasing significantly at the top salary level (from 13.2% down to just 6.3%), while employee deductions remain fairly stable. This means that while initial costs are mid-range, Serbia offers better relative value for securing senior-level expertise compared to many other European countries where efficiency often declines with salary.



# Slovakia

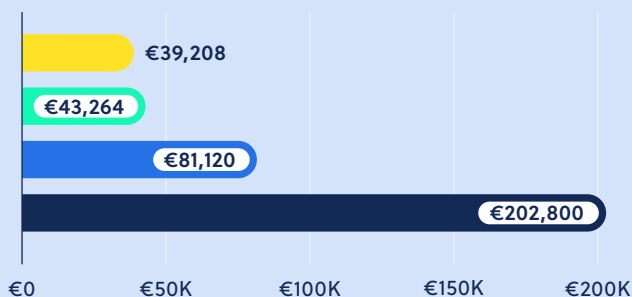


**Avg Yearly Gross Salary for Mid-Level Software Developer: €29,000**

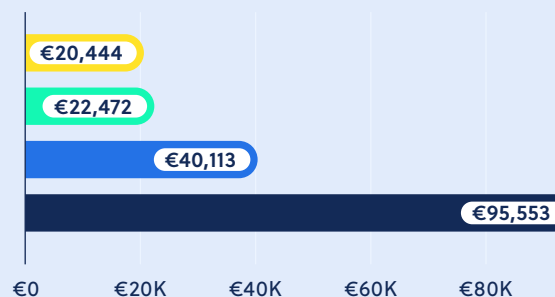


**€ Avg Yearly Cost of Living: €16,192**

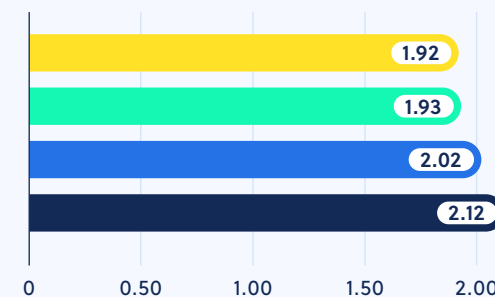
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

Slovakia lands firmly in the high-cost category for employers. It ranks 3rd highest overall for total employment expenses based on our €60,000 benchmark salary (€81,120 total cost). Hiring a local mid-level Software Developer (average salary €29,000) also reflects this higher investment, requiring a total employer outlay of €39,208. This high cost is driven by substantial mandatory employer contributions, which consistently make up 26% of the total cost package, regardless of the salary level.

Interestingly, despite this substantial cost to businesses, the take-home pay for employees is average. Net pay from the €60,000 benchmark is €40,113, placing Slovakia 17th highest – right in the middle of the pack. This suggests the system balances high employer costs with moderate, rather than extreme, employee deductions (around 33.1% at €60,000).

For the average Software Developer (€29,000 gross), the net pay is €20,444. When measured against the estimated annual cost of living (€16,192), this leaves a potential surplus of about €4,252. What Slovakia offers employers is predictability; since contribution percentages are flat, cost efficiency remains consistent across salary bands. However, this predictability comes at the price of being one of Europe's most expensive locations from the outset.



# Slovenia

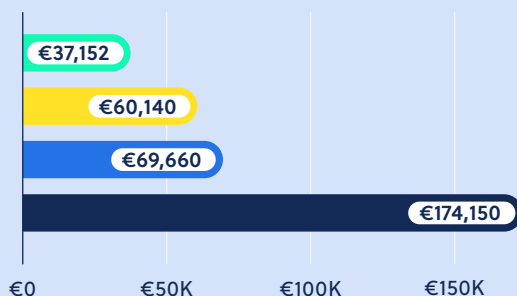


**Avg Yearly Gross Salary for Mid-Level Software Developer: €51,800**

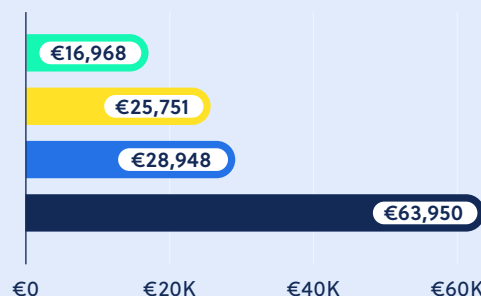


**€ Avg Yearly Cost of Living: €18,117**

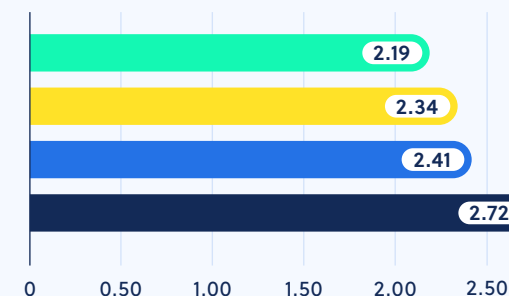
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Slovenia offers a distinctive employment cost landscape where the experience for employers and employees differs significantly. Businesses face mid-range costs, ranking 20th highest for total expenses at the €60,000 benchmark (€69,660). Hiring a local mid-level Software Developer (average salary €51,800) involves a total cost of €60,140. This moderate employer outlay is due to relatively low and fixed mandatory contributions from the business side (13.9%).

However, the situation for employees is markedly different. Workers in Slovenia consistently receive the lowest take-home pay across all salary levels in our 36-country analysis. At the €60,000 benchmark, net pay is just €28,948. This is due to exceptionally high and progressive employee deductions, which start at 47% and climb towards 57.4% for higher earners – among the highest rates observed in our analysis.

For the average Software Developer (€51,800 gross), this results in a net pay of only €25,751. While Slovenia's cost

of living is moderate (estimated at €18,117), this leaves a potential surplus of an estimated €7,634, which is less substantial than in many other locations with similar gross salaries. It's also worth pointing out the Slovenian system's lack of efficiency in converting employer spend into employee net pay (Cost-to-Net Pay ratio is 2.41 at €60,000). For companies hiring in Slovenia, the manageable direct employer costs need to be weighed against the reality of very low net pay, which can be a significant factor in attracting and retaining talent.



# Spain

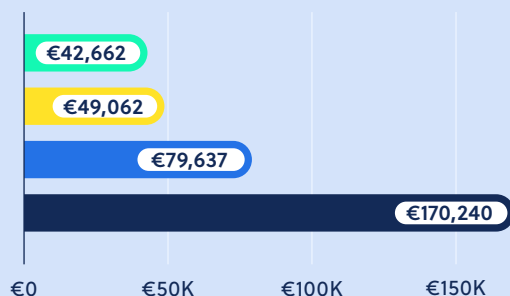


**Avg Yearly Gross Salary for Mid-Level Software Developer: €36,800**

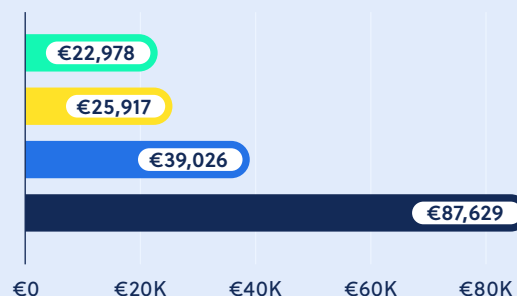


**Avg Yearly Cost of Living: €19,676**

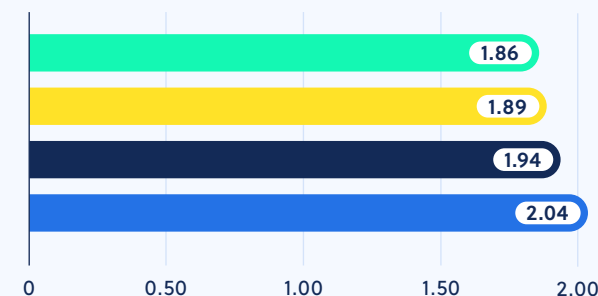
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

Spain, a major European economy and a popular destination drawing international attention with its Digital Nomad Visa, lands among the higher-cost countries for employers. It ranks 6th highest for total employment expenses based on our €60,000 benchmark salary (€79,637 total cost). Hiring a local mid-level Software Developer (average salary €36,800) involves a total employer cost of €49,062. These figures reflect substantial mandatory contributions required from businesses operating in Spain (around 24.7% at €60,000).

Employees receive middle-of-the-pack take-home pay from the Spanish employment structure. At the €60,000 benchmark, net pay is €39,026, ranking 21st highest overall. For the average Software Developer (€36,800 gross), the net pay comes to €25,917.

When matched up against Spain's moderate-to-low cost of living (€19,676), this leaves a potential surplus

of around €6,241, suggesting adequate purchasing power for skilled roles. An interesting feature is Spain's cost efficiency trend. Unlike most countries, it shows a slight improvement at the €150,000 level, primarily because the employer's contribution rate drops significantly for high earners, even as employee deductions rise.



# Sweden

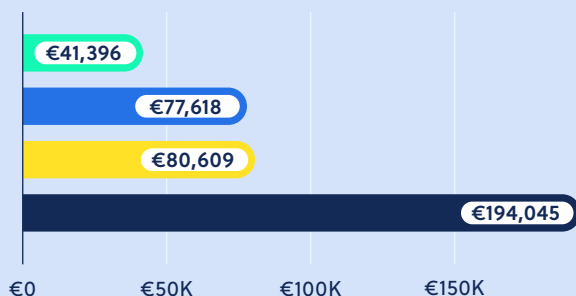


**Avg Yearly Gross Salary for Mid-Level Software Developer: €61,400**

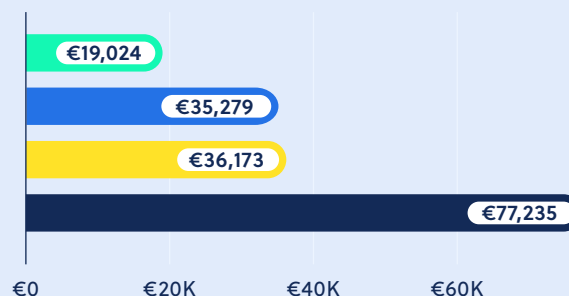


**€ Avg Yearly Cost of Living: €21,098**

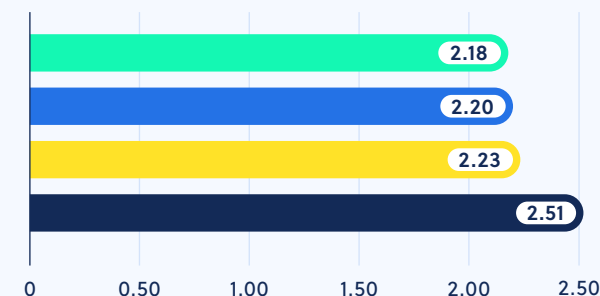
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

**Sweden** clearly embodies the Nordic model's approach to funding extensive social services through significant contributions. This positions it as a higher-cost country for employers, ranking 8th highest for total employment expenses based on our €60,000 benchmark salary (€77,618 total cost). Hiring a local mid-level Software Developer at their high average salary of €61,400 requires a total employer investment of €80,609. A key feature here is the consistent mandatory employer contribution rate, which stays steady at 22.7% across all salary levels, offering predictability for businesses.

However, this structure translates into one of the lowest take-home pay outcomes for employees. Net pay from the €60,000 benchmark is only €35,279, ranking 4th lowest) overall. This low net pay results from substantial and progressive employee deductions, which climb from 40.5% to 48.5% across the salary bands.

For the average Software Developer (€61,400 gross), the net pay is €36,173. While Sweden's

cost of living is relatively high (estimated at €21,098 annually), the high salaries mean this net pay still provides strong purchasing power, leaving a potential surplus of around €15,075 for the average developer. For employers, Sweden requires a significant financial commitment, justified by access to a highly skilled workforce accustomed to comprehensive social benefits funded through higher taxes.



# Switzerland

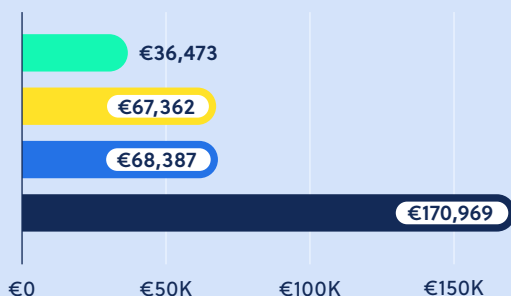


**Avg Yearly Gross Salary for Mid-Level Software Developer: €59,100**

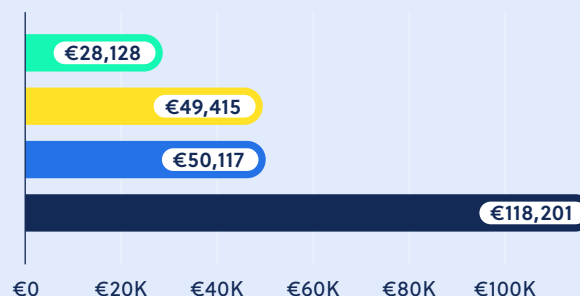


**Avg Yearly Cost of Living: €40,071**

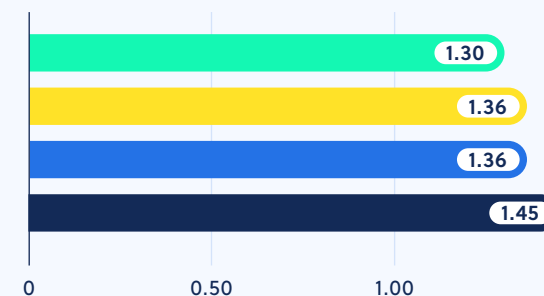
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

Perhaps the most striking financial feature of the Swiss employment system is the extremely high take-home pay. At our €60,000 benchmark salary, employees receive €50,117 net – the second-highest net pay across all 36 European countries studied. Employee deductions, while progressive, remain relatively moderate compared to the gross income levels (16.5% at €60,000). The average developer nets a substantial €49,415.

What makes this even more interesting for employers is that this high net pay doesn't come with exorbitant mandatory overheads. Switzerland ranks in the middle ground for total employer costs (14th lowest) at the €60,000 benchmark (€68,387 total cost) with fixed employer contributions of around 12.3%.

Hiring a mid-level developer should cost around €67,362 in total. When put into context, this high net pay is essential, given Switzerland's ranking as having the highest cost of living in our study (estimated at €40,071 annually). This close ratio between gross pay and net pay ensures skilled professionals can manage these significant expenses, leaving the average developer with a potential surplus around €9,344 per year.



# Turkey

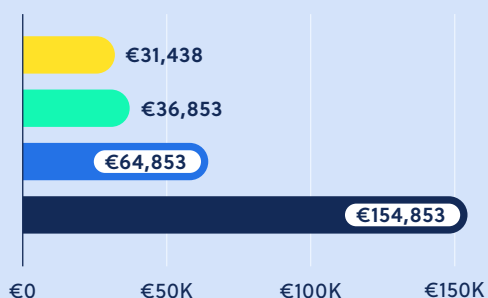


**Avg Yearly Gross Salary for Mid-Level Software Developer: €26,800**

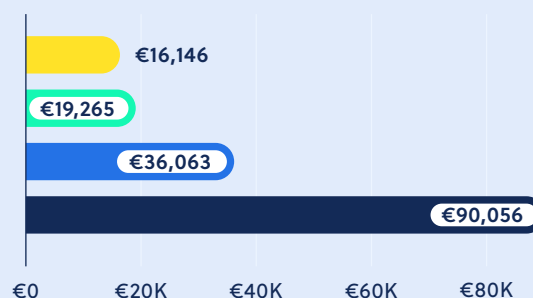


**€ Avg Yearly Cost of Living: €12,302**

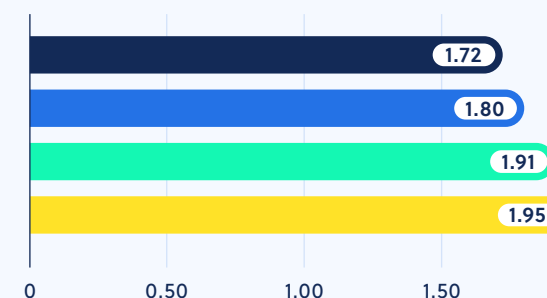
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

Turkey presents a very affordable option for employers, ranking 8th lowest for total employment costs at the €60,000 level (€64,853 total cost). Hiring a local mid-level Software Developer (average salary €26,800) is also very economical, costing the employer just €31,438 annually. This cost advantage is further enhanced for senior roles, as mandatory employer contributions decrease significantly at higher salary levels (from 7.5% down to 3.1%), making Turkey one of the few places where hiring top earners becomes more cost-efficient for the business.

However, this employer affordability comes at a direct cost to employees. Workers face substantial and consistently high deductions (around 40% of gross pay across all salary bands). This means that net pay at the €60,000 benchmark is €36,063, placing Turkey near the bottom of the rankings (7th lowest).

For the average Software Developer (€26,800 gross), the net pay is €16,146. While Turkey has a very low estimated cost of living (€12,302 annually), this net pay leaves a relatively tight potential surplus of €3,844 for the average developer.



# Ukraine

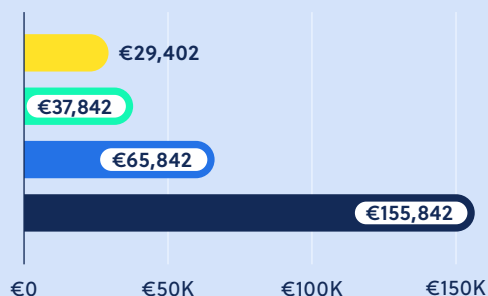


**Avg Yearly Gross Salary for Mid-Level Software Developer: €24,100**

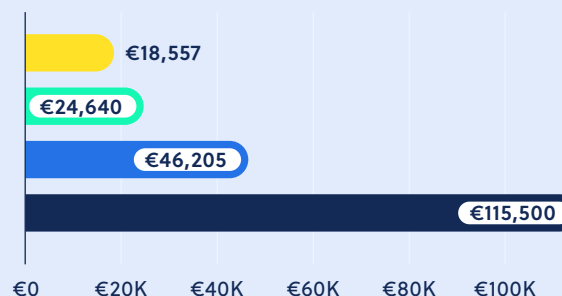


**€ Avg Yearly Cost of Living: €8,953**

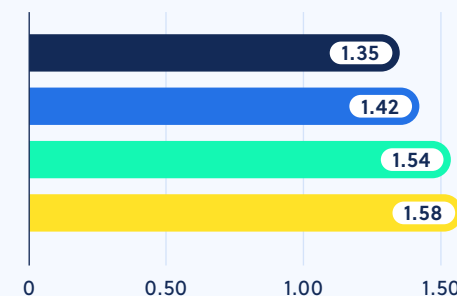
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary 
 ● €32K 
 ● €60K 
 ● €150K

Ukraine offers an interesting and nuanced picture in our 2025 analysis. The country provides low costs for employers, ranking 9th lowest for total employment expenses at the €60,000 benchmark (€65,842 total cost). Hiring a local mid-level Software Developer (average salary €24,100) is also very economical, costing the employer just €29,402 annually.

This cost advantage works out well for employees too, who take home the 6th highest net pay in our study (€46,205 at the €60,000 benchmark). Employees see a consistent and relatively low 23% deduction across all salary levels, while what employers contribute decreases significantly as salaries rise (from 15.4% down to just 3.7%), making senior hires more cost-efficient.

However, the cost of living adds crucial context. Ukraine has the lowest estimated cost of living in our entire analysis, at

just €8,953 per year. For the average Software Developer (€24,100 gross), the net pay is €18,557. This leaves a potential surplus of around €9,604, indicating substantial local purchasing power for this specific role and salary level. However, it's important to acknowledge that the benchmark salaries used here represent a potentially very different economic reality from typical local earnings, especially considering the devastating impact of the ongoing war on the broader Ukrainian economy and workforce.



# United Kingdom

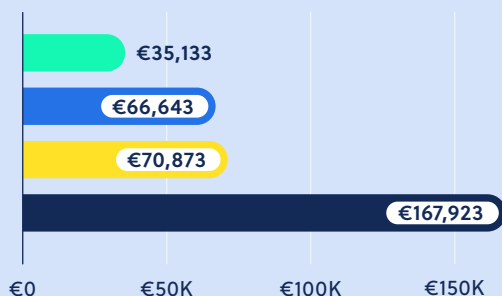


**Avg Yearly Gross Salary for Mid-Level Software Developer: €62,100**

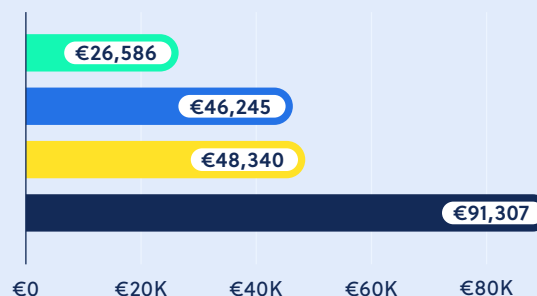


**Avg Yearly Cost of Living: €26,162**

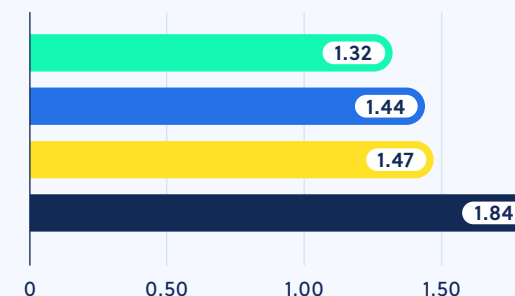
## Estimated Total Employment Cost



## Estimated Net Pay



## Cost to Net Pay Ratio



● Avg. Salary
 ● €32K
 ● €60K
 ● €150K

The **United Kingdom**, a major global hub for finance and technology and one of Europe's key English-speaking economies, delivers surprisingly efficient employment costs. It ranks 10th lowest for total employer expenses at the €60,000 salary level (€66,643 total cost), making it the lowest-cost option among the five major European economies (UK, France, Germany, Italy, and Spain). This efficiency directly benefits employees, too, who enjoy the 5th highest take-home pay in our analysis (€46,245 at the €60,000 level)

The average Software Developer (earning €62,100 gross) takes home a substantial €48,340 net. While the UK system features progressive employee deductions that increase significantly for higher earners (climbing from 16.9% towards 39.1%), lower salaries fare particularly well.

Against the UK's high estimated cost of living (€26,162 annually), this high net pay provides excellent purchasing power, leaving the average developer with a potential surplus of around €22,178. This balance of manageable employer costs, high net pay, and access to a deep talent pool reinforces the UK's position as a strategically strong location for businesses.

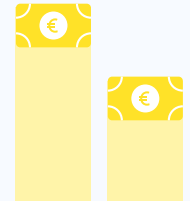
# Conclusion: Navigating the Complexities of European Employment Costs in 2025

Our journey through the employment cost landscape of 36 European nations in 2025 highlights an important truth: gross salary is just the beginning of the story. As our analysis shows, the actual cost of employing talent and what employees really take home varies dramatically across the continent, often contradicting simple assumptions based on a country's economic reputation.

## Key Takeaways from Our Analysis:

### Vast Disparities in Employer Costs:

We found total employment costs for a €60,000 gross salary ranging from just over €61,000 in Romania to more than €95,000 in France. These mandatory employer contributions can significantly inflate base salaries, requiring careful budgeting and strategic location planning.



### Net Pay is Not Uniform:

The employee experience differs just as dramatically. The same €60,000 salary delivers take-home pay ranging from over €51,000 in Bulgaria to under €29,000 in Slovenia. This directly affects an employee's purchasing power and quality of life, making net pay crucial for attracting and keeping talent.



### Efficiency Varies Greatly:

The Cost-to-Net Pay ratio revealed major differences in how effectively employer spending translates to employee take-home pay. Efficient systems (like Bulgaria or Switzerland) deliver more net pay per Euro spent compared to less efficient systems (like Italy or France), affecting the real cost of salary increases.



### Context is Crucial:

Including average salary data (using a Software Developer benchmark) and cost of living estimates provides essential perspective. This helps measure how competitive benchmark salaries are against local rates and understand the actual purchasing power employees have in different locations.



## About talentup<sup>io</sup>

TalentUp offers salary and talent data for over 650 roles in more than 190 cities across 70 countries. Their AI-driven insights provide both current and predictive compensation trends.



Get any salary for  
any location.



Real-time, trustworthy salary  
benchmarking data.

For detailed insights and a head start in compensation planning, consider exploring TalentUp's Salary Benchmarking Platform, which offers [free access](#). This platform is essential for anyone aiming to navigate the complexities of global talent acquisition and retention with data-backed strategies.

## About boundless

The employment world never stands still. Even since our 2024 report, we've witnessed significant shifts in costs, regulations, and workforce trends across the countries we support. These changes reflect the dynamic nature of global employment ecosystems.

We understand that hiring across borders is innately complex. Beyond the financial considerations covered in this report, employers must navigate country-specific legislation, constantly changing compliance requirements, and cultural nuances that significantly impact both your obligations as an employer and your employee's experience.

That's why we exist. At [Boundless](#), we're here to make global hiring simple, straightforward, and compliant. We handle everything from compliant contracts and accurate payroll to benefits administration and ongoing HR support—all through our intuitive platform backed by local experts.

Ready to expand your team confidently in Europe or beyond? [Connect with our specialists today to discover how Boundless can help you hire, pay, and manage your international talent without the administrative burden or compliance risks.](#)



### Want to Learn More?

At Boundless, we help businesses navigate these complexities, ensuring compliant hiring across many European destinations *and beyond*. We pride ourselves on doing international employment the right way. [Get in touch with us to learn how we can help you build your global team with confidence.](#)



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