

# Kurzmerkblatt zum Kindergeld 2018 - *Information Sheet on Child Benefit 2018 (Short Version)*

This information sheet gives an overview of child benefit regulations according to the Income Tax Act (Einkommensteuergesetz, EStG).

**In case of any remaining questions, please contact your Familienkasse (family benefits office).**

**Please read the following information carefully. Any excess amounts paid after the entitlement to child benefit or child-related payments has expired will have to be repaid. You are obliged to immediately inform your Familienkasse of any changes relevant to child benefit or which have been object of declarations. This also includes changes regarding children you are not receiving child benefit for but who are taken into account (Zählkinder). Breach of this obligation may represent a criminal offence or misdemeanor. Declarations made by you or by your child are valid once they were received by the Familienkasse. Retroactive payment is possible for a maximum of six calendar months from the date the application is received by the Familienkasse.**

## 1. Information for all recipients of child benefit

1.1 The amount of child benefit equals the child subsistence level (a minimum amount needed to provide for basic needs) and remains tax-free. The child subsistence level takes into account expenses for child care, education and vocational training / studying. First of all, you will be paid child benefit on a monthly basis. Later, as part of the income tax assessment, the tax office will check whether the child benefit you received is higher or lower than the amount of taxes you would save if an amount of the parent's income equal to the child subsistence level remained tax-free. The tax office will then apply the option more profitable for you.

1.2 The Familienkasse is responsible for determining and making child benefit payments to public service employees and pension recipients who

- live in Germany
- live abroad but are not obliged to pay income tax.

Persons who live abroad and are not obliged to pay income tax may receive child benefit from the Familienkasse of the Federal Employment Agency if they fulfill certain requirements.

1.3 You and your child need to have been assigned a tax identification number in order to be eligible for child benefit.

1.4 Child benefit is paid for children who live in Germany, in one of the member states of the EU or the EEA, or in Switzerland.

The following children are taken into account:

- children of the applicant (including adopted children),
- children of the spouse (stepchildren), children of the registered partner and grandchildren living with the applicant,
- foster children under certain circumstances.

1.5 Child benefit is paid until the child turns 18. In order to receive child benefit for children over the age of 18, certain requirements need to be fulfilled (see no. 2). Child benefit rates for children living in Germany: first two children: EUR 194/month; third child: EUR 200/month; every additional child: EUR 225/month. If one parent lives in a different member state of the EU or the EEA, in Switzerland or another country which is party to the agreement, child benefit is determined by the Familienkasse of the Federal Employment Agency.

1.6 If the parents of the child do not live in the same household, child benefit will be paid to the parent with whom the child lives. If the child does not live with either of the parents, child benefit will be paid to the parent who pays higher maintenance payments to the child. If the child lives with both parents in one household, the parents have to decide who receives child benefit. This may influence the entitlement to child benefit and the amount of child benefit (in case of children you are not receiving child benefit for but who are taken into account (Zählkinder)). In case of public service employees, this may influence the amount of child-related payments.

## 2. Requirements for children over the age of 18

2.1 Children over the age of 18 are taken into account until they turn 25 if they

- are in vocational training; incl. secondary schools,
- are in a transition period of maximally four months (e.g. in between two education periods)
- cannot commence or continue with vocational training for lack of an apprenticeship position or
- complete a voluntary service (Freiwilliges Soziales Jahr, Bundesfreiwilligendienst or another voluntary service regulated by law).

2.2 If children named in no. 2.1 have already completed a first vocational training or degree program, they will only be taken into account if they do not work (employment) more than 20 hours per week.

Please note: This translation is provided by the University of Mannheim and serves informational purposes only. English forms are not legally binding and will not be accepted by the LBV, please fill in the German forms. In the event of any conflict between the English and German text, its structure, meaning or interpretation, the German text, its structure, meaning or interpretation shall prevail.

A vocational training is considered a professional educational program in which the necessary professional skills qualifying a person to take up a certain profession are taught. Attending a school providing public education does not count as undertaking vocational training.

Vocational training and programs of study have to follow a structured educational approach and are usually completed by taking a state-certified or officially recognized (higher education) examination. Higher education degree programs usually constitute a professional qualification and graduates are awarded an academic degree. A first vocational training or degree program is considered completed if the child is capable of practicing a profession. In case the child takes up another vocational training later on (i. e. master craftsman training after having worked for several years), it is considered a second training. If objective evidence shows that the child has not yet reached his/her intended profession, further training may qualify as part of the first training. The further training and the non-academic training or the first degree have to be closely linked in terms of content and shall follow the first training or degree immediately.

Vocational trainings or programs of study are considered a first professional qualification if they are not preceded by another completed vocational training or program of study.

Children are considered employed if they are engaged in an activity in order to receive an income. Apart from salaried employment, this includes activities in agriculture and silviculture, commercial activity or self-employment.

Employment does not affect the eligibility for child benefit if

- it is part of vocational training,
- it is marginal short-term employment in accordance with sections 8 and 8a of the Fourth Social Code (Viertes Sozialgesetzbuch, SGB IV).
- according to the employment agreement, the child does not work more than 20 hours a week. Children are allowed to work more than 20 hours per week for maximally two months without damage to the eligibility for child benefit if the average working time per week of the relevant period of the calendar year does not exceed 20 hours per week.

**2.3** If your child is unemployed and registered as job seeking with an employment agency in Germany, it may be eligible for child benefit up to the age of 21.

**2.4** If children are not able to earn their livelihood due to a disability, they are always eligible for child benefit.

### **3. Persons entitled to Beihilfe payments**

According to section 3 subsection 3 of the Act on Beihilfe (Beihilfeverordnung, BVO), the eligibility of children to be taken into account for Beihilfe ends with the end of the calendar year in which they are not eligible to be taken into account for family benefit anymore. If the eligibility of children to be taken into account for family benefit ends on 31 December of a year, the eligibility to be taken into account for Beihilfe ends with the end of the following calendar year.

Examples:

- The child completes his/her program of study (e. g. by disenrollment) on 30 September. Even though the child will not be taken into account for family benefit starting 1 October, it will still be taken into account for Beihilfe until the end of the year.
- The child completes his/her program of study on 15 December. Even though the child will not be taken into account for family benefit starting 1 January of the following year, it will still be taken into account for Beihilfe until the end of the following year.

Civil servants who were hired after 1 January 2013 and their spouse or registered partner receive a permanent assessment rate of 50 percent in the case of birth, illness, long-term care and death as well as for preventative health care. Neither the number of children taken into account for family benefit nor the beginning of retirement will change the amount of Beihilfe they receive.

According to section 19 subsection 6 BVO, the following applies for persons entitled to Beihilfe on 31 December 2012 and persons entitled to Beihilfe on 31 December 2012 on the grounds of different regulations on Beihilfe who became subject to the BVO after 31 December 2012:

Employees entitled to Beihilfe with two children are entitled to a Beihilfe assessment rate of 70 percent for incurred costs. If a child is no longer taken into account for Beihilfe, the assessment rate will decrease to 50 percent. If this is the case, you are advised to check whether your insurance provides sufficient coverage for you and your child. If the other parent of the child is also entitled to Beihilfe, the fact that the child is no longer taken into account for Beihilfe may influence the assessment rate of the parent. Please make sure to inform the other parent if a child is no longer taken into account for family benefit in order to ensure appropriate insurance coverage at all times. If you have at least three children who are taken into account for family benefit and therefore entitled to an assessment rate of 70 percent, the assessment rate will not decrease if the children are not taken into account for family benefit anymore.

**If you have any questions, please do not hesitate to contact us.**

You can find more information on the subject on our homepage <https://lbv.landbw.de> or in the longer information sheet on child benefit ("Kindergeld-Merkblatt LBV KG2") available for download under "Vordrucke".

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