

GT 4c: What you need to know about the income form and how to fill it out correctly

1 Who has to fill out the income form?

Anyone who would like to take advantage of fee-based services (childcare between 06.00 and 08.00 or between 16.00 and 18.00, during holidays or additionally at preschool classes between 13.00 and 16.00) **and** would like to apply for a reduction in the fees.

Families who pay the full fees or are eligible for benefit under the German Education and Participation Package need not fill out this form.

2 How is the fee reduction calculated?

The reduction is dependent on income, the number of family members living in the household and the number of younger siblings receiving fee-based childcare.

To do this it is necessary for you to calculate the average amount of money your family has at its disposal. The income form will help you calculate this monthly family income (see point 4 below). You then enter the calculated amount in the application form.

3 Who belongs to the family?

For purpose of calculating income, family members include:

- The child for whom the childcare service is sought,
- The child's parents or legal guardians, provided they live together with the child,
- Any other children of the parent(s) of the child for whom childcare is sought provided they live together with the child, or the parent(s) pay(s) child support for these children.

Please note: Any life partners who are not the biological parents of the child in childcare are not considered part of the family. The fact that they also live in the household is immaterial. The earnings from these partners should not therefore be counted as part of the family income. This also applies to older children who earn their own income.

4 Where can I find the income form?

You can find the income form on the Internet (www.hamburg.de/ganztag). You can fill it out and print it from your computer. You only need to enter the information necessary for calculating your income on this form. You can find out what that is below. Submit the printed form together with the application to the school office.

Of course you can also fill out the form by hand. That is why you have received the form for "calculating average family income". You will then have to calculate the income yourself - whereas this happens automatically on the online form.

5 Which income form do I have to use?

If a member of your family is self-employed, then use the "Self-employed" income form (see question 9 for more information on this point). Otherwise use the "People in employment" form (see question 8 for more information on this point).

6 Why do annual incomes have to be submitted?

It is simply easier to calculate using the annual income taken from the previous year.

As an employee you will have received an annual income tax statement from your employer.

Self-employed people will need to use their notice of income tax from the previous year. If you have not yet received this, then use your most recent tax notice.

Do you receive any benefits from the German JobCentre? Then use your benefits notice from the previous year.

Please attach copies of these documents to your application. Please also enter annual earnings for any other income you have received. At the end your calculated annual income will be divided by 12 to determine your monthly average income.

7 My income has changed compared with the previous year. What should I do?

Has your family income increased or decreased by more than 15%? If so, you can request that current figures are taken into account. Please provide proof of your current monthly income. Self-employed people should provide a plausible estimate of their annual income. In either case the income form will serve to calculate the anticipated average monthly income. This amount can then be entered in the change form. You can get hold of the change form at the school office or you can find it on the following internet page: www.hamburg.de/ganztag. You can find the change form there and receive clear information about how to fill it out.

8 Income form "People in employment" What should I enter here?

8.1 A. Incomes of the parents

Enter all the incomes from the father and/or mother on the income form as long as they live in the same household as your child. Just who is considered as members of the family for the purpose of this calculation are explained above in No. 3.

Please consult the annual income tax statement that you received at the end of the year from your employer. Please calculate your annual net earnings. You can find help with this calculation on pages 5 and 6. Then enter your annual net earnings in line A 1 of the income form. Please hand in a copy of your annual income tax statement together with the income form at the school office.

All other relevant earnings are listed in the income form below in lines A.2 to A.10. Please enter the annual amounts here that you have reported to the tax office.

8.2 B. The child's income

This is the child for whom you are seeking childcare services. If the child receives support payments or an orphan's benefit, then enter these amounts here. Please use the total sum from the previous year.

Please calculate the income separately for each child for whom you are applying for childcare services, as earnings, such as child support payments, can vary significantly with each child.

8.3 C. Family expenses

Not all family expenses are relevant here of course - only expenses for insurance, pensions, travel to work and similar items. To take these financial costs into account, deduct the following lump sum allowances from your income:

8.4 C.1 Insurance allowance

EUR 25 monthly corresponds to EUR 300 annually. For the entire family you can deduct this amount once for each child. That is why this sum has already been entered in the printed form.

8.4.1 C.2 Allowances for tools and supplies used for work, travel expenses, pension schemes etc.

For each working person you have entered on line A. 1, a monthly allowance of EUR 120 (EUR 1.440 annually) can be deducted for expenses. This occurs automatically on the Internet form.

9 Income form "Self-employed" What should I enter here?

9.1 A. Incomes of the parents

Enter all the earnings from the father and/or mother here, as long as they live in the same household as your child. Just who is considered to be members of the family for this purpose is explained above in No. 3.

Please consult the notice of income tax from the previous year and enter the corresponding data. For assistance you can find a sample notice of income tax attached to this guide.

If someone in your family is not self-employed, then enter the corresponding annual sum at line A.2: employees receive an annual tax on income statement from their employer at the end of each year. The annual net income is shown in this statement. Please hand in a copy of your annual income tax statement together with the income form at the school office.

All other earnings are listed below in lines A.3 to A.11. Please enter the annual sums from your income tax statement here.

9.2 B. The child's income

This is the child for whom you are seeking childcare services. If the child receives support payments or an orphan's benefit, then enter these amounts here. Please enter the total sum for the previous year.

Please calculate the income separately for each child for whom you are applying for childcare services, as earnings, such as child support payments, can vary significantly with each child.

9.3 C. Family expenses

Not all family expenses are relevant here of course - only expenses for insurance, pensions, travel to work and similar items. To take these financial costs into account, deduct the following lump sum allowances from your income:

9.3.1 C.10.1 Only for people in employment: Insurance allowance

EUR 25 monthly corresponds to EUR 300 annually. For the entire family you can deduct this amount once for each child. If you use the form on the internet this happens automatically.

9.3.2 C.1.2 Only for people in employment: Allowances for tools and supplies used for work, travel expenses, pension schemes etc.

For each working person you have entered on line A. 2, a monthly allowance of EUR 120 (EUR 1.440 annually) can be deducted for ex-

penses. This occurs automatically on the Internet form.

9.3.3 C.2 Tax credits

From the earnings on lines A.1, A.4, A.8 and A.9, you may deduct assessed taxes and the German solidarity surtax.

Please use the figures from your last notice of income tax assessment here.

9.3.4 C.3.1 People in employment who do not pay any social security insurance contributions: Providential expenses and extraordinary expenses

As a self-employed person, this is where you can deduct the "sum of deductible providential expenses" or the "sum of partially deductible extraordinary expenses" from your earnings listed on lines A.1, A.2, A.4, A.8 and A.9.

Please use the figure from your last notice of income tax assessment here.

9.3.5 C.30.2 People in employment who do not pay any social security insurance contributions: Pension plan contributions

This is where you can enter the pension plan contributions you have made in conjunction with earnings entered on lines A.1, A.4, A.8 and A.9.

Please use the figures from your last notice of income tax assessment here.

10 Everything has been entered! What happens now?

If you have used the internet form, please print it out now.

If you have filled out the income form by hand, then add the annual amounts together. Now divide the annual net income in D by 12 and enter this average monthly income amount in E.

Now enter the calculated average monthly income in the application form.

Please make copies of:

- For people in employment: The **annual tax on income statement** from the previous year from your employer,
- For self-employed people: The last **notice of income tax**,
- If available, the previous year's **Job-Centre certificates** showing any benefits received,

enclosing these with the income form.

Please hand the income form and the copied certificates together with the application form to the school office.

Please note that, with your signature at the bottom of the application form, you are confirming that all the information you have provided is accurate and complete. Any false statements of income and family circumstances could constitute the offence of criminal fraud. In this case any fees could be claimed back retrospectively. The public authority may check your details at any time.

Sample Notice of income tax

In the sample notice you will find the letter and number at the beginning of the line of the income form where the corresponding amount is to be entered.

Notices of income tax are always concerned with the individual situation of each taxpayer and consequently they vary in each case.

SAMPLE

Tax Office Hamburg-xxx
Tax ID No. Husband xxxxxx
Tax ID No. Wife xxxxxx

Notice for 2011
 about
Income Tax
 and
 the Solidarity Surcharge

Assessment

Here is the letter and number from the income form where the corresponding amounts are to be entered.



C.2	Assessed less tax deductions from income remaining tax due Payments and refunds Already paid Overpaid
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Income tax	Solidarity sur-charge

Basis of taxation

Calculation of taxable income

	Income type	Husband	Wife	Total
	Income as an employee <i>(If a self-employed person has additional income from employment sources, please do not use the amount indicated here, but use the net amount from the annual tax on income statement with the employer instead. Enter this amount in A.2 and, if applicable, in A.3)</i>			
A.1	Income from business operations Income to be accounted for			
A.8	Incomes from letting and leasing possible deductions Income to be accounted for			
A.9	Income from capital assets possible deductions Income to be accounted for			
A.4	Other earnings			
A.5	Annuities or pensions			
A.6	Benefits from the German JobCentre			
A.7	Sickness pay			
A.10	First-home buyer allowance			
A.11	Income from maintenance/support payments			
	Education support (Bafög), military family support, maternity benefit, parental allowance			
	Total income			
	less job training costs			
C.30.1	Deductible providential expenses			
C.30.1	Partially deductible extraordinary expenses			
C.3.2	Pension plan contributions			
	Total			
	Of which deductible			
	Income / Taxable income			

Attachment to the annual tax on income statement

How do I calculate the annual net earnings?

Please consult the most recent **annual income tax statement** from your employer. To do the necessary calculation you can use the calculating aid that can be found on the next page:

1. Add all the earnings together. On the model below, there is a large **A** in front of the lines with the earnings:

line 3, line 9, line 10 and lines 15 to 18 and 20 to 21. These generate the total A.

2. Now add all the expenses together in the same way. On the model below, there is a large **B** in front of the lines with the expenses:

lines 4 to 7, lines 11 to 14, line 23, lines 25 to 28. These generate the total B.

3. From total **A** you now need to deduct total **B**. This generates the annual net earnings that you enter under number 1 in the "calculating average monthly family income" form for earnings from employment.

It is even easier to work out your annual net earnings from your computer and print it off. You can find the online form on the following Internet page: www.hamburg.de/ganztag.

SAMPLE Print-out of the electronic annual tax on income statement for 2012

The data below is automatically transferred to the financial administration.

Address

SAMPLE

Date:

eTIN:

Identification number:

Personnel number:

Date of birth:

Transfer ticket:

Stipulated as a basis for the deduction of income tax:

Tax category/Factor	from - to

Number of tax exempt allowances for children	from - to

Annual tax-free sum	from - to

Church tax features	from - to

		from - to	
		Quantity "U"	
		EUR	
		cents	
1.	Duration of employment		
	Periods without any claim to employee's wages		
	Capital letters (S, F)		
A	3. Gross earnings including benefits in kind excluding 9. and 10.		
B	4. Retained income tax from 3.		
B	5. Retained solidarity surcharge from 3.		
B	6. Retained employee's church tax from 3.		
B	7. Retained spouse's church tax from 3. (only for interdenominational marriages)		
	8. Pensions and related benefits contained in 3.		
A	9. Reduced taxed pensions and related benefits for several calendar years		
A	10. Reduced taxed employee's wages for several calendar years (excluding 9.) and reduced taxed compensation		
B	11. Retained income tax from 9. and 10.		
B	12. Retained solidarity surcharge from 9. and 10.		
B	13. Retained employee's church tax from 9. and 10.		
B	14. Retained spouse's church tax from 9. and 10. (only for interdenominational marriages)		
A	15. Short-time working benefit, supplement to maternity allowance, compensation for loss of earnings (Infection Protection Act), top-up amount and semi-retirement part-time allowance		
A	16. Tax-free employee's wages in accordance with the	a) Double taxation agreement b) Remission due to employment abroad	
A	17. Tax-free employers' contributions for trips between home and place of work		
A	18. Flat-rate taxed employers' contributions for trips between home and place of work		
	19. Taxable compensation and employee's wages for several calendar years when the tax has not been reduced – included in 3.		
A	20. Tax-free meal allowances for external activities		
A	21. Tax-exempted employer compensation for dual-household		
	22. Employer's contribution	a) to the statutory pension insurance fund b) to occupational benefit schemes	
B	23. Employee's contribution	a) to the statutory pension insurance fund b) to occupational benefit schemes	
	24. Tax-free employer allowances for medical insurance and nursing care insurance		
B	25. Employee's contributions to the statutory medical insurance		
B	26. Employee's contributions to social nursing care insurance		
B	27. Employee's contributions to unemployment insurance		
B	28. Ascertained contributions to private medical insurance and statutory nursing insurance		
	29. Assessment basis for the non-taxable allowance to 8.		
	30. The applicable calendar year for the start of the care period for 8. and/or 9.		
	31. For 8. for payment in the course of the year: The first and last month in which the pensions and related benefits were paid		
	32. Death benefit; lump-sum payments/severance benefits and payments in arrears for pensions and related benefits - included in 3. and 8.		
	33. Child benefit paid out		
The tax office that the income tax is paid to (name and four-digit number)			

Calculating aid for annual net earnings

(can be found on the internet at www.hamburg.de/ganztag)

Calculation of earnings

		EUR, cents
A	3. Gross earnings including benefits in kind excluding 9. and 10.	
A	9. Reduced taxed pensions and related benefits for several calendar years	
A	10. Reduced taxed employee's wages for several calendar years (excluding 9.) and reduced taxed compensation	
A	15. Short-time working benefit, supplement to maternity allowance, compensation for loss of earnings (Infection Protection Act), top-up amount and semi-retirement part-time allowance	
A	16. Tax-free employee's wages in accordance with the	a) Double taxation agreement
		b) Remission due to employment abroad
A	17. Tax-free employers' contributions for trips between home and place of work	
A	18. Flat-rate taxed employers' contributions for trips between home and place of work	
A	20. Tax-free meal allowances for external activities	
A	21. Tax-exempted employer compensation for dual-household	

Earnings total A =

Calculation of expenses

		EUR, cents
B	4. Retained income tax from 3.	
B	5. Retained solidarity surcharge from 3.	
B	6. Retained employee's church tax from 3.	
B	7. Retained spouse's church tax from 3. (only for interdenominational marriages)	
B	11. Retained income tax from 9. and 10.	
B	12. Retained solidarity surcharge from 9. and 10.	
B	13. Retained employee's church tax from 9. and 10.	
B	14. Retained spouse's church tax from 9. and 10. (only for interdenominational marriages)	
B	23. Employee's contribution	a) to the statutory pension insurance fund
		b) to occupational benefit schemes
B	25. Employee's contributions to the statutory medical insurance	
B	26. Employee's contributions to social nursing care insurance	
B	27. Employee's contributions to unemployment insurance	
B	28. Ascertained contributions to private medical insurance and statutory nursing insurance	

Expenses total B =

Annual net earnings **Total A minus Total B** =