

MCFA Welcome Pack for Germany

This document contains the *Welcome Pack* for new Marie Curie Fellows coming to Germany.

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The sections concerning taxes and social security included in this pack have been prepared after consultations with Heuser and Collegen (www.heuser-collegen.de). The German National Group of the Marie Curie Fellows Association would like to thank Heuser and Collegen for the information they provided on the tax and social security rules applicable to Marie Curie Fellows in Germany.

Information on all these issues as well as relevant contacts are presented in an up-to-date document that can be found on the website of the German Mobility Centre at:

www.eracareers-germany.de

We strongly advise you to read carefully the information provided on the above given site before coming to Germany.

This Welcome Pack has been prepared by the MCFA German National Group. It is intended to help incoming Marie Curie Fellows during their Fellowship and their stay in Germany in general. Based on our own experience, we offer useful hints additional to the info provided by the German Mobility Centre. We assume no liability.

Welcome to Germany!

The MCFA German National Group

Registration

After arriving in Germany, you and each member of your family that will be living with you in Germany have to register at the Citizen Office (*Bürgeramt*) of your respective city district of residence (it may take hours to wait), normally within 3 working days from arrival.

Papers required:

- Registration form (if previously living in Germany)
- Identity card or passport
- Rental agreement signed by your landlord
- Special biometrical photo

The registration is to be cancelled at the *Bürgeramt* within three days before moving out of the country. For the cancellation you will need the passport and your registration form. No extra cancellation is required when changing address within Germany: this will be automatically performed when registering at a new address. (Note: one always has to register his/her new address with the corresponding City authorities.).

Remarks

- The registration form is an important document in Germany. This form is needed for many things (e.g. opening a bank account, etc).
- In principle, you should carry with you the registration form at all times (e.g. with you passport) as a means of official address identification. (Note: one has to have a valid ID with him/her at all times, i.e. passport.)

Visa and work/residence permits

- Citizens of countries outside the EU: see the information provided by the German Mobility Centre. You will need to have a work visa for Germany issued in the country of your previous residence before coming to Germany (for simple travel visa you only need a visa for a country of the Schengen agreement, provided that you arrive in Germany via this country; note that you will not be able to begin your employment in Germany if you only possess a travel visa!). In addition to your above-mentioned registration, you'll have to visit and deal also with the Foreigners Office (*Ausländer Behörde*) of your City. There, you'll have to submit all necessary paperwork for obtaining a residence (and work) permit for you and all members of your family. Your employer may also be able to give you advice/instructions on these matters.
- EU citizens: Despite moving into an EU country, you will still need to get a residence certificate. This is only a typicality. It will be automatically prepared for you after registration (it will be sent to your registered address by post). For any future alterations of this certificate you'll have to visit the Foreigners Office (*Ausländer Behörde*) of your City. This is yet another document that you must carry with you at all times.
- Foreigners Offices (*Ausländer Behörde*) are infamous of requiring long waiting times, so you should have with you a good supply of patience! For opening hours and other useful local arrangements have a look at your City's web site.

Language

It is highly recommended to have at least some basic knowledge of the German language before arriving in Germany. This may not be necessary at your work environment but will be highly useful when dealing with everyday things, including the initial registration tasks described above. A short intensive course of German before coming to Germany is strongly recommended. For further German courses you could look at the websites of your local University or the local People's High School (*Volkshochschule*). You may have to pay for such courses. Your employer may be also organizing classes for its foreign employees (free of charge).

Housing

We strongly recommend that you ask your host organization for help with your search for accommodation. Most institutes will be able to assist you with short-term accommodation for the first months of your stay in Germany, i.e. before you find a permanent accommodation. They may also be able to help you with your search for permanent accommodation.

In case you are trying to find a flat through a newspaper/internet advertisement it is worthwhile to be familiar with the following abbreviations:

- **2 Zi.Whg** - two room flat
- **2 ZKDB** - two rooms, kitchen, hall, bathroom
- **EDK** – fitted kitchen (cupboards and appliances)
- **zzgl. NK** - plus extra charges (such as heating etc.)
- **ZH** - central heating
- **K** (or **Kaution**) - deposit
- **NR** - non-smokers
- **Prov.** - commission
- **WG** - shared housing
- **WBS erforderlich** - special permit required for social housing (applies to people with low incomes)
- **kalt** - heating and other costs are not included in the rent (see also NK)
- **Abstand** - you have to buy certain furniture or fittings which will not be removed from the flat

If you ask a **real estate agent** to help you find a flat you will have to pay him/her a fee (*Provision*), but only if he/she is successful. Usually the fee consists of two/three months' rent plus value added tax (VAT).

Most landlords ask for a **deposit** (*Kaution*) before you move in. This deposit will be paid back to you (plus interest) on your departure. In case you have caused some damage to the flat, the money for the repairs will be subtracted from the deposit you will be entitled to receive back.

Please, take into account that there is a two/three-months notice period before moving out from the accommodation. We strongly advise you to include this information to your rental contract to avoid problems with your landlord in the future. In general

contracts cannot be terminated within the first year. In any case, please ask for a translation of any document you are invited to sign (even if you speak good German, such documents are usually written in very technical language).

Houses are not always furnished. In such cases, kitchens, bathrooms and bedrooms are not fitted either (except if the house has **EDK**, see above). You are expected to furnish all rooms, including cupboards, wardrobes etc., as the houses come completely empty (e.g. not even light bulbs are provided!). You are expected to bring along your old furniture or buy new ones (second hand is also possible to find). You can then sell this furniture upon departure. For example, there will always be colleagues arriving in the city at the time you will be leaving. Such people may be highly interested in buying your furniture. Ask in your institute, e.g. write in one of the internal mailing lists.

Contracts

For the contracts between host institute and fellow, there exist two limitations: German laws and the contract between host institute and European Commission. There are a few problems which occur quite often although their solution is given already by the limitations mentioned above, i.e. by German laws and the contract between host institute and European Commission.

Basic principles

The amount of money paid by the Commission to the institute consists of three (optional four) parts:

1. Living allowance
2. Mobility allowance
3. Travel allowance
4. Career exploratory allowance (if entitled)

The travel allowance should be paid once per year at the end of the first month, together with the salary. The mobility allowance is paid every month. The career exploratory allowance is paid only once with the first salary.

All allowances allocated (living allowance, mobility allowance, travel allowance and career exploratory allowance) include all costs an employer has to pay due to the employment laws. Your brutto income is taxable as well.

Frequent problems

There exist a number of problems which occur quite regularly although things are stated clearly in the contract between host institute and European Commission. Often, fellows and/or host institutes are not informed well enough. If fellows raise these topics and host institutes are not willing to act, fellows should first of all contact the EU-administrators at their own institution. If they need additional information they may contact the National Contact Point for the Human Resources and Mobility at the Alexander von Humboldt Foundation at:

mariecurie@avh.de

- Although it may take some time until the money from Brussels arrives, the institute has to pay the fellows from the first month on. This also holds for the 10% (or 25% for twelve months contracts) which the Commission keeps until receipt of the final project report.
- The mobility allowance, travel allowance and career exploratory allowance are not free of taxes and social charges.
- The mobility allowance and travel allowance are to cover additional costs for the fellow due to living in a foreign country. They are not meant to cover costs for conference travels.
- The career exploratory allowance is to cover additional costs for the fellow in his/her search for further employment following the end of the fellowship (e.g. attendance of interviews etc).
- The money allocated to the host institute is for covering costs arising in the context of the project. This also includes costs for conference or meeting travels. Note, however, that in the latter case, the scientific supervisor has to agree in the fellow's conference participation.
- Fellows have to work 100% for their research project. They may not be called for other work, e.g. administrative tasks.

Taxation

Marie Curie Fellows stay based on an employment contract:

Usually Marie Curie Fellows research stay is based on an employment contract in Germany. Therefore, you will basically be liable to taxation in Germany on your globally-earned income and assets.

The income tax you incur will be deducted from your salary at source as well as solidarity surcharge (“Solidaritätszuschlag”) and church tax (“Kirchensteuer”). Church tax will be deducted in case you declare, when registering at the *Bürgeramt*, that you belong to a religion for which payment of church tax is obligatory (e.g. catholic, protestant). Usually tax class 1 is assigned to Marie Curie Fellows. You can increase your tax class (and thus change the amount of income tax deducted from your salary) during your fellowship because of family status changes etc., in the tax office in your place of residence (*Finanzamt*). [Note: Change of marital status after the beginning of the fellowship does not lead to the receipt of mobility allowance at a higher rate.]

A tax declaration could be sent to Finanzamt until 31 May next calendar year. On the basis of the tax declaration, the Finanzamt may adjust the income tax. Usually, a part of the income tax withheld by the employer may then be refunded.

The necessary documents can be obtained from the local tax office (*Finanzamt*). Often, it is worth paying a tax accountant to help you complete your tax return.

If your family lives in your original country, then you can apply for tax free travelling expenses to your country of origin and back (travel allowance) during the financial year.

If during your fellowship you live in a hotel you can apply for tax free mobility allowance. If you have a rental agreement then your mobility allowance is taxable according to German laws. Please find more information at

http://www.era-careers-germany.de/portal/taxation_in.html

Marie Curie Fellows stay based on a stipendium:

This type of payment arrangement is not recommended by the EU, as in such a case the fellow will not pay for but also not enjoy social benefits. The payment is, however, not subject to taxation. Personal circumstances may make this option preferred over an employment contract. Employers usually do not prefer this type of arrangement. For more information please contact the National Mobility Centre.

Remarks

- You should keep all invoices, travelling documents during the financial year. Otherwise, *Finanzamt* will reject your request for tax free travel and/or mobility allowance. You have to keep your documents 5 years afterwards, in case *Finanzamt* want to check your documents. This can be especially important in case you keep living in Germany after your fellowship.

Social Security

All Marie Curie Fellows in Germany pay social charges on their gross income.

Health Insurance

We strongly recommend that you take out at least basic health insurance for you and your family, even for a short stay.

Unemployment

Unemployment Insurance ("*Arbeitslosenversicherung*") contributions are part of the statutory social security payments. It provides insurance cover for jobless people. Those who fulfil the preconditions for entitlement (i.e., those who were in work immediately before becoming unemployed in Germany and were employed subject to statutory social security on 360 calendar days in the last 3 years) and are available for recruitment, are entitled to German unemployment benefit.

Unemployment Insurance ("*Arbeitslosenversicherung*") is deducted from salaries at source.

To what extent benefits accrued in Germany will be recognized by unemployment insurance companies in other countries must be ascertained in the respective country.

If you are returning to a country which does not have a Social Security Agreement ("*Sozialversicherungsabkommen*") with Germany it will not be possible to receive German unemployment benefit there.

You are also not eligible to have these contributions refunded in case you cannot use them in Germany (or abroad if applicable).

If you are unable to find information about valid regulations, you may contact German Mobility Centre at

mobility@avh.de

The German Mobility Centre can provide you with general information and direct you to the suitable contacts. If you are EU citizen and are unemployed after having accomplished your fellowship of at least one year, you might benefit from the German unemployment insurance for at least 1 year (if you had been employed with unemployment insurance just before starting your fellowship, in another EU member state, then this assurance period might also be taken into account). EU citizens have the right to go to another EU member state in order to look for a job there while being paid by the German unemployment insurance; but this is limited to three months only.

Pension

During your fellowship in Germany, you accumulate rights to a German pension scheme. To get rights opened, you need to be employed in Germany for at least five years.

When examining the prerequisites for entitlement, Member States of the EU or Partners to the Agreement have to recognize periods during which pension rights have been accrued in Germany. Periods during which pension rights have been accrued in countries which do not have a Social Security Agreement ("*Sozialversicherungsabkommen*") with Germany may not be added to the German periods in order to fulfil the prerequisites for entitlement. It is definitely worth informing yourself beforehand about the regulations valid in the countries of your residence.

If you are unable to find information about valid regulations, please, contact German Mobility Centre

mobility@avh.de

If you do not plan to spend your last days in Germany, you may be eligible to have the pension contributions paid in Germany refunded before leaving Germany (but not the corresponding employers contributions).

Banks

For opening a bank account, you need a passport and your registration.

The opening hours depend on the individual bank, but generally you can expect a bank to be open on weekdays from 9.00-16.00, Thursday afternoons often to 18.30. Banks often close at lunchtime from 12.00-14.30.

Banks may charge you a monthly fee for holding an account with them!

Public transport in Germany

For train and bus information (in English) look up:

http://www.bahn.de/p/view/international/englisch/international_guests.shtml

We strongly recommend you to buy either a monthly ticket or a job ticket.