

## **The Paperwork**

Nobody likes paperwork, but unless you want to live and work illegally in Germany - which I am sure you don't - you will have to pay a number of visits to your local authority to get all the bits of paper you need.

In this article, I will try to give you all the information you need to make these trips as painless and, hopefully, as few as possible.

Basically, to be legal, you have to do the following:

- register your name and address with the local authority
- have a residence permit
- get a work permit (but only if you are a non-EU citizen)
- register with your local tax office

## **Expect to deal with the authorities in German**

One of the most common complaints you hear from English speakers when they are getting all their papers together, is that the authorities do not speak or understand English. If your German is poor to middling (or still non-existent), make sure you go along with someone who can translate for you and help you with the forms.

If you live in one of the larger German towns or cities, you will probably find that there are translators available at the local authority's offices to help you.

## **Registering your address**

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### **Registering your address (Anmeldung beim Einwohnermeldeamt)**

One of your first trips will probably be to the Einwohnermeldeamt, which is normally located in your Kreisverwaltungsreferat, or local authority's offices. Here you will have to fill in a form and register your name and address with the local authority - this form is known as an ANMELDUNGSFORMULAR.

TIP! This form can also be downloaded from your local authorities website, as long as you have their web address and, of course, access to the Internet. The address for Munich is: [www.muenchen.de](http://www.muenchen.de)

NB. You may stay in Germany for up to three months as a tourist, but tourists do not work, nor do they have fixed abodes in Germany.

You are expected to register with your local authority within two weeks of finding somewhere to live. You are also supposed to show your landlord the confirmation that you have registered with the local authority within two weeks - although, in practice, this is seldom done. You can be fined, if you don't register your address within 14 days.

Most of the information you have to fill out on the Anmeldeformular is harmless, however, there is still a church tax in Germany (it's approx. 8% of the income tax you have to pay), so if you have agnostic or atheist tendencies, make sure you put a line through the relevant box, or write "Keine" = "None", otherwise you will soon find yourself having to pay church tax.

## **Changing address**

If you move to another address within the same local authority, you have to fill in a form called an UMMELDUNGSFORMULAR

If you move from one local authority to another, you have to fill out two forms:  
- an ABMELDUNGSFORMULAR which has to be sent/given to the local authority which you are moving from  
- an ANMELDUNGSFORMULAR which has to be sent/given to the local authority which you are moving to

The same deadlines apply as when you originally registered, in other words, you should fill in these forms and send/give them to the relevant local authorities within 14 days.

### **What will the local authorities do with this information?**

The information you give on the forms is not just used for statistical purposes, but don't worry too much - the authorities are not allowed to pass this information on to mail order companies and the like.

### **So, who else gets this information?**

The local tax office - they need this information to register you as a potential taxpayer. You will receive an tax deductions card = Lohnsteuerkarte, which you should pass on to your employer, if you have one.

NB. You will find a question on the form "Anmeldung beim Meldebehörde" = (Registering your address) which says "Benötigen Sie eine Lohnsteuerkarte?" = "Do you need a tax deductions card?" below this question, there is a "nein" and a "ja" box. If you are an employee, you should cross the "ja" box. The tax office will then send you your tax deductions card.

If you are self-employed or freelance, you do not need a tax deductions card and should cross the "nein" box. Freelance and self-employed teachers should contact the tax office directly (see section on registering with your local tax office).

The electoral office - they need the information to be able to notify you of elections you are entitled to vote in and send you the address of your local polling station together with a card showing you are entitled to vote = Wahlberichtigungskarte. As a foreigner, you are normally entitled to vote in local elections, for the mayor and if you are from the EU, you can also participate in European elections.

### **Applying for a Residence Permit**

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Before you can apply for a residence permit, you must register your name and address with the local authority where you live (see section above).

Applying for a residence permit does not simply involve filling in another form. In order to get your residence permit, you have to go to Local Authority's Offices = Kreisverwaltungsreferat in person for a short interview.

The whole process can seem a bit confusing if you have never done it before, so read this carefully and make sure you take along all the documents required. The authorities will only accept original documents! Take the originals and a copy of them with you.

If this is the first time you have applied for a residence permit, you will be given a limited residence permit = befristete Aufenthaltsgenehmigung. The "limited" bit means that it is only valid for a limited period of time, i.e. three, six months or a year. After which you

have to go back and do it all over again.

The documents you need are:

- your passport
- two passport photos (recent ones)
- a letter from your employer confirming that you are teaching. It should also state approximately how many hours a week you work and what your monthly salary is

(freelance teachers need to be able to show that they have enough work to be able to live on - ask the schools or companies you teach at to write you letters which say how many hours and how much you earn. These confirmations should, of course, be written in German).

Note: some local authorities may ask freelance English teachers to provide them with proof that they have registered as a trade or business = Gewerbe-anmeldung

- if you do not have enough work to be able to live on at the moment, the authorities will want to see that you have enough savings to be able to survive for a while, so take your savings book with you, or, if you haven't got enough savings (and who has?), a letter showing that a third party who lives in Germany (your boy/girlfriend, husband/wife, etc.) undertakes provide for you, should you need financial support
- proof that you have medical insurance = Krankenversicherungsnachweis
- proof that you have registered your name and address with the local authority = Bestätigung der Meldebehörde
- the completed application form for a limited residence permit

NB. The documents above are absolutely necessary for your application, but you may also be asked to provide proof that your flat/house is big enough for you and that it is not too expensive for you. So, to save yourself from another trip, it is a good idea to take a copy of your rental agreement with you.

TIP! Whenever you have to go to the German authorities, take all your important documents and papers with you, it will save you many a trip.

### **Applying for an Unlimited Residence Permit**

If you want to apply for an unlimited residence permit = unbefristete Verlängerung der Aufenthaltsgenehmigung, you need a lot more bits of paper than you do when you renew your limited residence permit - and you also have to fulfill certain conditions.

Paperwork required

- passport
- two passport photos
- proof of your earnings

for employees - your salary slips covering the last three months

for freelancers - your profit after tax, i.e. your last income tax assessment = Einkommenssteuerbescheid + the most recent profit and loss account you have from your accountant

- rental agreement and proof of:
  - how big your accommodation is in square metres
  - the monthly rent (both cold and warm) - either ask your landlord to confirm this in writing or take your bank statements with you

...and if you have your own house/flat:  
the purchase agreement, plus proof of:  
the size of your house/flat is in square metres  
how much your monthly mortgage repayments are  
how high the rates are  
your share of the communal costs for maintaining the building and grounds  
- proof that you have medical insurance = Krankenversicherungsnachweis  
- freelancer teachers may also be asked to show that they are paying contributions into the German state pension scheme = Nachweis der staatlichen Rentenversorgung.<sup>1</sup>  
Teachers who are employees, automatically pay into the German state pension scheme  
- proof that you have registered your name and address with the local authority = Bestätigung der Meldebehörde

Conditions you have to fulfill

- you have lived in Germany for a period of at least five years - without interruption, in other words, you may have had a few holidays abroad in those five years, but you have not given notice of your departure from Germany = abgemeldet in that period  
- you can speak "simple" German (mündliche Verständigung in deutscher Sprache auf einfache Art)

NB. The authority concerned can, and may, ask you to provide them with other supporting documents - so, make sure you have all your important documents + copies of the ones listed above with you.

### **Applying for the Right to Reside in Germany = Aufenthaltsberechtigung**

This type of unlimited residence permit is of more interest to citizens who do not come from EU or EFTA countries. It gives the holder more security than an Unlimited Residence Permit = unbefristete Aufenthaltsgenehmigung.

You can apply for the right to reside in Germany if you fulfil the following conditions:

- you have held a Residence Permit = Aufenthaltserlaubnis for more than 8 years  
or  
- you have held an Unlimited Residence Permit = unbefristete Aufenthaltsgenehmigung for 3 years and held a permit entitling you to residence = Aufenthaltsbefugnis, prior to that  
or  
- you have held a Residence Permit = Aufenthaltserlaubnis for five years and have been given asylum in Germany or you are married to, and live together with, a German citizen  
and  
- speak enough German to make yourself understood (sich mündlich in deutscher Sprache verständigen kann)

Documents and supporting evidence needed to make the application

- valid passport  
- a recent passport photo (its probably best to have two)  
- rental agreement and proof of:  
how big your accommodation is in square metres  
the monthly rent (both cold and warm) - either ask your landlord to confirm this in writing or take your bank statements with you  
...or, if you have your own house/flat:  
the purchase agreement, plus proof of:  
the size of your house/flat in square metres

how much your monthly mortgage repayments are  
how high the rates are  
your share of the communal costs for maintaining the building and grounds  
- proof of a pension for your old age (i.e. that you have paid at least 60 months into the state pension scheme)

For employees

- security of income (of the entire family):  
salary slips showing your income over the last three months (+ your husband's/wife's salary slips if applicable)  
letter from employer confirming the type of work you do and the length of your employment (+ letter from your husband's/wife's employer if applicable)  
your contract of employment  
- your work permit

For freelancers and self-employed persons

- income after tax  
- your most recent income tax assessment = Einkommenssteuerbescheid + the most recent profit and loss account you have from your accountant  
- trade or business permit = Genehmigung zur Gewerbeausübung  
- proof of medical insurance

NB. If you are married and living together with your husband/wife, you do not have to provide evidence of a secure income or a pension as long as your spouse can fulfill these conditions and s/he has the right to work = ist im Besitz einer Arbeitsberechtigung. (A German or EU citizen automatically has the right to work in Germany, but a non-EU citizen does not, and has to apply for an "Arbeitsberechtigung" or work permit).

Those of you who are lucky enough to be married to a German, will be pleased to hear that the permit is free of charge. For the rest of you, the fee for the permit giving you the right to residence in Germany is currently DEM 140. DEM 70 must be paid at the time of making the application, the remaining DEM 70 has to be paid when the permit is granted.

### **Applying for a Work Permit = Arbeitserlaubnis**

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All non-EU citizens who would like to work in Germany have to apply for a work permit.

The standard procedure is as follows:

- Once you have been offered a TEFL position with a school or institute in Germany, you should contact your German embassy or consulate and apply for a visa.

They will need your passport and the original letter offering you a position here.

- If your application is successful, you will then be issued a visa.

- When you arrive in Germany, you have to:

register your name and address with the local authority  
apply for a limited residence permit

The local authority will want to see proof that you have work here = Arbeitsnachweis.

This basically means you need:

- a letter from your employer which clearly defines the type of work you do, i.e. a job description  
- details of whether the contract of employment is limited or not  
- how much your salary is

This information is passed to the Arbeitsamt = government employment office, who have to give the okay for you to work here and are responsible for issuing the work permit. Once you have your work permit, the local authority will then process your application for a limited residence permit.

Normally, your passport will get an official stamp in it, stating what kind of work you are permitted to do in Germany.

Citizens from the Australia, Canada, New Zealand and the USA have a special status and do not find it as difficult to obtain a work permit here as other non-EU citizens.

### **Registering with your local tax office**

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#### Employees

When you register your name and address with the local authority, you should indicate on the ALMELDUNGSFORMULAR that you need a tax deductions card (see section on registering your name and address).

If you answer the question "Benötigen Sie eine Lohnsteuerkarte?" = "Do you need a tax deductions card", with "ja":-

- your local tax office will then send you a Lohnsteuerkarte
- you have to give the card to your employer
- your employer has to record all your tax deductions and the other contributions you have to pay on the card and return it to you at the end of the year
- if you think you can set off some expenses against tax, you should take the card to an accountant, together with the receipts you have for your expenses and ask him/her to set these expenses off for you
- keep all your old Lohnsteuerkarten somewhere safe. DO NOT throw them away
- your local tax office will automatically send you a new Lohnsteuerkarte for the coming year (usually several months in advance). Again, you have to give this card to your employer.

NB. If you are employed part-time and also do some freelance teaching, you should still hand in your Lohnsteuerkarte to your employer and follow the same procedures, re. registering at your local tax office, as a teacher who is freelance or self-employed.

#### Self-employed and freelance teachers

Since you do not have an employer to automatically deduct tax from your income, you do not need a Lohnsteuerkarte (even though you may have been sent one).

Self-employed and freelance teachers should contact their local tax office. You don't need to go there in person, a short letter or a phone call is all that is needed).

- ask them to send you a form called "Fragebogen für Gewerbeanmeldung - Anmeldung einer freiberuflichen Tätigkeit"

- If your German is not good, fill in the form together with someone who can explain it to you and understands a bit about the German tax system. It is probably best to fill in the form with an accountant - putting in the wrong figures for your turnover and/or end of year profit, will have implications for your prepayment of taxes and whether you have to charge German VAT or not

- Once you have sent the form back and your tax office has processed it, they will give you a tax number and inform you how much prepayment of tax = Steuervorauszahlung

you have to pay quarterly. If your turnover is more than €16,620 a year, you will also be sent some VAT forms = Umsatzsteuer-Voranmeldung and told when, i.e. quarterly or monthly, you have to pay it.

It is not essential to have an accountant = Steuerberater, but the German tax system is extremely complicated. I would recommend every freelance or self-employed teacher find one. A good accountant can save you a great deal of time, trouble and hopefully, money!

### **Steuervorauszahlungen = Prepayments of tax**

The tax you have to pay to the tax office during your first year as a freelance or self-employed teacher, is based on what you, or your accountant, think you will earn. Your tax office will use the estimate you have given to set your tax prepayments.

After the first year, the payments will be based on what you actually earned the previous year and are fixed by your tax authority. If you earn more than you estimated (or the tax office estimated you would earn that year), you will have to make an additional tax payment = Steuernachzahlung. If it is the other way round, and you earned less than you had expected (or the tax office estimated), you will get a tax refund = Steuerrückzahlung.

### **Charging and paying German VAT**

If your turnover is above €16,620, you will have to start charging VAT on your invoices in the following year.

If you charge VAT on your invoices, you have to fill in a Umsatzsteuer-Voranmeldungsformular, either every quarter, or every month. Your tax office will inform you as to how often you have to make a preliminary turnover tax return, i.e. quarterly or monthly.

Very Important! You may not charge VAT on some of your invoices, but not on others. Either you charge VAT on every single invoice you write, or you don't charge VAT at all.

The reason is simple, if you charge VAT on one bill/invoice, the tax office can ask you to pay turnover tax on all the other work you have invoiced for that year. If that is the case, you can either try to get everyone who has not paid you VAT, to pay it (which basically means re-writing and resubmitting all your invoices again) or you lose 16% of your income.

What should you do if you don't charge VAT and a school or company tells you that you have to put it on your invoice? The answer to that is quite simple, DON'T! If your turnover is below €16,620 a year, you are not required to charge VAT (you can charge it if you want to, but then, as already mentioned, you have to charge it on every single invoice for that year - and subsequent years). If the school or company insists that you charge VAT, either tell them to contact your tax office, who will soon put them straight, or explain the situation to your tax office and ask them to contact the organisation concerned.

If you estimated your turnover would be less than €16,620, but you earn a bit more than that, don't worry! You don't have to send in your VAT returns that year, but you will have to charge and pay VAT from day one of the following year.

Don't expect your tax office to remind you of your obligation. (They will, but this can take time though). Don't forget that your tax office will expect you to pay VAT returns on all the invoices you have written since the 1st Jan of the year after your turnover went above € 16,620). Claiming you didn't know you had to start charging, it won't help!

Once you start charging VAT for your work, you have to continue to charging it and have to put in your VAT (= turnover tax) return until the tax office tells you otherwise.

### **Schools that are VAT exempt**

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Schools can apply to be released from VAT payments on some or even all of the courses they teach. Generally speaking these courses have to lead to some recognised exam... but this is not always the case.

If you work at a school which refuses to pay VAT for the courses you teach, you have to ask them to give you a letter for your state's (Bundesland's) Ministry of Education asking them to exempt you from having to charge VAT for those courses. Some VHSs, for example, have forms which they only need to fill out and send off for you.

Once the Ministry of Education has checked the information - and it fulfils their criteria to release you from charging VAT - they then send you a confirmation which you then have to send to your local tax office... the tax office then takes this into account (but only for work done after the date on the exemption).

As you can imagine, this process takes time - but until you are released from charging VAT for those courses and have a piece of paper from the Ministry of Education , you have to pass VAT payments on - whether they are included or not.

This piece of paper **ONLY** releases you from VAT payments for the specified courses at the specified school/institution - any other courses you teach elsewhere (even if they are similar) are not covered.

You only have to charge VAT if your turnover goes above €16,620 in any year - if it falls below that level in a subsequent year, tough luck, you still have to continue charging VAT.

I would say it is really the duty of the school to inform a teacher about how to go about being released - and certainly do everything they can to help and assist them get this status.

By the way, if you stick VAT on one single bill (even though you are not obliged to charge VAT, i.e. your turnover is less than €16,620 a year) - you have to charge VAT on all your invoices from that point on. So be very careful, if a company asks you to stick VAT on an invoice and you don't normally charge VAT, **DON'T** do it - unless, of course, you want to start charging VAT everywhere else. The tax office will insist on 16% of your turnover as soon as you start charging VAT. You can't charge VAT on some bills and not on others.

To give you a concrete example, a friend of mine who was a freelance teacher and also did a lot of acting and voice overs, etc. was asked to stick VAT on an invoice for some translating work she'd done. The tax office audited the company she'd done the translation for, discovered she had charged VAT and promptly asked her to pay 16% on her turnover on all her activities... She ended up having to pay over DM 10,000 in VAT to the tax office!!!

If in doubt, check it out with your accountant!!! And whatever you do, don't charge VAT and not pass it on. The tax office can (and will) get very nasty, if they find you have been doing that.