

German Child Benefit for Foreigners Working in Germany

Many foreigners in Germany aren't aware of the possibility to receive German child benefit in addition to the child benefit received in their home country. However, foreigners living and working in Germany have the right to apply for German child benefit. Of course, there are various rules and conditions to be considered and a few documents need to be completed. Nevertheless, it is worth investing some time and to deal with this matter.

Key Facts

- Applying for German child benefit if having a resident or habitual abode in Germany
- Receiving child benefit in the home country and in Germany
- Children must live in Germany, in the EU or in the EEA
- Child benefit for the first and second child in the amount of 184,00 € per month, for the third child 190,00 € and for the fourth and further children 215,00 €
- Applying for German child benefit if the children aren't yet 18 years old; when they are between 18 and 25 they must be in education or training

Citizens of the European Union and from Switzerland

Citizens from the EU, Switzerland or EEA (European Economic Area – Iceland, Liechtenstein, Norway) can apply for German child benefit if they have a resident or their habitual abode in Germany. Then citizens are treated as unlimited tax liable in Germany and have the right to receive German child benefit acc. to Art. 62 para 1 no. 1 EStG (German Income Tax Act).

If they do not have a resident in Germany or their

habitual abode (to stay more than 6 months during a year in Germany) they are limited tax liable. According to Art. 1 para 3 EStG (German Income Tax Act) a limited tax liable person can apply for unlimited tax liability provided that the income is 90% or more taxable in Germany or the foreign income is less than 8.130 € (basic tax-free amount 2013). Children can be taken into account if they live in Germany, in the EU or in the EEA. According to bilateral agreements citizens from Algeria, Bosnia-Herzegovina, Kosovo, Morocco, Montenegro, Serbia, Tunisia and Turkey have the same right to apply for German child benefit if they

- are employed in Germany
- pay unemployment insurance contributions or
- receive unemployment or sickness benefit.

Non EU citizens

Non EU citizens also have the right to apply for German child benefit if they have a settlement permit (Art. 9 Aufenthaltsgesetz – German Residence Act) or a residence permit (Art. 7 Aufenthaltsgesetz).

Receiving child benefit in Germany

If a beneficiary receives child benefit in his home country he can also receive child benefit in Germany. The amount results from the difference between German child benefit and child benefit received in the home country.

In Germany a beneficiary receives child benefit for the first and second child in the amount of 184,00 € per month per child, for the third child 190,00 € per month and for the fourth and further children 215,00 € per month.

To receive German child benefit the beneficiary has to apply for it and has to fill out lots of documents in Germany. Furthermore, a confirmation from the authorities in the home country concerning the received child benefit is necessary.

Please note that a beneficiary can only apply for German child benefit if the children aren't yet 18 years old. In the case that they are aged between 18 and 25 they can only be taken into account if they are in education or training.