

Social Security Service for Entrepreneurs

An Introduction



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The logo for SVA, consisting of the letters 'SVA' in a bold, sans-serif font. The 'S' and 'V' are dark green, and the 'A' is a lighter shade of green.

DIGITAL
Gesünder online.

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1. General information on social insurance for persons carrying on a trade or profession and business partners

Which laws are relevant for my insurance?

- GSVG:** Social Insurance Act for Trade and Industry
- ASVG:** General Social Insurance Act
- FSVG:** Social Insurance Act for Freelancers
- BSVG:** Farmers' Social Insurance Act
- NVG:** Notary Insurance Act
- B-KUVG:** Civil Service Health and Accident Insurance Act

When is the SVA responsible for my social insurance?

The Social Security Service for Entrepreneurs (SVA) is responsible for your social insurance if you are **self-employed**. This brochure is intended for all **business people** and **business partners**. Generally, they are subject to compulsory insurance with the SVA. In particular, the information provided here is intended for:

- Holders of an Austrian business licence (*Gewerbeberechtigung*)
- Partners in a general partnership (OG*)
- Partners in a limited partnership (KG*) with unlimited personal liability (*Komplementär*)
- Managing partners of a private limited company (*GmbH**) who are not subject to compulsory insurance pursuant to the General Social Insurance Act (ASVG).

* Provided that the company in question is a member of the Chamber of Trade and Industry (*Kammer der gewerblichen Wirtschaft*).

The following types of insurance are provided for the persons identified above:

- **Pension insurance in accordance with the GSVG**
- **Health insurance in accordance with the GSVG**
- **Accident insurance in accordance with the ASVG**

What do I need to do when the insurance cover begins?

When the insurance cover begins, you will receive a welcome letter from us that informs you about the start of your insurance cover and your other options.

You will also receive an insurance statement and a declaration of consent along with this welcome letter. We need these forms to check your personal data and to ascertain whether an exemption from trade and commerce social insurance might apply. They will also allow us to contact you quickly and easily by phone or email. These forms are also available online and may be returned to us electronically.

When does the compulsory insurance start?

The compulsory insurance within the health, pension and accident scheme starts on the day on which the conditions are met.

Examples

Compulsory insurance commences on

- the day you register your business activity
- the day you are granted a licence
- the day on which you become a partner in a general partnership
- the day on which you become a partner with unlimited personal liability in a limited partnership
- the day on which you are appointed managing director in a private limited company (GmbH)
- etc.

When am I exempted from compulsory insurance?

Exemption from compulsory insurance means that you are not insured and do not need to pay any contributions. As soon as the reason justifying your exemption becomes void, you are (once again) obliged to take out compulsory insurance.

Exemptions from pension, health and accident insurance

- **Suspension of a business licence**

Once your business licence is suspended you are exempt from the entire social insurance package under the Social Insurance Act for Trade and Industry. You are required to notify your **competent representative** (Chamber of Trade and Industry) **of this suspension**.

Please note:

You can **retroactively** suspend your business licence for a maximum period of 18 months. However, if you have already received benefits under your insurance (e.g. visited a doctor, were hospitalised), you will not be able to retroactively suspend your business licence in this insurance category.

- **Suspension of trade licences while on maternity leave**

You may interrupt your self-employment and **temporarily suspend** your **business licence while drawing maternity benefits** by contacting your competent representative. Such a step will not invalidate your entitlement to maternity benefits.

During this suspension, a partial pension insurance will be maintained, provided there is no other statutory pension insurance in effect during that period. This rule ensures that you will not suffer any disadvantages when it comes to pension entitlements! You will also be entitled to health insurance benefits during that time.

Please note:

This exemption only applies if you are female and in possession of valid health insurance coverage provided by compulsory insurance or are self-insured in accordance with the Trade and Industry Social Insurance Act at the time of exemption. You will only be entitled to maternity benefits during the period of suspension, if you have been covered by compulsory insurance for at least six months prior to the start of such a suspension.

- **Leasing out a business** (this applies to business people and to holders of a business licence, but not to business partners)

Once you lease out your business, you are exempt from the entire social insurance package under the Social Insurance Act for Trade and Industry (GSVG). You are required to notify the responsible **commercial authority** (District Administration (*Bezirkshauptmannschaft*) or the local municipal department (*Magistrat*)).

Exemptions from pension and health insurance

- **Exemption due to "marginal" income** (applies to business people and holders of a licence, but not to business partners)

You can apply for exemption from pension and health insurance under the GSVG if

- you did not have compulsory insurance in accordance with the Social Insurance Act for Trade and Industry/Social Insurance Act for Freelancers for **more than 12 calendar months** within the past 60 calendar months or
- you have already turned **60 years of age**

and

- your **turnover** does not exceed **30,000 Euro** a year
- the **income** from this activity does not exceed **5,361.72 Euro** a year (applicable value for 2019)

- you have already turned **57 years of age** and in the **5 years** before you filed the application
 - your **turnover** did not exceed **30,000 Euro** a year.
 - the **income** from this activity did not exceed **5,361.72 Euro** a year (valid for 2019).
 - your turnover and income **continue to remain** below this threshold.

or

- **Exemption:**

Prior periods of insurance are irrelevant, if you apply for this exemption **while drawing a child-care allowance** or while **partial insurance for child rearing** is in place.

Please note:

An **exemption from compulsory insurance** always means that you are **no longer entitled to any benefits** in the insurance category concerned.

This means:

- for an exemption in the **pension insurance scheme**: you will not acquire any additional vested benefits for your future pension.
- for an exemption in the **health insurance scheme**: you cannot use any services such as medical assistance or hospital care at the SVA's expense.

Exemptions:

While drawing a child-care allowance you are covered by health insurance and vested benefits are acquired (provided such periods have not accrued already).

During a child-rearing period you are covered by partial insurance in the pension insurance scheme (max. 48 or 60 calendar months per child) while also acquiring vested benefits.

2. Insurance contributions

As a business person or business partner, you are required to pay pension, health and accident insurance contributions. Contributions are required on a quarterly basis. The contributions must be paid before the end of the second month of each quarter in a calendar year. In other words by

- 28/29 February
- 31 August
- 31 May
- 30 November

You also have the **option** of allowing the SVA to collect the prescribed contributions in **monthly instalments** – if you so wish and submit an application. The benefit: Due dates (e.g. social insurance and tax office) can be better coordinated and liquidity bottlenecks can be prevented. If you decide to take this approach, you will be notified of the contribution amounts and the collection dates before the contribution is processed.

Please note:

A **full monthly contribution** is also due for the month in which your compulsory insurance commences.

How much do I have to contribute?

Pension and health insurance: The contribution amount depends on the level of income you receive from your insured employment.

Accident insurance: The monthly contribution involves a fixed monthly amount, irrespective of your income level.

The Federal Office of Accounts (*Bundesrechenamt*) provides the income figure on which your contributions are calculated. To do so, we need to have your **income tax number** (*Einkommen-Steuer Nummer*).

In the unlikely event that data exchange fails, the SVA will ask you to provide your relevant notice of income tax assessment (Einkommensteuerbescheid).

What is the contribution basis?

The exact amount of your insurance contribution is calculated based on your relevant earnings. Pension and health insurance contributions are calculated using the following formula:

$$\boxed{\text{Relevant earnings}} \times \boxed{\text{Increment}} = \boxed{\text{Contribution}}$$

Your contribution therefore constitutes a fixed share (= increment) of your relevant earnings.

Please note:

We distinguish between a "preliminary" and a "final" contribution basis.

- There are two lower earnings limits, which determine the lower limit for your contributions.
- We also have an upper earnings limit, which determines the cap for your contributions.

What is my increment?

	Increment
Pension insurance	18.50 %
Health insurance	7.65 %

What is my contribution basis?

The **upper earnings limit** is the maximum amount and the **lower earnings limit** is the minimum amount of income assessed for your contribution basis:

statutory lower earnings limit (minimum) \leq **your contribution basis** \leq statutory upper earnings limit (maximum)

Your contribution basis is calculated based on your average monthly income from your insured employment as stated in your **notice of income tax assessment**. Your 2019 notice of income tax assessment is used to determine the contribution basis for 2019.

Add any insurance contributions!

Your notice of income tax assessment recognises insurance contributions as operating expenses, so they are already deducted from your income. To determine your contribution basis, the **pension and health insurance contributions paid** in the respective calendar year in accordance with the Social Insurance Act for Trade and Industry must be added to the income referenced above. If you are self-employed and subject to health insurance in accordance with the General Social Insurance Act (ASVG) (as an artist, veterinarian, etc.), you need to add your **contributions under the ASVG**. If you opt for voluntary unemployment insurance (see Section 8), you also need to add the contributions you paid under your unemployment insurance plan.

What is the preliminary contribution basis?

Until a notice of income tax assessment is available for any given year, we calculate a **preliminary contribution basis**. A distinction must be made between two scenarios:

- You are **new** to the insurance scheme: The applicable **lower earnings limit** serves as the preliminary contribution basis.
- You **already hold insurance with us**: Your preliminary contribution basis is derived from the **income you earned three years prior** (2016 for 2019) and the pension and health insurance contributions payable at the time. We "**adjust**" the sum total of these contributions by inflation (2019 factor: 1.075) and then divide this figure by the number of months you were insured three years earlier. The result is the preliminary contribution basis.

For example

Let us assume you had taken out compulsory insurance for a period of ten months in 2016 and earned a total of 32,000 Euro in income subject to insurance in this period. The "adjusted" total for 2019 would then amount to 34,400 Euro ($32,000 \times 1.075$). As a result, your preliminary contribution basis for 2019 would amount to a 3,400 Euro a month ($34,400 \div 10$).

How do you calculate the final calculation basis?

As soon as the **notice of income tax assessment** for the year subject to contributions becomes available, we calculate the final contribution basis. To do so, we divide the sum total of your income from employment and the pension and health insurance contributions payable in that same year by the number of months of compulsory insurance in that contribution year.

We then compare the contributions calculated from the preliminary contribution basis with the contributions payable in view of the final contribution basis. This process is called "**retroactive assessment**". As a result you may either be required to pay arrears or be refunded excess contributions already paid.

Is there a minimum income level to consider when determining my contribution basis?

If you are subject to compulsory insurance, you are obliged to pay a certain minimum contribution for your insurance, even if your income is low. We calculate this minimum contribution based on the lower earnings limit. Different lower earnings limits apply for pension and health insurance.

	Monthly lower earnings limit
Pension insurance	654.25 Euro (valid for 2019)
Health insurance	446.31 Euro (valid for 2019)

Is there a maximum income level to consider when determining my contribution basis?

The **upper earnings limit** is the maximum possible contribution basis used to calculate your contributions. Should your income subject to compulsory insurance exceed this upper limit, your contributions will continue be calculated based on this upper earnings limit. In 2019, the preliminary and final upper earnings limit both for preliminary and final contributions amounts to a standard **monthly amount of 6,090 Euro** (73,080 Euro a year).

Request to raise the contribution basis for pension insurance

To **improve your pension benefits**, you may file a request to have your final contribution basis for your pension insurance raised to the **upper earnings limit** for the first three years of your compulsory insurance by earmarking them as **start-up investments**. You may file this request up to the day your pension commences. If approved, the difference between the contributions you paid and the contributions payable based on the upper earnings limit become payable (including a possible upward valuation).

Your are a business person or a business partner in the first three years of a start-up

Fixed contribution basis for start-ups

In order for us to be able to calculate social insurance costs, a fixed contribution basis of **446.81 Euro** a month (valid for 2019) applies to all **start-ups (new members in the Chamber of Commerce)** in the first two calendar years of compulsory **health insurance**. Any contributions paid in this period are not retroactively re-assessed. In the third year of compulsory insurance, the lower earnings limit is used as the preliminary contribution basis for your health insurance.

In the pension insurance scheme, the lower earnings limit is used as the preliminary contribution basis for all three years.

Please note:

These rules always relate to **calendar years**.

For example: Let's assume that you started your activities in July of a given year. You benefit from the fixed contribution basis for health insurance for a period of 18 months.

(Lower) earnings limit for start-ups (monthly)	Upper earnings limit (monthly)
Pension insurance EUR 654.25 Health insurance EUR 446.81	EUR 6,090
Pension insurance contribution (quarterly)	
EUR 363.12	EUR 3,321.69
Health insurance contribution (quarterly)	
EUR 102.54	
Accident insurance contribution (quarterly)	
EUR 29.37	

Contributions for 2019 (for start-ups)

When am I considered to have multiple insurance?

You are considered to have **multiple insurance** under the pension, health and accident insurance scheme, if, in addition to your self-employment, you also

- work as a **salaried employee** subject to insurance;
- run a **farm or forestry operation**.

The consequences of multiple insurance:

- **in terms of pension insurance:** We add all your contributions together. As a result, you will be entitled to a higher pension.
- **in terms of health insurance:** You are free to choose between the individual health insurers.
- **in terms of accident insurance:** You are protected in all insured professional activities.

I am covered by multiple insurance plans. What happens if my total income exceeds the upper earnings limit?

If you are covered by multiple insurance policies, you are required to pay contributions into all the different health and pension insurance plans in which you are enrolled. To calculate your contribution, the individual **contribution bases** are added together. The upper earnings limit is the same under all laws. If you are covered by multiple insurance plans, this limit will also apply as the **ceiling for the sum total of your relevant earnings**.

The following equation can be used to determine the upper earnings limit for each contribution year:

$$\boxed{\text{Monthly upper earnings limit}} \times \boxed{\text{Number of months of vested benefits under compulsory insurance in self-employment}} = \boxed{\text{Upper earnings limit per year of contribution}}$$

If you are covered by multiple insurance plans and can prove that the sum total of your annual relevant earnings lies above the upper earnings limit, you may be entitled to pay less into the self-employed pension insurance scheme or not make any contributions at all. However, to benefit from this option, you first need to file a request for a **specification of the contribution differential payable** (*Differenzbeitragsvorschreibung*).

Please note:

It is not possible to determine how many months you will be subject to compulsory insurance in the current year. As a result, we are also unable to determine the upper earnings limit for this year. The specification of a contribution differential is therefore calculated on a **monthly basis** for the time being:

$$\begin{array}{|c|} \hline \text{Monthly upper} \\ \text{earnings limit} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{Monthly contribution} \\ \text{basis of your} \\ \text{salaried employment} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Differential contribution} \\ \text{basis} \\ \text{(= contribution basis in} \\ \text{acc. with the GSVG)} \\ \hline \end{array}$$

As soon as all relevant earnings have been established, we will be able to finally determine your contributions under the Social Insurance Act for Trade and Industry (GSVG). You may then be required to make additional payments or contributions paid in excess will be paid back. The **annual** upper earnings limit again serves as the maximum amount of income assessed.

If you are covered by the following multiple insurance plans, you may also file a request for specification of a contribution differential:

- You receive income subject to compulsory insurance under the Social Insurance Act for Trade and Industry (GSVG) and a pension (specification of contribution differential can only be provided for health insurance).
- You run a business as well as a **farm/forestry operation** (a request must be filed with the SVA for farmers).

I am a civil servant but also run a business and/or a farm/forestry operation.

Do the rules regarding multiple insurance apply to me?

Pension insurance:

Under the pension insurance scheme of the SVA and the scheme applicable to farmers, **contributions are payable up to the upper earnings limit** (no multiple insurance).

Health insurance:

Under health insurance, the upper earnings limit applies for the sum total of your professional activities. In this case, you can **request a specification of the contribution differential**.

I have not requested any specification of the contribution differential and have paid higher contributions than those applicable for the upper earnings limit because I participate in multiple insurance plans. Will these contributions be reimbursed?

Pension insurance:

You will **automatically be reimbursed** any excess contributions once you start your pension. However, you may request an earlier pay-out. Earlier reimbursement is possible as soon as any excess contributions have been finally determined.

Health insurance:

We reimburse any contributions you have paid in excess **upon request**. The request must be filed by the end of the third calendar year following the year for which you paid the contributions. (Any request for reimbursement of excess contributions paid in 2019 must be submitted by no later than 2022.)

Does multiple insurance affect the lower earnings limit?

If you hold multiple insurance under both the GSVG and ASVG, no lower limit will apply for your GSVG-related contributions, if the **sum total of your relevant earnings** reaches **the lower earnings limit specified under the GSVG**.

Contributions under the GSVG are only calculated based on the actual income from a trade or profession. For instance, **GSVG contributions are not payable**, if you do not receive any GSVG-related income (or even report losses) and your other income reaches the lower earnings limit under the GSVG. However, if your other income falls below the lower earnings limit under the GSVG, the difference to the lower earnings limit serves as basis for your GSVG contributions.

If you are insured under multiple schemes under the GSVG and B-KUVG, the above rules only apply to your health insurance!

3. Pension insurance

Newly insured persons usually do not give much thought to their future pension. Hence, we will only touch on pension insurance briefly.

Please note:

Any periods of vested benefits earned under other pension insurance schemes are retained and count toward your pension. Switching to social insurance under the SVA entails no disadvantages for the insured party. **All pension laws** provide that **periods of vested benefits must be added together**.

Who is responsible for my pension?

Even if you have acquired vested benefits with more than one pension insurance institution throughout your life, only **one pension insurance provider** is ultimately responsible for calculating and paying out your pension, namely the insurer with whom you have accumulated the longest contribution periods within the last 15 years. This insurer will then treat all your vested benefits acquired with other insurers as if they were its own. In doing so, it will solely apply its own rules.

For certain periods of time, I have been insured with more than one insurer. To which pension insurance institution will these vested benefits be attributed?

If you are self-employed and a salaried employee at the same time, you may acquire months of vested benefits under several pension insurance plans. These periods of vested benefits will subsequently have to be allocated to a single insurer. This takes place based on the following procedure:

- ASVG + GSVG --> All months of insurance are counted towards the pension insurance under the ASVG. (Even if income related to the GSVG is higher.)
- GSVG + BSVG --> All months of insurance count toward the pension insurance under the GSVG. (Even if income related to the BSVG is higher.)

Your pension calculation takes account of the contribution bases of all insurances that were involved in your multiple insurance schemes.

What are the benefits under the pension insurance scheme?

Pension insurance ensures that the insured person and their immediate family are financially provided for in **old age**, in the event of **incapacity for work** or after the **death** of the insured. The most important benefit is the pension, which is paid out in any of the following ways:

- old-age pension (women from the age of 60*/men from the age of 65)
- early retirement pension
- corridor pension
- pension for heavy labourers
- occupational disability pension (irrespective of age)
- pension for widows, widowers and surviving civil partners
- pension for orphans

Please note:

Every application for an occupational disability pension is primarily deemed an application for a rehabilitation programme. If such a measure can prevent occupational disability, you have a legal right to these rehabilitation programmes under certain conditions.

Health care

Pension insurance finances not only your pension but also pays for stays in spa resorts and provides certain subsidies.

How is my pension calculated?

The Pension Harmonisation of 2005 created a single, standardised pension system:

- If you were born on or after 1 January 1955: a pension account was created for you on 1 January 2005 and kept up to date ever since.
- If you were born before 1 January 1955: the pension scheme under the previous legislation (prior to 2005) continues to apply to you.

* Between 2024 and 2032 the age of retirement for women will be raised to that applicable for men.

Calculating pensions for persons born on or after 1 January 1955:

For anyone in this category, a pension account was set up and has been running since 1 January 2005 that determines your pension entitlement. Every contribution payment you make increases your pension entitlement. Old contributions are valorised in accordance with the salary level.

When does my pension account begin?

The account is opened in the calendar year in which you first take out insurance under the pension insurance scheme.

When does my pension account end?

The pension account ends in the calendar year that your pension payments begin.

The pension account keeps records of the contribution bases for all vested benefits. For example, these may include:

- employment
- child-rearing
- military and alternative civil service
- unemployment
- periods of voluntary insurance

65-45-80 formula

If you retire at **65**, you are entitled to a pension amounting to **80%** of your aggregate monthly **average life income** (gross, up to the upper earnings limit) after **45 years of insurance**.

Please note:

If you **retire earlier** (pension corridor from 62), **deductions** will be made from your pension. If you retire **after** you turn 65, your pension **increases**.

You have already acquired insurance contribution months prior to 2005

In your case, your pension exclusively accrues from your pension account as well. The previous, complicated calculation system was simplified on 1 January 2014. We calculate your **initial account credit** as of 1 January 2014. This credit takes account of all insurance contribution periods leading up to 31 December 2013 and is included in your existing pension account as the aggregate credit for 2013. You are automatically notified of your initial account credit.

From 2014, we will credit your annual contribution payments to your pension account and add them to your initial account credit. These amounts are valorised every year, with their total corresponding to your total credit. This total credit divided by 14 equals the monthly gross pension value. This value does not take account of any future insurance contribution periods or deductions due to early retirement before the statutory pension age.

Calculating pensions for persons born before 1 January 1955:

Three factors are taken into account when calculating your pension:

- the aggregate assessment basis
- the pension rates
- the retirement age

The **aggregate assessment basis** is derived from the assessment basis applicable on the effective date and – if any – from the assessment basis for child-rearing periods.

- **The assessment basis on the effective date** is derived from the average of the 360 "best" monthly relevant earnings applicable for your contributions.
- **The assessment basis for child-rearing periods** is a fixed amount

For more detailed information on how pensions are calculated refer to the **SVA information brochures** on pensions.

The **pension** is defined as a specific **percentage of the assessment basis**.

This percentage

- is determined by all the insurance contribution periods put together;
- will be higher the more insurance contribution months you have acquired.

For **each 12 months of insurance**, you are entitled to 1.78% of the assessment basis.

Any remaining period of less than 12 months is taken into account on a pro rata basis.

Please note:

Deductions are factored in if **women retire before they turn 60 years of age** and **men retire before they turn 65 years of age**.

Is it possible to voluntarily pay higher contributions in order to receive a higher pension later on?

Anyone who is subject to compulsory insurance can opt for voluntary **higher insurance**. Under this option, you can decide to pay contributions up to a specific cap (2019: EUR 10,440).

Payments for higher insurance can be made at all times. Once you retire, you will receive a **supplementary pension** for any additional payments made, just as those offered by private insurers.

Any increase in your monthly pension depends on the following factors:

- **age at the time of payment**
- **age at the time of retirement**

The earlier your payment is made and/or the later you retire, the greater the increase in your pension.

4. Health insurance

Who is covered by my health insurance?

The SVA health insurance scheme covers not only you as the insured party, but, under certain conditions, also:

- **Your children**
- **Your spouse**
- **Your registered civil partner or life partner**
- **Any members of your immediate family providing you with home care**

All of the persons mentioned above are eligible provided they have no (statutory) health insurance of their own.

Please note:

You need to provide us with the **names** and **dates of birth of these family members** in order to provide the benefits!

Co-insured children

You can co-insure:

- **children born in wedlock**
- **adopted children**
- **children born out of wedlock**
- **step-children**
- **legitimised children**
- **grand-children**

if they live together with you in the same household on a permanent basis.

- **Foster children**

can also be co-insured if they are being cared for **gratuitously** or **by virtue of an approval from the authorities**.

Please note:

If you and your **spouse** are insured with **different health insurers**, your children are generally co-insured by both insurers.

Age restrictions for co-insurance

You can generally co-insure children until their **18th birthday**. If your children decide to pursue an education or vocational training, co-insurance can be continued up to their **27th birthday**. However, beyond this, co-insurance is only awarded in exceptional cases.

No additional contributions are payable for co-insured children.

Co-insured civil and life partners

An **additional contribution** is payable for co-insured civil and life partners.

An **exemption** only applies in the following scenarios and you are not required to pay additional contributions for civil and life partners:

- Your civil/life partner is raising one or more **children** living in the same household.
- Your civil/life partner has **raised a child** in a shared household
- **over a period of at least 4 years.**
- You, the insured party, receive a **level 3 nursing allowance** and are being cared for
- by your civil/life partner.
- Your civil/life partner receives **level 3 nursing allowance.**
- Your net income is lower than the equalisation supplement reference rate (*Ausgleichszulagenrichtsatz*) for
- married couples (1,398.97 Euro).
- You have a special **need for social assistance.**

Co-insurance for family members providing care

The following family members are entitled to co-insurance, if they are not covered by any other health insurance and their habitual place of residence is in Austria:

- Spouses
- Registered civil partners
- Life partners
- Persons related by marriage up to the 4th degree (in direct or collateral line of descent)
- Relatives up to the 4th degree (in direct or collateral line of descent)
- Adopted, step- and foster children
- Adopted, step- and foster parents

In addition, the following requirements apply:

- The main person insured receives at least a **level 3 nursing allowance**.
- The main person insured receives **domestic** care (not in hospital or care home).
- the carer spends most of their **working time providing care**.
- care is not provided on a **commercial basis**.

Care-giving family members are generally **exempt from paying additional contributions**.

What distinguishes benefits in kind from cash benefits under health insurance?

As someone who is covered by SVA health insurance, you are either entitled to **benefits in kind** or **cash benefits**.

Benefits in kind

If you are entitled to benefits in kind, you receive treatment from **SVA doctors** on the **SVA's account** when you present your **e-card**.

Cash benefits

If you are entitled to cash benefits, doctors consider you a private patient and will ask you to pay their fees. The fees paid will be **reimbursed** by the SVA in accordance with a set list of refund rates.

Am I entitled to benefits in kind or cash benefits?

- In the **first three years** of GSVG health insurance or in the event of **multiple insurance**, you are entitled to **benefits in kind**.
- From the fourth year onward, the amount of your preliminary contribution basis determines your entitlement under the GSVG health insurance scheme.
 - Your annual income is **below** the **limit for benefits in kind**
(2019: EUR 73,079.99)
You are entitled to **benefits in kind**.
 - Your annual income is **above** the **limit for benefits in kind**
(2019: EUR 73,079.99)
You are entitled to **cash benefits**.

What are my options in health insurance under the Social Insurance Act for Trade and Industry (GSVG)?

You can tailor the cover provided by your insurance according to your needs. The following options are available:

- For anyone eligible for benefits in kind
 - either full entitlement to cash benefits or
 - entitlement to cash benefits for hospital stays in a special class room
- For anyone eligible for cash benefits
 - entitlement to cash benefits for hospital stays in a special class room

Full entitlement to cash benefits

This option corresponds to the former *Höherreihung* scheme where higher contributions resulted in an entitlement to be assigned to a higher benefit category. When **consulting a doctor, buying medication** and in the **hospital's special class** you are considered a **private patient** and are required to pay for services rendered. We reimburse your expenses according to a rate schedule, but do not refund more than 80% of the costs incurred.

This option is available for a monthly fee of **107.30 Euro** (valid for 2019) in addition to the regular health insurance contributions.

Entitlement to cash benefits for hospital stays in special class rooms

In this option, you are only entitled to cash benefits for the **hospital's special class**.

For those eligible for benefits in kind, this option is available for a monthly fee of **85.86 Euro** (valid for 2019) in addition to the regular health insurance contributions. For those entitled to cash benefits this option is free of charge.

When do the options begin and when do they end?

The option generally **begins** on the **first day of the month** after you file the request. However, the option may also become effective when compulsory insurance commences. In this case, you need to file a request within 4 weeks of being informed of the start of your compulsory insurance.

The **option** ends when **compulsory insurance ends**. However, you are also free to opt out. The earliest you can opt out is the end of the calendar year following the start of the option. Thereafter, you will only be able to opt out at the **end of a calendar year**. Should you fail to pay your additional contributions, we are also entitled to exclude you from the option.

Please note:

If you are **entitled to benefits in kind** and opt for the "full entitlement to cash benefits" or "entitlement to cash benefits for hospital stays in a special class room" we can only reimburse **hospital stays in special class rooms** after a **waiting period** of 6 months. If you are entitled to cash benefits directly before the option begins, the waiting period is shorted by this time.

You have taken out private supplementary insurance

The options may be of interest to you if you are entitled to benefits in kind and have taken out **private supplementary hospital insurance**. In this case, entitlement to cash benefits for hospital stays in special class rooms may reduce your private insurance premium.

What benefits does health insurance provide?

Please note:

If you are entitled to **benefits in kind**, you will be required to pay a share of the treatment costs yourself. This share is referred to as the **deductible**.

You may be **exempted from the deductible**. Exemptions may be granted in the following cases:

- if there is special need for social assistance (low family income)
- in the event of ongoing chemotherapy or radiotherapy
- dialysis treatment
- after a successful organ transplant
- in the event of a degree of disability of no less than 50%
- if you are severely disabled

Co-insured **children** for whom no contribution is payable are generally also exempt from the deductible. (Exception: medical aids/supplies for persons 15 and older, orthodontic treatment)

You may be **exempted from prescription fees** if you are in special need of social assistance.

Medical assistance

Benefits in kind

If you show your e-card to a **panel doctor**, the doctor will charge his fee directly to the SVA. After that, we will invoice you 20% of the charge as your **deductible** (or 10% when participating in a health-check and achieving the health goals or when participating in "Diabetes Type 2 Disease Management" projects).

Cash benefits

When seeing your doctor, you will be considered a **private patient**. You will initially have to pay the fee yourself. After **submitting** the invoice to us, you will receive a reimbursement. All such reimbursements are subject to a reimbursement tariff. If you participate in a health-check and reach your health goals or participate in "Diabetes Type 2 Disease Management" projects, your reimbursement increases by 10%. However, you will be reimbursed for a maximum of 80% of the actual costs incurred.

Medication

Benefits in kind

If you have been prescribed medication by a public health insurance institution, you can collect these prescriptions from a pharmacy against payment of a 6.10-euro fee.

Cash benefits

Those entitled to cash benefits can also be prescribed medication by a public health insurance institution. If your doctor is not a registered SVA (social insurance institution) doctor, they will issue a private prescription.

As long as there are no medications that require authorisation on your private prescription, these are treated in the same way as prescriptions from public health insurance institutions, and you will only need to pay the 6.10-euro fee for each prescription.

You can also convert your private prescription into a public health insurance institution prescription at your local state SVA office.

Medical aids/supplies

No distinction is made between benefits in kind and cash benefits

All those insured under the Social Insurance Act for Trade and Industry (GSVG) are entitled to medical aids and supplies, incl. orthopaedic supports and elastic stockings. You can procure these as a **benefit in kind** from our contractual partners.

Please note:

- A **20% deductible** is payable for medical aids and **supplies**. However, the deductible must amount to **at least 34.80 Euro**.
- As of 1 January 2019, the deductible for **glasses and contact lenses** must amount to **at least 104.40 Euro**.

Children under the age of 15 are exempt from paying the deductible.

Hospital treatment

- General fee class

No distinction is made between benefits in kind and cash benefits

For treatment in the general fee class of a contract hospital you only pay the daily hospital fee. Beyond that, the treatment is free of charge.

- Special class

Benefits in kind

For treatments in a hospital with no SVA contract we reimburse 251.37 Euro per day. This corresponds to the nursing cost supplement (*Pflegekostenzuschuss*). Any additional costs incurred for treatment in the special class will not be reimbursed.

Cash benefits

If you are entitled to cash benefits and opt for the special class, you receive:

- a cost refund for the hospital fee
- a flat-rate refund for special fees
- possibly, a refund for surgery costs

Please note:

Anyone entitled to cash benefits will be refunded up to 80% of the costs incurred by a stay in hospital. The actual amount refunded is usually less than 80%. To cover the remaining costs, we recommend you take out private supplementary hospital insurance.

Maternity benefits

No distinction is made between benefits in kind and cash benefits

Mother-child card check-ups as well as any assistance required from **midwives** and **qualified child or infant nurses** are free of charge for all insured persons. For childbirth in hospital, please refer to the "Hospital care" section.

Maternity allowance (*Wochengeld*)

No distinction is made between benefits in kind and cash benefits

You receive maternity allowance if you hire a **helper**, where possible. Mothers are entitled to maternity allowance of **55.04 Euro a day**:

- during the last eight weeks before childbirth
- on the day of childbirth
- during the first eight weeks after childbirth

In case of **multiple birth**, **premature birth** or birth by **caesarean section**, maternity allowance is paid over a period of 12 weeks after childbirth.

Childcare allowance

There are two systems in place for childcare allowance. It can either be drawn as a flat-rate benefit (childcare allowance account for births from 01/03/2017 or four flat-rate options for births until 28/02/2017) or as an income-dependent childcare allowance.

The childcare allowance drawn as a flat-rate benefit recognises and is partial compensation for the care service provided by parents. Parents receive the flat-rate childcare allowance irrespective of any gainful employment undertaken by them prior to the birth of the child.

The income-dependent childcare allowance is primarily intended to provide those parents who only want to be off work for a short period of time and who have a higher income with the opportunity to obtain a replacement income during this period.

Flat-rate benefit

For births from 01/03/2017: Childcare allowance account

For births from 01/03/2017, the four former flat-rate options are replaced by the childcare allowance account. The daily childcare allowance (EUR 14.53–33.88) depends on the period of entitlement, which can be flexibly selected within a defined framework from the birth of the child (365 to 851 days for one parent or 456 to 1063 days when claimed by both parents). Twenty per cent of the respective total period of entitlement per child is reserved for the second parent and is non-transferable.

For births until 28/02/2017: Four flat-rate options

Flat-rate option 30+6

The childcare allowance amounts to EUR 14.53 per day. You receive this allowance until the child is 30 months old, if it is only drawn by one parent. If it is claimed by both parents, the benefit duration is extended by the period during which the other parent actually drew the benefit, but the childcare allowance can only be claimed until the child is a maximum of 36 months old.

Flat-rate option 20+4

The childcare allowance amounts to EUR 20.80 per day. You receive this allowance until the child is 20 months old, if it is only drawn by one parent. If it is claimed by both parents, the benefit duration is extended by the period during which the other parent actually drew the benefit, but the childcare allowance can only be claimed until the child is a maximum of 24 months old.

Flat-rate option 15+3

The childcare allowance amounts to EUR 26.60 per day. You receive this allowance until the child is 15 months old, if it is only drawn by one parent. If it is claimed by both parents, the benefit duration is extended by the period during which the other parent actually drew the benefit, but the childcare allowance can only be claimed until the child is a maximum of 18 months old.

Flat-rate option 12+2

The childcare allowance amounts to EUR 33 per day. You receive this allowance until the child is 12 months old, if it is only drawn by one parent. If it is claimed by both parents, the benefit duration is extended by the period during which the other parent actually drew the benefit, but the childcare allowance can only be claimed until the child is a maximum of 14 months old.

Income-dependent childcare allowance

The childcare allowance amounts to 80% of your most recent income up to a maximum of EUR 66 per day. You receive the allowance until the 365th day after the child was born (for births until 28/02/2017: until the child reaches the age of 12 months), if it is only drawn by one parent. If it is claimed by both parents, the benefit duration is extended by the period during which the other parent actually drew the benefit, but the income-dependent childcare allowance can only be claimed up to 426 days after the child was born (for births until 28/02/2017: until the child is a maximum of 14 months old).

To be able to draw childcare allowance, certain general **eligibility criteria** must be satisfied (e.g. the family allowance is claimed and drawn for the child; joint household with the child including identical main residence registration). The gainful employment requirement must also be satisfied in order to draw the income-dependent childcare allowance.

Please note:

Whilst drawing childcare allowance, annual **limits on additional earnings** must be complied with:

- Two limits apply for the four flat-rate options and the childcare allowance account:
 - the general limit of EUR 16,200 per annum
 - the individual limit of 60% of your relevant earnings from the relevant calendar year prior to the birth. If the calculated individual limit is above EUR 16,200 per annum, you can receive these higher annual additional earnings for the whole time you are drawing the flat-rate childcare allowance.

- For the income-dependent childcare benefit, your relevant earnings must not exceed the limit of EUR 6800 (until 2016: EUR 6400) per annum.

If the relevant annual additional earnings limit is exceeded, you risk having to make a subsequent repayment.

Tip: If your self-employed annual income exceeds the additional earnings limit and you do not draw childcare allowance for the entire calendar year, remember to promptly submit an interim statement or interim accounts prior to the end of the second calendar year, following the calendar year in which you drew the allowance, if this means you comply with the additional earnings limit and can avoid having to make a repayment.

Childcare allowance is **suspended** for any periods where you are claiming maternity allowance or any benefit similar to maternity allowance (from 01/03/2017 also while claiming social assistance). However, if such benefit is lower than the childcare allowance, you are entitled to claim the difference.

Additional assistance on top of the flat-rate childcare allowance

Parents with low incomes can also apply for additional assistance on top of the flat-rate childcare allowance amounting to EUR 6.06 per day for a maximum duration of 365 days (or for births from 28/02/2017: 12 months).

The following are eligible:

- Single parents who are entitled to flat-rate childcare allowance and do not earn more than EUR 6800 (until 2016: EUR 6400) per calendar year.
- Parents, who are married or are in a cohabitation relationship and are entitled to flat-rate childcare allowance, where the drawing parent may not earn more than EUR 6800 (until 2016: EUR 6400) and the second parent or partner may not earn more than EUR 16,200 per calendar year.

If you draw income-dependent childcare allowance, you are not entitled to additional assistance.

The childcare allowance and the financial assistance on top of the flat-rate child-care allowance are only paid out **on application**, with claims for the benefits only possible on a retroactive basis up to 182 days (for births up to 28/02/2017: six months).

For births from 01/03/2017: Partnership bonus and family leave bonus

If the parents lawfully drew roughly the same portion (50:50 to 60:40) of the flat-rate or income-dependent childcare allowance for a period of at least 124 days each, for births from 01/03/2017, each parent is entitled, upon application, to a partnership bonus of EUR 500 as a one-off payment after the end of the overall period of entitlement.

For births from 01/03/2017, gainfully employed fathers who dedicate themselves fully to their family following the birth of their child (within a time frame of 91 days) and therefore suspend their gainful employment for an uninterrupted period of between 28 and 31 days are entitled to apply for financial support (of EUR 22.60 per day) in the form of a 'family leave bonus'.

More information on the subject of the childcare allowance and family leave bonus is available on the Federal Ministry of Families and Youth (BMFJ) homepage at www.bmfj.gv.at

Supplementary insurance

Voluntary supplementary insurance gives you the option of receiving a sickness benefit in return for **higher contributions**.

Sickness benefit: in the event you are unable to work due to illness

You can take out supplementary insurance with us by submitting an **application**. Your monthly contributions will increase by **2.5%** of your provisional **contribution base**, with a minimum contribution of EUR 30.77 (value for 2019) set.

You can only claim benefits from the supplementary insurance once you have been insured for six months (**waiting period**).

I am unable to work due to illness and would like to draw benefits under my supplementary insurance. What should I do?

Notify any of our regional offices of your incapacity for work within 7 days. You must enclose a medical confirmation. You will be expected to provide proof of your continued incapacity for work every 14 days.

How much sickness benefit am I entitled to?

The daily sickness benefit amounts to 60% of the provisional daily contribution base – in 2019 this is at least EUR 8.94.

Please note:

You can draw your benefits **from the 4th day** of your incapacity for work.

You can draw your benefits without interruption for a **maximum period of 26 weeks**.

Support payment during long-term illness

The social security benefits for the self-employed are substantially improved with the new "Support payment during long-term illness" benefit.

You are entitled to a "Support payment during long-term illness" if and as long as you:

- are self-employed and insured under the health insurance in accordance with the GSVG.
- regularly employ fewer than 25 employees or none at all.
- the existence of the operation depends upon your personal performance at work.

How long am I entitled to benefits?

For illnesses that occur after 30 June 2018 and lead to a period of time off work lasting a minimum of 43 days, the SVA (social insurance institution) pays out support payments from the fourth day of working incapacity on a retroactive basis.

The entitlement is for the duration of the incapacity for work; for a maximum of 20 weeks for one and the same illness.

How much can I claim?

The benefit amounts to 30.53 euros per day and is not dependent on your level of income.

How and where can I apply for the support payment?

You can apply for the payment at your SVA regional office. You will require a medical confirmation regarding your incapacity to work. Your doctor can issue this.

What deadlines must I meet to get this support payment?

If you have a long-term illness, we advise that you contact a doctor and confirm your incapacity for work. You have a maximum of 4 weeks from the start of your incapacity for work to do this.

You must report your illness to SVA within 6 weeks of the start of your incapacity for work.

Please note:

If you do not report this start date on time, you will not be entitled to benefits under any circumstances until the day on which notification is made.

The continuation of incapacity for work must be confirmed by the doctor every 14 days and must be reported to the SVA within one week.

Can I claim sickness benefit from the supplementary insurance in addition to the support payment?

Yes. You can claim sickness benefit from the supplementary insurance in addition to the statutory support of 30.53 euros.

5. Accident insurance

What risks are covered by accident insurance?

Accident insurance is primarily intended to offer people protection at work or on their way to work. However, if you do suffer from an **accident at work** or an **occupational illness**, you may be entitled to receive medical, professional and social support within the scope of the accident insurance. Moreover, benefits are also provided for certain occupational illnesses. Accidents that are not related to your professional activity are covered by statutory health insurance.

Self-employed persons insured under the GSVG (Trade and Commerce Social Insurance Act) and self-employed doctors insured under the FSVG (Self-Employed Social Insurance Act) are covered by accident insurance in accordance with the provisions of the ASVG (General Social Insurance Act).

The contribution to the ASVG or FSVG accident insurance is not based on income, but rather is **the same for everyone**. In 2019, the monthly accident insurance contribution amounts to EUR 9.79. The contributions are collected quarterly by the SVA (Social Insurance Institution) and transferred to the AUVA (Austrian Workers' Compensation Board), which is responsible for providing the accident insurance.

Benefits – what assistance can accident insurance provide?

You can find out whether and from what point in time you are entitled to accident insurance benefits from the AUVA.

In addition to remedial treatment (inpatient or outpatient), rehabilitation plays an important role in accident insurance, with the aim of enabling disabled people to live independently and undertake employment. Cash benefits (annuities, care allowance, etc.) are also provided in the event of a serious health impairment due to an accident at work or an occupational illness. The basis of assessment is relevant for cash benefits provided by accident insurance. For the contribution mentioned above, it amounts to EUR 20,473.43 (value for 2019) per annum.

Supplementary insurance within the accident insurance scheme

The 'compulsory contribution' entitles you to cash and non-cash benefits in the event of an accident at work or occupational illness. The basis of assessment for cash benefits, especially for annuities, mentioned above is fairly low. As a result, you can apply for higher accident insurance in order to achieve a higher basis of assessment.

You will need to apply for the supplementary insurance through the relevant state office of the AUVA. The additional contribution is collected by the AUVA directly.

Examples – what does the supplementary insurance provide (all values relate to 2019)

20% reduction in earning capacity

A self-employed carpenter reaches into a circular saw with his hand. His thumb is completely severed. The AUVA identifies a 20% reduction in earning capacity. The insured individual receives a disability pension of EUR 194.99 14x per year from the AUVA from the compulsory insurance within the accident insurance scheme. The level I supplementary insurance would have paid out EUR 318.86 14x per year. If he had taken out level II supplementary insurance, he would have received EUR 381.71 14x per year.

50% reduction in earning capacity

A self-employed physiotherapist has a car accident on the way to her practice. Her injuries are so severe that her leg has to be amputated just above the knee. The AUVA identifies a 50% reduction in earning capacity. The insured individual receives a disability pension plus supplementary pension of EUR 584.96 14x per year from the AUVA from the compulsory insurance within the accident insurance scheme. The level I supplementary insurance would have paid out EUR 956.57 14x per year. If she had taken out level II supplementary insurance, she would have received EUR 1,145.12 14x per year.

100% reduction in earning capacity

A self-employed roofer falls from a roof and is paralysed from the waist down. The AUVA identifies a 100% reduction in earning capacity. The insured individual receives a disability pension plus supplementary pension of EUR 1,462.39 14x per year from the AUVA from the compulsory insurance within the accident insurance scheme. The level I supplementary insurance would have paid out EUR 2,391.43 14x per year. If he had taken out level II supplementary insurance, he would have received EUR 2,862.81 14x per year.

Death

A self-employed mountain guide is trapped in a rockfall and falls 200 metres. He dies immediately. His widow receives a widow's pension of EUR 292.48 14x per year from the AUVA from the compulsory insurance within the accident insurance scheme. The level I supplementary insurance would have paid out EUR 478.29 14x per year. If she had taken out level II supplementary insurance, she would have received EUR 572.56 14x per year.

Social accident insurance for self-employed individuals	Compulsory insurance	Supplementary insurance level I	Supplementary insurance level II
Contribution	EUR 9.79 monthly	EUR 117.49 annually	EUR 176.50 annually
Basis of assessment	EUR 20,473.43	EUR 33,480.01	EUR 40,079.32
Monthly pension 14x per year for a 20% reduction in earning capacity	EUR 194.99	EUR 318.86	EUR 381.71
Monthly pension 14x per year for a 50% reduction in earning capacity	EUR 584.96	EUR 956.57	EUR 1,145.12
Monthly pension 14x per year for a 100% reduction in earning capacity	EUR 1,462.39	EUR 2,391.43	EUR 2,862.81
Widow's/widower's/ orphan's pension	EUR 292.47	EUR 478.29	EUR 572.56

You will need to apply for the supplementary insurance through the relevant state office of the AUVA. The additional contribution is collected by the AUVA directly.

In the event of an accident at work or an occupational illness, you may be entitled to accident insurance benefits under certain conditions. You can find out whether and from what point in time you are entitled to accident insurance benefits from the AUVA.

6. Financial support for start-ups

NEUFÖG: New Companies Promotion Act

The New Companies Promotion Act (NEUFÖG) aims to provide **financial relief** to start-ups by exempting them from specific levies if they apply for exemption. These levies include

- stamp duties
- administrative charges
- charges on employee salaries
- taxes

The NEUFÖG also applies to **takeovers**, subject to certain restrictions.

Who can request financial support and where do I find out more about financial support?

Generally, financial support is available to all self-employed persons. Advisory services are provided by:

- statutory professional representations
- the SVA regional offices

Start-up: An organisational structure is created in order to generate income in one of the following areas:

- Business enterprise
- Self-employment
- Farming and forestry

Transfer of an operation: An existing business is transferred to another person by the previous owner. This transfer may be gratuitous or in return for payment.

Please note:

Any change to the **legal form** of a company (e.g. from OG to GmbH) does not constitute a start-up.

What is more, the **business owner** of a newly founded or transferred operation may not previously have been involved in a comparable business.

Furthermore, the newly founded business may not be expanded by adding other, already existing **business operations (or divisions)**. Any such expansion would need to be immediately reported to the responsible authorities. Any financial support already provided would then have to be returned.

For example

A carpenter became **self-employed** five years ago, but was forced to close down their business after two years for financial reasons. The carpenter then switched to an **employment relationship**. If this individual were to become a self-employed carpenter again, they would not be entitled to the financial support.

7. Self-employed pension scheme

Since 1 January 2008, any business person or business partner subject to compulsory health insurance under the Social Insurance Act for Trade and Industry (GSVG) is obliged to pay contributions towards the statutory self-employed pension scheme under the BMSVG. Anyone who "opts in" for health insurance and self-insured individuals or those subject to compulsory insurance in accordance with Section 14a, b of the GSVG is exempt.

BMSVG = Company Employee and Self-Employed Pension Plan Act

If you are insured under the GSVG or FSVG pension scheme and opted out of the GSVG health insurance in accordance with Section 5 of the GSVG, or are subject to compulsory insurance in accordance with the ASVG, you can **voluntarily** opt into the self-employed pension scheme **within 12 months** of taking up your freelance activity.

Your **contributions** make up **1.53 %** of the preliminary contribution basis. The contribution basis used to calculate the contribution depends on the respective model:

- Compulsory model: health insurance contribution basis
- Voluntary model: pension insurance contribution basis

The contributions are levied along with those for social insurance contributions.

Please note:

Contributions for the self-employed pension scheme are always based on the preliminary contribution basis and are **not retroactively assessed**.

We transfer the contributions to the **provident fund** you have selected; there are 8 such funds for you to choose from - list on page 44. You are also bound to participate in any fund you choose for your employees. Should you fail to select a fund in due time, you will be allocated to one. The provident fund is responsible for investing your contribution.

When can I draw benefits from the self-employed pension scheme?

You are entitled to **benefits** from the self-employed pension scheme, if you

- have paid contributions for a period of at least 3 years and it has been 2 years since you ended your independent professional activity or
- you commence your statutory pension or
- you were last required to make contributions to the pension scheme over 5 years ago.

In the event of the death of the insured person, the capital is paid out to close relatives, or it passes into the deceased's estate.

In what form can I draw benefits from the self-employed pension scheme and what do the benefits amount to?

The **benefit amount** depends on the amount of contributions paid in and the provident fund's investment performance. The provident fund informs you of the current balance by sending you an annual account statement.

You may draw the benefits in various ways:

- Payment as a **one-off lump sum**
- Transfer to another **provident fund** (e.g. if you decide on salaried employment after a period of self-employment)
- Transfer to a **pension fund** or a **private insurer** (for the payment of an annuity)

What is the tax treatment of the self-employed pension scheme?

Pension contributions are considered operating expenses. Investments in the provident fund are tax free. Pay-outs made as one-off lump sums are subject to a privileged tax rate of 6%, while pay-outs in the form of an annuity are completely tax free.

8. Unemployment insurance

Since 1 January 2009, self-employed persons have been able to **voluntarily** take out unemployment insurance to improve their social security protection. The scheme is a **genuine unemployment insurance**, which allows you to purchase an entitlement to all of the unemployment insurance benefits (unemployment benefits, emergency welfare, etc.). We collect the unemployment insurance contributions from everyone who is self-employed and transfer the funds to the Labour Market Service (**AMS**). The AMS alone is responsible for benefits under the unemployment insurance plan.

Who can take part in the scheme?

You can join the unemployment insurance scheme if

- your pension is insured in accordance with the **GSVG** or **FSVG**

or

- **you are a privately practising lawyer** and are excluded from the GSVG pension insurance in accordance with Section 5 of the GSVG ("Opting out").

Please note:

You **cannot** take out **unemployment insurance** if you

- are **60 years of age** or older or
- have reached the **minimum age** for an **early retirement pension** or
- are already **entitled** to an **old-age pension** or **retirement benefit**

By when do I need to notify the SVA of my participation in unemployment insurance and when does coverage commence?

You must notify us of your participation in the unemployment insurance scheme **within 6 months** of the date we inform you of the start of the GSVG/FSVG pension insurance or of any exemption in accordance with Section 5 of the GSVG. Depending on the date of your declaration of participation, unemployment insurance begins either:

- **together with the pension insurance** or on the effective date of any exemption (notification of participation within 3 months)

or

- in the **month following the start of participation in the scheme** (notification of participation after the 3rd month)

If you do not notify the SVA of your participation within the given deadline, you will not be able to join the scheme for another 8, 16, 24 ... years (within 6 months from the end of each time period).

How can I join?

You will find the entry form

- on our homepage at www.svagw.at or
- at your SVA regional office.

How much is unemployment insurance?

Once you have registered for unemployment insurance, you are obliged to pay contributions for the duration of the compulsory pension insurance or the exemption in accordance with Section 5 of the GSVG; the increment amounts to 6% of the contribution basis. You have a choice of three options:

Contribution basis	Monthly contribution (valid for 2019)
1/4 of the GSVG upper earnings limit	EUR 45.68
1/2 of the GSVG upper earnings limit	EUR 182.70
3/4 of the GSVG upper earnings limit	EUR 274.05

Please note:

The contribution basis that you have selected applies **for the entire duration of your unemployment insurance**. It not only influences the contribution amount, but also the scope of possible cash benefits (e.g. unemployment benefits).

We collect the unemployment insurance contributions along with the other contributions. You only acquire periods of vested benefits under voluntary unemployment insurance if you have paid in all the prescribed contributions for the corresponding time period.

Can I opt out of unemployment insurance?

You may opt out of voluntary unemployment insurance after 8, 16, 24 years at the earliest (within 6 months of the end of this period).

I have already earned entitlements under the unemployment insurance scheme prior to 31 December 2008. Do I retain these?

Transitional provisions have been introduced to ensure that the indefinite extension of the framework period, an option effective until 31 December 2008, and the period for the continued receipt of unemployment benefits and emergency welfare continue to apply either in part or in full. In this case, you will need to consider

- whether the protection afforded by this scheme is sufficient and you therefore do not wish to participate in the voluntary unemployment insurance scheme

or

- whether participation in the unemployment insurance scheme is prudent.

Framework period = Period of unemployment insurance required to **earn an entitlement to unemployment benefits**.

The time periods during which you are self-employed and are covered by health insurance in accordance with the GSVG or BSVG further extends this framework period.

You are protected by entitlements from an earlier unemployment insurance plan if you

- held unemployment insurance and were self-employed before 1 January 2009 and so also covered by health insurance in accordance with the GSVG or BSVG. In this case, the indefinite extension of the periods continues to apply.
- took up self-employment after 31 December 2008 and held unemployment insurance for at least 5 years prior due to employment. The indefinite extension of the periods also continues to apply in this case.
- took up self-employment after 31 December 2008 and held unemployment insurance for less than 5 years prior to this. In this case, the extension of the period is limited to 5 years.

Please note:

The extension of the periods only provides you protection if your **entitlement to unemployment benefits continues to apply** or you are able to continue to draw unemployment benefits and/or emergency welfare. In all other cases, the extension of the periods is of no use and you would be advised to consider participating in voluntary unemployment insurance if you, as a self-employed person, wish to protect yourself against the risk of unemployment.

What benefits am I entitled to under unemployment insurance?

Detailed information on unemployment benefits and emergency welfare can be found at www.ams.at – Service für Arbeitsuchende – Finanzielles – Leistungen.

If your entitlement is calculated exclusively on the basis of the contribution basis applicable under voluntary unemployment insurance, the following **daily unemployment benefit payments** apply (valid for 2019):

- **EUR 24.47** (if income totals 1/4 of the upper earnings limit under the GSVG)
- **EUR 38.86** (if income totals 1/2 of the upper earnings limit under the GSVG)
- **EUR 53.71** (if income totals 3/4 of the upper earnings limit under the GSVG)

As of when am I entitled to receive benefits?

If you claim unemployment benefits **for the first time**, you are required to have been employed with unemployment insurance for a period of **at least 52 weeks in the 24 months (= framework period)** prior to your request for unemployment benefits. If you have received unemployment benefits before, 28 weeks of unemployment insurance within the last 12 months suffice (= framework period). Special rules apply for **anyone under 25 years of age**.

Corporate provident funds

Allianz Vorsorgekasse AG (fund ID 71500 and 71510)

1130 Vienna, Hietzinger Kai 101-105

T +43 (0)5 9009-88750

E servicekasse@allianz.at www.allianzvka.at

APK Vorsorgekasse AG (fund ID 71100)

1030 Vienna, Thomas-Klestil-Platz 13, 4020 Linz, Stahlstraße 2-4

T +43 (0)5 0275-50

E office@apk-vk.at www.apk-vk.at

BONUS Vorsorgekasse AG (fund ID 71200)

1030 Vienna, Traungasse 14-16

T +43 (0)1 994 99 74

E kundenservice@bonusvorsorge.at www.bonusvorsorge.at/vk

BUAK Betriebliche Vorsorgekasse GesmbH (fund ID 71900)

1050 Vienna, Kliebergasse 1a

T +43 (0)5 795 79-3000

E buak-bvk@buak.at www.buak-bvk.at

fair finance Vorsorgekasse AG (fund ID 71150)

1080 Vienna, Alser Straße 21

T +43 (0)1 405 71 71-0

E info@fair-finance.at www.fair-finance.at

Niederösterreichische Vorsorgekasse AG (fund ID 71700)

3100 St. Pölten, Neue Herrengasse 10

T +43 (0)2742 90555-7160

E office@noevk.at www.noevk.at

Valida Plus AG (fund ID 71300)

1190 Vienna, Mooslackengasse 12

T +43 (0)1 316 48-0

E service-plus@valida.at www.valida.at

VBV – Vorsorgekasse AG (fund ID 71600)

1190 Vienna, Mooslackengasse 12

T +43 (0)1 217 01-8500

E info@vorsorgekasse.at www.vorsorgekasse.at

Addresses of SVA regional offices

You can contact your local state SVA office by calling
+43 (0)50 808 808 – **this is a central number for all of Austria.**

Vienna	1051 Vienna, Wiedner Hauptstraße 84-86, E-mail: vs.w@svagw.at
Lower Austria	3100 St. Pölten, Neugebäudeplatz 1, E-mail: vs.noe@svagw.at
Burgenland	7000 Eisenstadt, Osterwiese 2, E-mail: vs.bgl@svagw.at
Upper Austria	4010 Linz, Mozartstraße 41, E-mail: vs.ooe@svagw.at
Styria	8010 Graz, Körblergasse 115, E-mail: vs.stmk@svagw.at
Carinthia	9020 Klagenfurt am Wörthersee, Bahnhofstraße 67, E-mail: vs.ktn@svagw.at
Salzburg	5020 Salzburg, Auerspergstraße 24, E-mail: vs.sbg@svagw.at
Tyrol	6020 Innsbruck, Klara-Pölt-Weg 1, E-mail: vs.t@svagw.at
Vorarlberg	6800 Feldkirch, Schloßgraben 14, E-mail: vs.vbg@svagw.at

