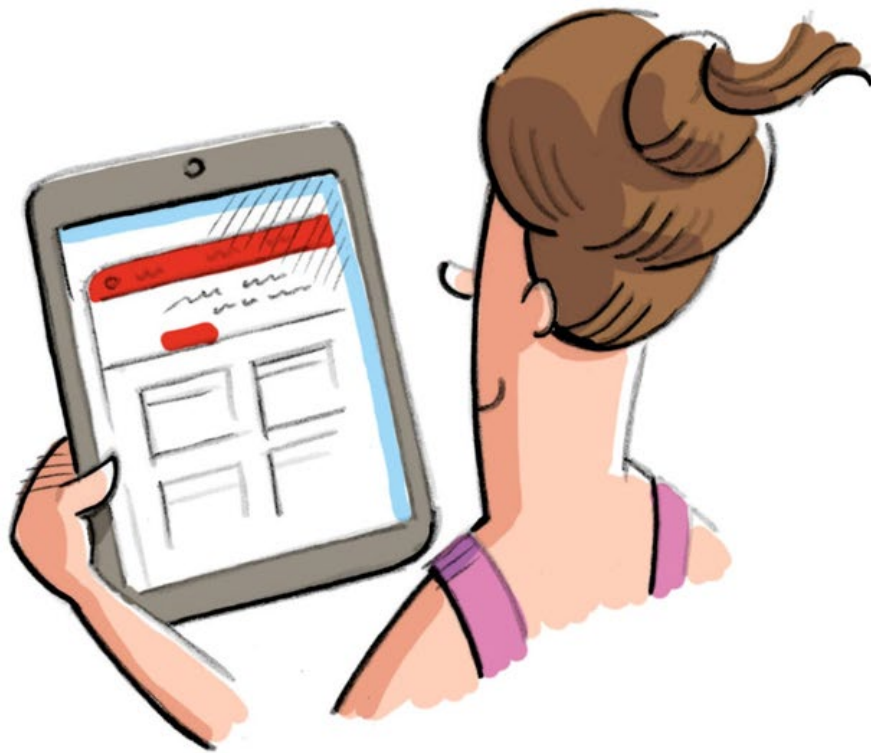


Simplified explanation -

**Important terms relating to
citizen's benefit (Bürgergeld)
(basic income for job seekers)**



Contents

Simplified explanation – Important terms relating to citizen’s benefit (Bürgergeld)	3
Data privacy (Der Datenschutz)	4
The Jobcenter	4
The digital Jobcenter (Das digitale Jobcenter)	5
Basic income benefits in Germany (Die Grundsicherung in Deutschland)	5
Conditions of entitlement (Die Anspruchsvoraussetzung)	6
The benefit community (Die Bedarfsgemeinschaft)	6
The household community (Die Haushaltsgemeinschaft)	7
Community of responsibility and support (Die Verantwortungs- und Einstehensgemeinschaft)	8
The representative of the benefit community (Der Vertreter von der Bedarfsgemeinschaft)	9
Primary benefits (Die vorrangigen Leistungen)	9
Citizen’s benefit (Das Bürgergeld)	11
Capacity to work (Die Erwerbsfähigkeit)	12
Need for assistance (Die Hilfebedürftigkeit)	12
Needs (Der Bedarf)	13
Additional benefit (Der Mehrbedarf)	13
Special needs (Die besonderen Mehrbedarfe)	14
Costs of heating and accommodation (housing costs) (Die Bedarfe für Unterkunft und Heizung [Kosten der Unterkunft])	15
Income (Das Einkommen)	16
Assets (Das Vermögen)	17
Application for citizen’s benefit (Der Antrag auf Bürgergeld)	18
The notification (Der Bescheid)	19
Payment (Die Auszahlung)	19
Appealing a decision (Der Widerspruch gegen eine Entscheidung)	20
Collaborative obligations (Die Mitwirkungspflichten)	20
Availability (Die Erreichbarkeit)	21
Social security (Die Sozialversicherung)	22

Simplified explanation

– Important terms relating to citizen’s benefit (Bürgergeld)

This text provides **simple explanations of important terms**. The terms are all related to citizen’s benefit, i.e. the basic income for job seekers.

The information provided in this text is **not legally binding**. That means: If you want to file a legal action in court in relation to a benefit, you cannot base your action on information from this text. The examples are also not legally binding. The examples are only intended to help you better understand the text.

However, you can receive legally binding information if you wish so. You have a variety of options for doing so:

- For example, you can register with your responsible Jobcenter.
- The information in the data sheet for Book 2 of the German Social Code (SGB II) is legally binding.
- You will find legally binding information in the Instructions for completion. Instructions for completion are included in the application forms.
- You will also find legally binding information online if you go to www.jobcenter.digital.



Data privacy (Der Datenschutz)

Those who want to receive benefits have to give a lot of information about themselves to the Jobcenter. They have to provide their personal data. This data is required for the Jobcenter to calculate how much money the person will receive.



This personal data is subject to very special protections. This is called data privacy. There are different rules on data privacy. The rules are included in the German Social Code and European Union General Data Protection Regulation, for instance. Your data are processed according to these rules in the Jobcenter.

The Jobcenter can also provide information on data privacy. You can also find the information online at www.arbeitsagentur.de/datenerhebung.

The Jobcenter

The Jobcenter helps people who have not worked for a long time or who have never worked before. The Jobcenter helps people to find **a job, an apprenticeship or further training**.



The Jobcenter also supports people with securing their basic livelihood if their income is insufficient for being able to do so. Basic livelihood is the money you need to pay for the most important things that you need to live. These important things include rent for an **apartment** and something to **eat**, for example.

The Jobcenter checks the application for citizen's benefit and pays this benefit.

The digital Jobcenter (Das digitale Jobcenter)

The Jobcenter has an extensive website. You can find it at www.jobcenter.digital.

You have to **register** for this service. After doing so, you can do many things easily and quickly on the website. For example, you can submit applications and get information. You can get important information about citizen's benefit.

Without being limited to the opening hours of the Jobcenter, you are able to:

- Send in proof of your circumstances
- Communicate changes
- Submit additional documents
- Submit an Application for Continued Approval (Weiterbewilligungsantrag)
- Send a mailbox message to the Jobcenter.

Good to know: Scan the QR code with your cell phone. This will take you directly to the www.jobcenter.digital website.



Basic income benefits in Germany (Die Grundsicherung in Deutschland)

People who are looking for work in Germany can receive **basic income for job seekers** according to specific rules. These rules are stated in Book 2 of the German Social Code. This is referred to as SGB II for short. Basic income for job seekers is also known as citizen's benefit. Basic income is intended to secure the basic livelihood for everyone.



There are **2 kinds** of benefits related to basic income:

- Benefits intended to help you get work.
- Benefits intended to secure your basic livelihood.

The basic income in Germany has one goal: to ensure people are able to earn a basic livelihood for themselves and their families on their own again.

The basic income in Germany ensures that everyone has the things they need to live. This benefit is for people who have no money of their own or who have too little money.

In Germany, only those who do not have enough of their own money can receive a basic income. Therefore, the basic income ensures that everyone has enough to live.

Conditions of entitlement (Die Anspruchsvoraussetzung)

Having an entitlement means that you have a right to something.

An entitlement can be codified in law. The entitlement to citizen's benefit is detailed in Book 2 of the German Social Code, where it also states that the entitlement only exists if certain conditions are fulfilled. These conditions are known as the conditions of entitlement.



The benefit community (Die Bedarfsgemeinschaft)

A person's benefit community is important if they want to receive or apply for benefits. A benefit community frequently consists of multiple people. At least one member of the benefit community must be **able to work**.

Typically, a benefit community consists of a person who is able to work and:

- their husband or wife, if they are not permanently separated.
- their registered partner, if they are not permanently separated.
- a person with whom they are involved in a “consensual union”. This is also called a community of responsibility and support. This may be your long-term boyfriend or long-term girlfriend, if you live together.

Children can also be part of the benefit community. Children are only considered part of the benefit community if they meet these conditions:

- Children are only part of the benefit community until they are 25 years of age.
- Children may not be married.
- The children may not have their own children.
- The children may not have enough money to pay for their own basic livelihood.



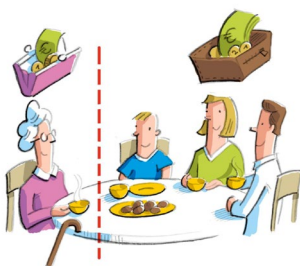
There are special rules if a child applies for citizen's benefit. If a child between 15 and 25 years of age submits an application and their parents are not able to work, there are other rules for the benefit community. The parents or one parent from the household are then considered part of the child's benefit community.

The household community (Die Haushaltsgemeinschaft)

A household community is different from a benefit community. The members of a household community **live together**. The members of a household community, however, are not part of a benefit community.

A household community includes, for instance:

- Relatives and in-laws, such as grandparents, siblings over 25 years of age, uncles and aunts.
- Foster children and foster parents.



Community of responsibility and support (Die Verantwortungs- und Einstehensgemeinschaft)

A community of responsibility and support is the name for a **unique kind of partnership between two people**. The partners, at least one of whom is able to work, live together in a home or apartment. They share their household and support one another. It does not matter what gender the people are.

The Jobcenter assumes that the two partners in a relationship are there for one another. The partners help one another with money, for instance.

A few rules have been defined to clarify what the term community of responsibility and support means. The Jobcenter assumes that a partnership exists if two people are in a relationship and live together. The two partners in the community of responsibility and support must also be legally able to get married. In Germany, for example, people younger than 16 cannot get married. Because of this, they cannot be in a community of responsibility and support.



The Jobcenter assumes that the partners support one another, if several requirements are fulfilled:

- The partners have lived together **for at least 1 year**.
- The partners live together with **their child** (the partners are the child's parents).
- The partners care for **children or family members** together in their household.
- The partners have access to one another's money. This is the case, for instance, if the partners have a **joint bank account**.

These requirements are called **assumption regulations**. This means the Jobcenter makes an automatic assumption about the partnership if these requirements are met. If you think this assumption is not right, you must prove it.

In addition to the assumption regulations, there are other ways to prove people are part of a community of responsibility and support. These ways include:

- Being engaged to your partner.
- Living in a home you own together. This may include a house or a condominium, for instance.
- Caring for your partner in your common household. In this case, there may be other information we need to review.

The representative of the benefit community (Der Vertreter von der Bedarfsgemeinschaft)

If a person makes an application, they represent the benefit community.

However, the application applies to the whole benefit community. The person who represents the benefit community should talk to everyone in the benefit community to make sure that the information in the application is correct.



You can also serve as the representative for only some parts of the application. This means that the members of the community will fill out and sign certain parts of the application themselves. The members of the benefit community can, for instance, complete and sign the attachment on their income levels (in German, Einkommensverhältnissen, or EK for short) themselves. The applicant must then submit these attachments along with the application.

Primary benefits (Die vorrangigen Leistungen)

Before people can apply for citizen's benefit, they must apply for **all the other social benefits**. Social benefits are designed to ensure that people no longer need help, or require less help. Citizen's benefit is designed for people who still need help despite receiving other social benefits. The same is true for a benefit community. The benefit community must take advantage of all other social benefits first. That is why these are called **primary benefits**. Before people can apply for citizen's benefit, they must use all their primary social benefits.

If someone does not file an application for primary social benefits, the Jobcenter can file the application for them. The same is true for a benefit community. In some cases, receiving primary benefits will mean you cannot receive citizen's benefit.

Here is a list of the most important primary benefits:



- **Child Benefit.**
- The **child allowance** is for people who work and have a child for whom they receive child benefits. These people can cover their own needs and their partner's needs with their income, but do not have enough money for the child. In some cases, the child allowance can be paid along with the **Housing Benefit**.
- The **advance child maintenance payment** for children. One parent can receive this benefit if the other parent does not want to or cannot pay any child support.
- **Unemployment Benefits.**
- The **reduced retirement pension**, which can be paid out from 63 years of age. The benefit is not considered primary if people need help despite the reduced retirement pension.
- A **foreign pension**, if it is comparable with the German pension.
- Other pensions, such as a **reduced earning capacity pension**, a **widow's or widower's pension** or an **orphan's pension**.
- **Continued payment of wages in case of sickness.**
- Benefits to continue your education. These benefits include the **education benefit**, benefits under the German Federal Education Assistance Act (**BAföG**) and vocational training assistance (**BAB**).
- **Housing benefits for tenants** are considered primary benefits if they ensure the tenant no longer needs help. The same applies to a state benefit for homeowners.
- The **Parenting Benefit** after the birth of a child.

Citizen's benefit (Das Bürgergeld)

Citizen's benefit is for people who do not have any work. Working people can also receive citizen's benefit. However, they can only do so if they do not have enough money to live on. To receive citizen's benefit, people have to fulfill certain conditions of entitlement:

- They must be at least 15 years of age.
- They cannot receive an old age pension, because they are too young.
- They are able to work. This means they are eligible to work.
- They need help to pay for their basic livelihoods. This means they are in need of help.
- They must reside in Germany. This means they must live in Germany.



The entitlement is regulated in Book 2 of the German Social Code.

People are entitled to claim citizen's benefit if they are able to work.

If they are not able to work, people can have an entitlement to **citizen's benefit for people who are unable to work**. This citizen's benefit is also known as "Citizen's benefit according to sentence 2 of Section 19 (1) of Book 2 of the German Social Code". Citizen's benefit for people who are unable to work is only available to people under the following conditions:

- There is a benefit community.
- Someone in the benefit community must be able to work.
- Someone in the benefit community must be entitled to receive citizen's benefit.

Capacity to work (Die Erwerbsfähigkeit)

The capacity to work describes that a person is able to work.

People are able to work if they can work **at least 3 hours per day** or at least 15 hours a week under normal conditions. Normal conditions mean at a normal job. For example, in an office or as a salesperson.



People can be able to work even if they have an illness. This changes if they are unable to work for at least 6 months due to an illness or disability. There may be different reasons someone is unable to work.

Capacity to work is also important for citizen's benefit. People in a benefit community only receive citizen's benefit if at least one person in the community is able to work.

Need for assistance (Die Hilfebedürftigkeit)

People can need help for a **variety of reasons**.

- People need help if they do not have enough money to live on. This money is also called their basic livelihood.
- People also need help if their benefit community does not have enough money, for instance because the money isn't enough for everyone in the benefit community. These people also don't receive enough help from their relatives or other social benefit offices like the housing benefit authority.



Citizen's benefit is **only** for people in need who cannot help themselves. If people want to receive citizen's benefit, they must first **use up their own money**. This includes their **income**, saved money, and other things. These are also called **assets**. However, they do not have to use up all their assets and they do not

have to do so straight away. There are specific rules on how much money you can retain.

If people have income or assets, we have to look and see how much money they have for their basic livelihood. They may be fully or partially in need, depending on how much money they have. If people have enough money for their basic livelihood, they are not considered in need.

Needs (Der Bedarf)

A person's needs describe the **amount of money** the person **needs to live**. A person's needs include a variety of things people need to live. This includes **clothing** and **food**, for instance.



In Germany, there exists what is called **standard support**. Standard support represents an average value. This means we determine how much money, on average, a person needs to live. Standard support is defined by law.

Standard support is divided into different levels, and depends on different things, such as your age and family situation.

Additional benefit (Der Mehrbedarf)

Sometimes, standard support is not enough for people in **special situations**. This extra need is called an additional benefit. The additional benefit is paid out to certain groups of people.



These include:

- Women, once they have been **pregnant for 13 weeks or more**.
- Single parents caring for a **minor child**.

- **People with disabilities** can also receive additional benefits in certain cases.
- People receive additional benefits if they need **special foods** for health reasons.
- **School students** if they have to purchase school books themselves. This only applies if the school requires the books.

Special needs (Die besonderen Mehrbedarfe)

You have special needs if the **costs of living are higher due to special circumstances**. And if the special circumstances are unavoidable. Examples of special needs are, for example:

- **Hygiene items** for certain **illnesses**. These include an HIV infection, for instance, or the skin disease neurodermatitis. Hygiene items include specialized cleaning agents, for example.



- If a child's parents live far apart, **travel expenses** to visit the other parent may be a special need. This is important to ensure the child has contact with both of their parents.

People have to submit an application if they want the costs of special needs to be paid. However, they can only receive the money if they **cannot pay** for these things themselves. They receive benefits from the Jobcenter for most of their needs. It is also important that no other organization is paying the costs.

Glasses and dentures, for example, are not special needs. A solution for one-off expenses of this kind is an **interest-free loan**. The Jobcenter lends people money without charging them loan fees (interest). This way, people only have to pay back the amount they borrowed. The Jobcenter looks into this solution when special needs arise.

Costs of heating and accommodation (housing costs)

(Die Bedarfe für Unterkunft und Heizung [Kosten der Unterkunft])

People also have the need for housing and heating. The Jobcenter is able to cover the housing and heating costs (rent). Benefits from the Jobcenter to cover the housing costs can only be used to pay the rent.



In certain cases, the money can also be transferred directly to the landlord.

When people own a house or a condominium, they also have housing costs. These include property tax, debt interest, and homeowner's insurance. The Jobcenter can pay these costs. In some cases, the Jobcenter can also pay other costs. These include costs for major repairs and costs to maintain the house, for instance. However, the repairs have to be major for the costs to be paid. There are also costs that cannot be paid. Repayment instalments for the house or condominium cannot be paid. Repayment instalments are the payments you have to make to repay the loan.

When people want to move into a new apartment, they have to talk to the responsible Jobcenter first. They cannot simply rent any apartment. They need a declaration of consent from the Jobcenter before signing a lease agreement. The declaration of consent is also called a guarantee. If people move into a new and more expensive apartment without a reason to do so, we will only pay the costs of their old apartment. In this case, they will have to pay for the rest themselves.

Income

(Das Einkommen)

Income is all the money a person makes. It does not matter where this income comes from or what type of income it is. Income may include **wages**, for instance, or **rental income**. It does not matter whether you receive the money **once** or on a **regular** basis. You always have to state your income.



These are some of the things included in income:

- The income people receive for **work**. This can also include payments for **freelance work**. If a school student earns money during school holidays, however, they can keep it.
- When someone owns a home or an apartment and receives **rent**, the rent is also part of their income. The same applies if someone leases land. For instance, if they own fields or a tract of forestry.
- In Germany, different monetary payments are also considered part of your income. These include, for example, **Child Benefit, Unemployment Benefit, Insolvency Benefit, continued payment of wages in case of sickness** and **vocational training assistance**.
- Your pension is also considered income, including pensions from statutory social security insurance. This includes, for instance, an **old age pension, accident pension, injury pension** and **miners' compensation benefits**. **Foreign pensions** and **company pensions** are also part of your income.
- **Alimony payments** are also considered income. People receive alimony payments in certain circumstances if they raise a child alone or are divorced. This also includes benefits under the Maintenance Advance Act. These are benefits one parent receives if the other parent does not want to or cannot pay any child support.
- **Interest** and **capital gains** are also considered income.
- **Housing Benefits** and **Social Assistance** under Book 12 of the German Social Code (SGB XII) are also considered income.
- **Parenting Benefits** and **Constant Attendance Allowance** for educational activities under Book 8 of the German Social Code (SGB VIII) are also considered income.

People must also report **one-time income** right away.

One-time income, for instance, includes a **tax refund**, **profits** from legal gambling, or **operating cost reimbursements**.

People also have to report income if they do not receive money regularly. You may receive an irregular income, for instance, if you **sell** things. This may include artwork, for instance.

Assets (Das Vermögen)

Assets include everything that belongs to a person whose value can be **measured in terms of money**. It does not matter if these things are located in Germany or abroad. Assets include money that is not income.

Assets include:

- Credit in **bank accounts** and **savings banks**. Savings can also be in an online bank account. In addition, assets also include cash, securities, shares, loans and equity funds.
- **Motor vehicles** such as cars and motorcycles can also be assets.
- **Insurance coverage** can also be considered assets.
- **Home ownership savings plans** are also considered assets.
- Land a person owns is counted as part of their assets. This includes **developed and undeveloped properties** and houses. Houses might be single family homes or apartment buildings, for instance. A home you own can also be considered part of your assets.
- **Jewelry, valuable paintings** or other **valuables** are also considered assets.



Only those assets that can be used for a person's basic livelihood are taken into consideration. Assets are considered **usable** if they can be used for your basic livelihood. This may include selling or leasing the asset. However, there are also assets that you cannot sell or lease. This may be because the assets are pledged or mortgaged, for instance. These objects are not usable.

If someone lives in a benefit community, the assets of the other people in the benefit community are also taken into consideration.

When a person applies for citizen's benefit for the first time, they are supposed to devote all their time to finding a job. Therefore, the Jobcenter only considers substantial assets for one year. Substantial assets are assets in excess of 40,000.00 euros. In addition to this, 15,000.00 euros are also added for each additional member of the benefit community.

Application for citizen's benefit (Der Antrag auf Bürgergeld)

A person who wants to receive citizen's benefit is required to make an application for it.



The application has several parts. These parts of the application are called attachments. The Jobcenter tells the person which attachments they need to fill out.

There are some things a person must remember when making their application. The application is generally based on the first of the month. This means that the application is almost always **retroactive**. For example: a person makes an application on July 15th. The application is then valid retroactively from July 1st, however.



Therefore, a person should always provide their information for the entire month. This is especially important when providing the details of their income.

Caution!

A person who makes an application must make sure that they make their application in the right Jobcenter. They must make their application in the Jobcenter which is responsible for their place of residence.

The notification (Der Bescheid)

When you file an application, you will receive an answer. The answer is called a notification. The notification provides an answer to your application. If something changes in the decision, you will receive a new notification from your Jobcenter. You will always receive the notification in writing.

People receive notifications in the following cases:

- The application is approved. The decision is also known as a notification of approval. The notification states what benefit the person will receive and for how long. This time is the approval period. Once the approval period is over, the person must submit a new application.
- The application is not approved, or only partially approved. In this case, it is also possible to say that the application is rejected. The person then receives a notification of rejection.
- There is a change in the amount of benefit that the person receives. They receive a change notification.
- A person has received a benefit incorrectly. The Jobcenter will inform the person in the notification that they are required to repay the benefit. This notification is known as a repayment notification.



Payment (Die Auszahlung)

The benefits to which a person is entitled are paid to their bank account.

The payment of citizen's benefit takes place on scheduled dates. This is generally at the end of the month. This means that their benefits are available to them at the beginning of the month.



Appealing a decision (Der Widerspruch gegen eine Entscheidung)

A person can lodge a **complaint** if they do **not agree** with a decision. This is also called submitting an appeal. Anyone affected by the decision can do this. However, you must appeal **within 1 month** once you have received the notification.

A person must submit the appeal in **writing** or **personally** to the Jobcenter. You can only submit the appeal to the Jobcenter that issued the notification. The decision will then be reviewed.



The review can have different results:

- The person's appeal is correct. This means your appeal has been granted.
- The person's appeal is partially correct. This means your appeal has been only partially granted.
- The person's appeal is not correct. This means your appeal has not been granted.

If their appeal is not granted or only partially granted, a person can file a complaint with the social welfare court. The complaint can only be filed with the social welfare court.

Collaborative obligations (Die Mitwirkungspflichten)

People who receive citizen's benefit have certain obligations. They have to work with the Jobcenter. These are also called collaborative obligations.



- A person is required to provide **correct information**. If they submit an application for a benefit, for instance, the information has to be correct. If people live together in a benefit community, the information on other people in

the benefit community also has to be correct. The information is important for reviewing your claim to benefits. For example, whether they or another member of the benefit community should receive citizen's benefit.

- Information must be **complete**. No information may be missing.
- A person also has to be able to "prove" the information if they are asked for proof. This means you will have to submit **documents** and **certifications**, for instance.
- A person also has obligations after they submit an application, for instance if something changes that would change the amount of the benefit or prevent them from receiving it. For example, if they have found a job or if their rent increases. You must provide this information to the responsible Jobcenter **immediately**.

Availability (Die Erreichbarkeit)

If a person receives citizen's benefit, it must be possible for the Jobcenter to contact them.

If a person is not at home for an extended period of time, they must always inform the responsible Jobcenter. For example, if they have to go to the hospital, if they want to move house, or they go on vacation. They are then absent and unavailable to the Jobcenter.



A person must tell the Jobcenter at least one week in advance that they are going to be away from home for an extended period of time. The Jobcenter must agree to this. Only then will they continue to receive citizen's benefit when they are absent.

If a person is working, they do not need to request the approval of the Jobcenter.

A person is allowed to be absent from their home for up to three weeks per year. If they are absent for more than 3 weeks, they will not receive citizen's benefit.

Social security (Die Sozialversicherung)

When a person receives citizen's benefit, they are usually **subject to compulsory insurance** under statutory health and care insurance. The Jobcenter then provides insurance to the recipients of citizen's benefit.



When a person receives citizen's benefit for a person who is unable to work, they are not insured under the statutory health and care insurance by the Jobcenter.

If a person wants to know something about insurance coverage, they must contact their health and care insurance company directly.

If a person had private health insurance before receiving citizen's benefit, **they remain privately insured.**

Some people may be able to receive a **grant** for the costs from the Jobcenter. However, the grant is only for health and care insurance costs, and is paid directly to the insurance company.

The Jobcenter only insures people once the benefit has been approved. They are then insured from the 1st of the month in which the benefit was approved. This means the insurance can be retroactive. For example, you are insured from the 1st of the month, even if your application was only approved on the 15th of the month.

A person may get sick after they have made an application but before their application has been approved. In such cases, they will **not yet have health insurance coverage.**

To be safe, people should talk to their health insurance provider right after submitting their application. The health insurance provider can provide them with information on their provisional insurance coverage. The same applies to all the family members on their insurance.

Issued by

Bundesagentur für Arbeit (Federal Labor Agency)

90327 Nuremberg

Benefits and the law SGB II (FGL 2)

January 2023

www.arbeitsagentur.de