

Basic Guide 2010

SOCIAL SECURITY INSURANCE

For self-employed artists in Austria

Compulsory insurance under the “Gewerbliches Sozialversicherungsgesetz, GSVG [Commercial Social Insurance Law]

Since 1.1.2001 the GSVG applies to artists too: self-employed artists are classified as “Neue Selbständige” [new self-employed]. If they earn more than the minimum set for insurance purposes artists must register for compulsory insurance with the SVA, the Sozialversicherungsanstalten der Gewerblichen Wirtschaft (the administrative organ of the social security insurance) which has branch offices in every province.

Sozialversicherungsanstalt der Gewerblichen Wirtschaft

Head office: 1051 Vienna, Wiedner Hauptstraße 84-86

Phone: 01/546 54-0, Fax: 01/546 54-385

Web: <http://esv-sva.sozvers.at>

Subsidy towards pension insurance contributions from the Künstlersozialversicherungsfonds, KSVF [Artists' Social Security Insurance Fund]

Artists registered for compulsory insurance and who fulfil all other requirements will receive a subsidy towards their pension contributions from the KSVF (and since 2008 also for their health and, where applicable, accident insurance contributions where the maximum subsidy for pension insurance contribution has not been fully exhausted).

Künstlersozialversicherungsfonds

1010 Vienna, Goethegasse 1 / Stairway 2 / 4th floor

Phone: 01/586 71 85

Email: office@ksvf.at

Web: <http://www.ksvf.at>

Office hours: Mon-Thurs 8-12 a.m. und 1-4 p.m., Fri 8-12 a.m.

Information and individual consultation

IG BILDENDE KUNST

Gumpendorfer Straße 10-12, 1060 Vienna

Phone: 01/524 09 09, Email: office@igbildendekunst.at

Web: <http://www.igbildendekunst.at>

Consultant for social insurance matters: Daniela Koweindl, Wednesday 2-4 p.m.

Consultation fee: EUR 25,00. Free for members of IG Bildende Kunst.

SOCIAL SECURITY INSURANCE

The thresholds of GSVG insurance. Whoever earns more than the amount stipulated in the insurance regulations (set annually) must be insured.

Insurance threshold I: EUR 6.453,36

This applies where the income is from self-employed sources only.

Insurance threshold II: EUR 4.395,96 (as of 2010)

This applies when, in addition to the self-employed activity in the same calendar year, there is income from other gainful employment (as employee, under contract) or the person is a recipient of a pension or other allowance (e.g. orphan's allowance), child care benefits or payments from statutory health or unemployment insurance funds (e.g. sickness benefit, maternity allowance, special allowances, unemployment or social benefits) though not an accident or other annuities. Multiple insurances are possible.

Cost of Compulsory Insurance (as of 2010)

Pension contribution: 16.25% Accident insurance: EUR 8.03 monthly

Health insurance: 7.65% Self-employed supplementary pension contribution: 1.53%

Examples of contributions – Insurance threshold I – payments calculated for 2010

Basis for minimum contribution (monthly): EUR 537.78.

The insurance contributions calculated at current rate as follows:

Accident insurance: EUR 8.03 per month

Health insurance: EUR 41.14 per month

Pension contribution: EUR 87.39 per month

Supplementary pension contribution: EUR 8.23 per month

Examples of contributions – Insurance threshold II – payments calculated for 2010

Basis for minimum contribution (monthly): EUR 366,33.

The insurance contributions calculated at current rate as follows:

Accident insurance: EUR 8.03 per month

Health insurance: EUR 28.02 per month

Pension contribution: EUR 59.53 per month

Supplementary pension contribution: EUR 5.60 per month

Provisional insurance contributions are invoiced quarterly. When an income tax assessment becomes available the contributions will be re-assessed and, where appropriate, back payments will have to be made. The final insurance contributions will be assessed on actual income (re-assessment). The contribution calculation above for provisional insurance contributions are also the minimum contributions. Basis for maximum contribution (monthly): EUR 4.795 (as of 2010).

A pension fund must be selected for the supplementary pension contributions.

Registering for insurance

Submitting an insurance declaration. The form is available at all offices of the SVA and in the web.

Voluntary Unemployment Insurance for the Self-employed

All those registered for compulsory insurance have to decide within six months of the registration whether they wish to have unemployment insurance or not. Once made the decision is binding for eight years! The monthly unemployment insurance contributions are as follows (as of 2010): EUR 71.93 or EUR 143.85 or EUR 215.78. The amount of the contribution determines the amount of unemployment benefit that can be received (daily amount 2010: EUR 19.30 or EUR 30.89 or EUR 42.45). However it is important to note that all gainful employment must have been terminated, not just reduced.

SUBSIDY

Requirements for receiving a subsidy from the Künstlersozialversicherungsfonds (KSVF):

1. Application by the artist
2. Exercise of an artistic activity
3. A valid compulsory insurance for pension contributions under the GSVG based on artist activity
4. A minimum income from that self-employed artistic work of EUR 4395,96 (as of 2010)
5. Maximum income from all sources: EUR 21979.80 (as of 2010). For every child for which there is the right to family allowance the amount increases by EUR 2197.98 (as of 2010).

All five requirements must be fulfilled. The KSVF will officially notify the insured of its decision as to whether a subsidy will be granted or not.

The Amount of the Subsidy

Since 2010 the maximum annual subsidy is EUR 1350 (EUR 112.50 monthly) and in the first place is applied to the pension contribution. If the annual pension contribution is less than the maximum possible subsidy, then the difference will be applied to the health and/or accident insurance contributions. The subsidy is not paid out to the artist, but goes directly to the SVA.

ATTENTION: Demands for Repayment

Subsequent non-fulfilment of any of the requirements for a subsidy results in the loss of the right to the subsidy and the KSVF is empowered to demand repayment of subsidies that have already been paid out. In 2008 an amendment came into force. Since then there has been a list of special and exceptional rules which are intended to avoid repayment demands especially where the minimum threshold has not been reached. The definition of the minimum threshold is now defined more widely (it takes into account scholarships, prizes, and income from part-time, paid, art-related employment). In addition the KSVF may abstain from demanding repayment upon the application of the artist in some cases (social reasons, attainment of the threshold from gross income instead net income after tax, natural disasters). On top of that the KSVF can – as has been the case up till now – defer repayments, accept payment in instalments as well as cancel repayments when the economic position of the artist would make such demands unreasonable.

The artist has a duty to notify the KSVF of a change in the conditions affecting the payment of the subsidy.

Applications

To be made to the KSVF using the form “Antrag auf Gewährung von Zuschüssen zu den GSVG-Pensionsversicherungsbeiträgen [application for a subsidy for the GSVG pension contributions]. This can be had from the KSVF, from the SVA (Gewerblichen Wirtschaft) and downloaded from the web: http://www.ksvf.at/form/Antrag_Zuschuss.pdf. The application form should be accompanied by a curriculum vitae and, where required, references. Proof of artistic activity must be provided e.g. participation in exhibitions, press folder, catalogues, engagements, letters awarding scholarship/prizes/medals, work samples, etc.

In order to determine if a particular activity falls within the definition of artistic, the KSVF requests a expert opinion from the so-called Künstlerkommission [art commission]. The sub-commissions provide expert opinions as to the existence of so-called “Künstlereigenschaft” [art qualities] and the artistic activity. If the report is negative, the applicant may appeal for a new assessment from the appeals commission.

(English translation: Tim Sharp)