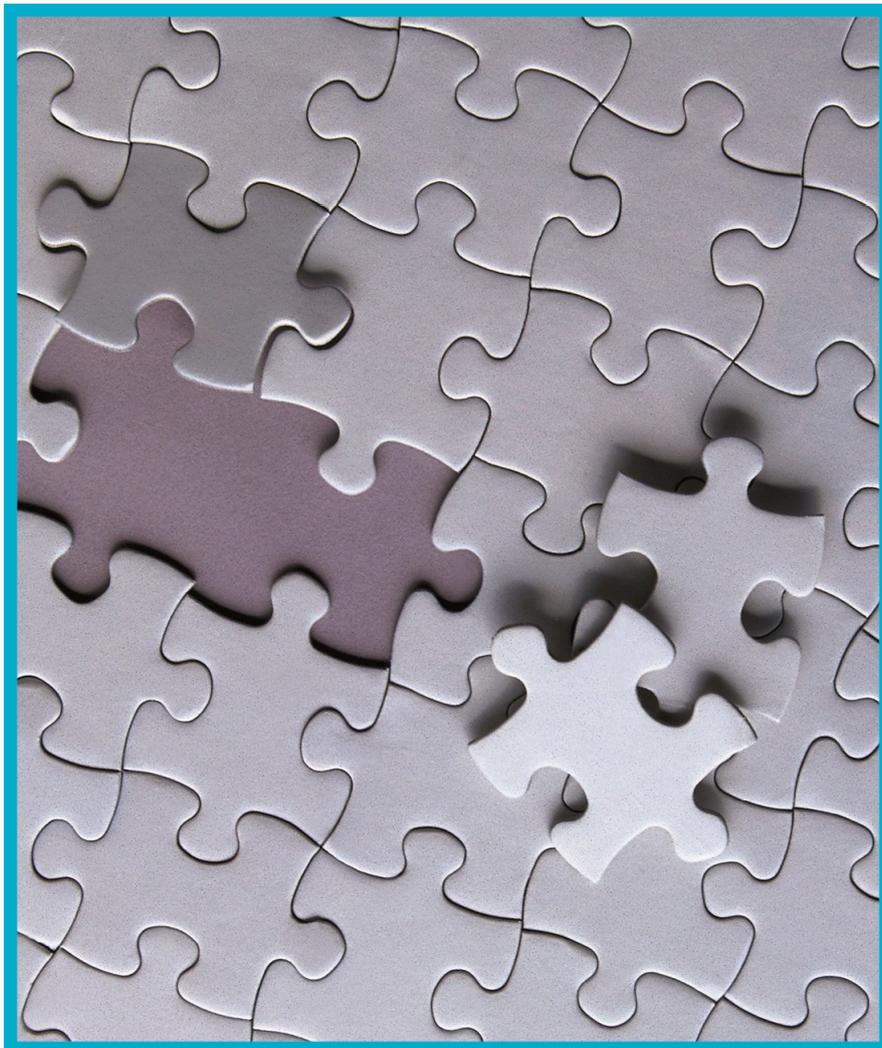




Basic income support for jobseekers

Unemployment benefit type II/ Social security benefit

Benefits according to Book Two of the German Social Security Code (SGB II)



INFORMATION BROCHURE
published by the Jobcenter Landkreis Ludwigsburg

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The Jobcenter's opening times

Weekday	Times
Monday	08:30 am – 12:30 pm
Tuesday	08:30 am – 12:30 pm
Wednesday	08.30 am - 12:30 pm
Thursday	01:30 pm - 06:00 pm
Friday	08:30 am - 12:30 pm

General remarks

The basis for the basic income support for jobseekers (unemployment benefit type II and social security benefit) is Book Two of the German Social Security Code (SGB II). This information brochure is designed to provide general information; it contains the most important information about unemployment benefit type II and social security benefit. It also provides information about possible additional benefits in particular cases, about your social security and also what you need to observe and your obligations when you have applied for benefits according to the German Social Security Code II or if you are claiming these benefits. As it is not possible to deal with all regulations in detail in this brochure, contact your Jobcenter for advice if you have any queries.

The Jobcenter Landkreis Ludwigsburg as authorized municipality is responsible for the basic income support for jobseekers. This involves benefits designed to end or reduce the need for assistance, especially through integration into the labour market as well as subsistence benefits. These are in detail:

1) Cash benefits

- benefits to cover the living costs of all persons living in a “community of need” (unemployment benefit type II for claimants fit for work and social security benefit for persons unfit to work),
- benefits for housing and heating,
- payment of social security contributions (health insurance and long term care insurance, accident insurance),
- grants for special, one-off requirements (e.g. basic household equipment, essential items for pregnancy and birth),
- additional benefits for certain additional requirements,
- benefits for education and participation (for claimants of unemployment benefit type II and social security benefit).

2) Services

All benefits related to the labour market aiming at integration into gainful employment. This includes, for example, counselling, support, intermediation, measures for activation and professional integration, the promotion of measures for further training, offering jobs and information about local integration benefits (debt counselling, addiction counselling, psychosocial counselling, looking after underage or disabled children as well as domestic care for relatives).

3) Non-cash benefits

Non-cash benefits include, for example, food coupons in the event of benefit reduction or discontinuation of benefits.

Branches and their contact details

In addition to its two facilities in Ludwigsburg, the Jobcenter Landkreis Ludwigsburg has three other branches which are located in Bietigheim-Bissingen, Ditzingen and Vaihingen/Enz. The addresses of the respective Jobcenters are as follows:

- Ludwigsburg, Hindenburgstrasse 4,
- Ludwigsburg, Schwieberdinger Strasse 58,
- Bietigheim-Bissingen, Freiburger Strasse 51,
- Ditzingen, Berblingerstrasse 2,
- Vaihingen/Enz, Franckstrasse 20.

Which of these is the competent Jobcenter in your case depends on where you live or where your main residence is:

Self-employed all localities in the administrative district Ludwigsburg

Jobcenter Landkreis Ludwigsburg (Department Ludwigsburg City 1)

Hindenburgstrasse 4

71638 Ludwigsburg

Phone: +49(0)7141 144-8615, Fax: +49(0)7141 144-9454

E-mail: Jobcenter.Selbststaendige@landkreis-ludwigsburg.de

Ludwigsburg: Eglosheim, Hoheneck, East:

Jobcenter Landkreis Ludwigsburg (Department Ludwigsburg City 1)
Hindenburgstrasse 4
71638 Ludwigsburg
Phone: +49(0)7141 144-8615, Fax: +49(0)7141 144-9455
E-mail: Jobcenter.Stadt1@landkreis-ludwigsburg.de

Ludwigsburg: Centre, North, West:

Jobcenter Landkreis Ludwigsburg (Department Ludwigsburg City 2)
Hindenburgstrasse 4
71638 Ludwigsburg
Phone: +49(0)7141 144-8615, Fax: +49(0)7141 144-9451
E-mail: Jobcenter.Stadt2@landkreis-ludwigsburg.de

Remseck, Ludwigsburg: Gruenbuehl, Neckarweihingen, Ossweil, Pflugfelden, Poppenweiler, South:

Jobcenter Landkreis Ludwigsburg (Department Ludwigsburg Urban Area/District)
Hindenburgstrasse 4
71638 Ludwigsburg
Phone: +49(0)7141 144-8615, Fax: +49(0)7141 144-9456
E-mail: Jobcenter.StadtKreis@landkreis-ludwigsburg.de

Asperg, Freiberg am Neckar, Markgroeningen, Moeglingen:

Jobcenter Landkreis Ludwigsburg (Department District 1)
Schwieberdinger Strasse 58
71636 Ludwigsburg
Phone: +49(0)7141 144-8885, Fax: +49(0)7141 144-9457
E-mail: Jobcenter.Kreis1@landkreis-ludwigsburg.de

Affalterbach, Benningen am Neckar, Erdmannhausen, Grossbottwar, Marbach am Neckar, Murr, Oberstenfeld, Steinheim an der Murr:

Jobcenter Landkreis Ludwigsburg (Department District 2)
Hindenburgstrasse 4
71638 Ludwigsburg
Phone: +49(0)7141 144-8615, Fax: +49(0)7141 144-9454
E-mail: Jobcenter.Kreis2@landkreis-ludwigsburg.de

Kornwestheim, Schwieberdingen:

Jobcenter Landkreis Ludwigsburg (Department District 3)
Schwieberdinger Strasse 58
71636 Ludwigsburg
Phone: +49(0)7141 144-8885, Fax: +49(0)7141 144-9450
E-mail: Jobcenter.Kreis3@landkreis-ludwigsburg.de

Bietigheim-Bissingen, Tamm:

Jobcenter Landkreis Ludwigsburg (Bietigheim Branch)
Freiberger Strasse 51
74321 Bietigheim-Bissingen
Phone: +49(0)7141 144-8401, Fax: +49(0)7141 144-9452
E-mail: Jobcenter.Bietigheim1@landkreis-ludwigsburg.de

Besigheim, Boennigheim, Erligheim, Freudental, Gemmrigheim, Hessigheim, Ingersheim, Kirchheim am Neckar, Loechgau, Mundelsheim, Pleidelsheim, Walheim:

Jobcenter Landkreis Ludwigsburg (Bietigheim Branch)
Freiberger Strasse 51
74321 Bietigheim-Bissingen
Phone: +49(0)7141 144-8401, Fax: +49(0)7141 144-9447
E-mail: Jobcenter.Bietigheim2@landkreis-ludwigsburg.de

Ditzingen, Gerlingen, Hemmingen, Korntal-Muenchingen:

Jobcenter Landkreis Ludwigsburg (Ditzingen Branch)
Berblingerstrasse 2
71254 Ditzingen
Phone: +49(0)7141 144-8500, Fax: +49(0)7141 144-9449
E-mail: Jobcenter.Ditzingen@landkreis-ludwigsburg.de

Eberdingen, Oberriexingen, Sachsenheim, Sersheim, Vaihingen:

Jobcenter Landkreis Ludwigsburg (Vaihingen Branch)
Franckstrasse 20
71665 Vaihingen/Enz
Phone: +49(0)7141 144- 8300, Fax: +49(0)7141 144-9448
E-mail: Jobcenter.Vaihingen@landkreis-ludwigsburg.de

The most important points in brief

- **It is imperative that you file an application:** You only receive the basic income support for jobseekers if you have filed an application. If you are in need of assistance please file your application as soon as possible with your competent Jobcenter, depending on where your main residence is.
- **Entitlement to benefits starts with the date you have filed your application:** On principle, you cannot receive benefits for the time before filing the application. However, if you file an application for subsistence benefits, your entitlement to these benefits is retroactive to the first day of the month of application. Hence, if all other conditions are met, you receive employment benefit type II or social security benefit retroactively from the first day of the month even if you filed your application, for example, only on the 15th of that month. Please note in this case that your income and assets will be taken into account from that time and that for certain benefits you need to file a separate application (e.g. for essential items for pregnancy and birth or for benefits for education and participation, except for personal school supplies).
- **Filing your application:** On principle you can file your application without observing a particular form so as not to lose out on benefits. To make things easier, however, please drop off your application in person during our opening times. Do not forget to bring along your ID card. When the application documents are handed out to you, you will be given a time limit for the submission of the required papers and supporting documents and is absolutely essential that you observe this deadline.
- **The application implies all persons living in the “community of need”:** If you file an application for a joint household, a so-called “community of need”, then this application also implies the other persons living with you. However, exempt from this are persons in your household aged over 25 and who are not your partner. Consequently, children aged over 25 (yours or your partner’s), as an example, must file their own application for basic income support for jobseekers if they cannot cover their own living costs themselves.

- Income and assets are taken into account: If you (or the other persons living with you in the “community of need”) have an income and/or assets, this will be taken into account for the calculation of your benefit entitlement insofar as the exemption amount is exceeded.
- Gainful employment and unemployment benefit type II: You can be gainfully employed for more than 15 hours a week without losing your claim to unemployment benefit type II. This constitutes a distinct difference between unemployment benefit type II and normal unemployment benefit.
- Incentives to take up employment: If you want to take up employment and you have insufficient financial means, you may be eligible for certain benefits to help you take up employment such as an allowance for your commuting costs. In case of need please contact your personal advisor in the Jobcenter.
- Amount of exemption for earned income: If you have an income (as employee/self-employed) not your entire income is taken into account for the calculation of your benefit. Part of it, the amount of exemption, will not be taken into account and will not reduce your benefits. Consequently, you are always better off financially when you are working than when you are not working.
- Your obligations when claiming unemployment benefit type II: If you want to receive benefits, one of your obligations implies that you as well as all the members of your “community of need” who are fit to work, make use of all opportunities to end your financial neediness or to reduce it and that you actively participate in all labour market integration measures you are being offered. Non-observance of your obligations will generally lead to sanctions, i.e. to a reduction of your benefits.
- Every reasonable job must be accepted: If you receive unemployment benefit type II you are obligated to take up every job you are capable of doing on a mental, psychological and physical level. Claimants of benefits according to the German Social Security Code (SGB II) do not have occupational protection, i.e. the right to restrict their job search to their usual occupation.
- Reporting obligation and reachability: When requested you are obligated to report to the Jobcenter in person or to attend a medical/psychological examination. Non-observance of your obligations will generally lead to sanctions, i.e. to a reduction of your benefits. Furthermore, the Jobcenter staff must be able to reach you on every working day at your stated address and you must be able to go to the Jobcenter every day if required.
- Duty of cooperation and notification: You must inform the Jobcenter without delay of any changes in your personal circumstances (e.g. income generation, receiving a pension, a member of the “community of need” moving out, changed contact details, inability to work etc.).
- Consequences of non-observance of obligations: If you do not meet your obligations without a serious reason recognized by the Jobcenter, your unemployment benefit type II can be reduced. A claimant can be subject to several cuts which can even lead to the unemployment benefit type II being stopped completely. Sanctions last for 3 months each time.
- Health insurance: When you receive unemployment benefit type II you have health insurance and long term care insurance coverage or if certain conditions are met you are eligible for an allowance for an insurance coverage of your choice. If certain conditions are met you are also eligible for accident insurance coverage.

- Transfer of benefit payments into your bank account: Because the benefit payments are usually transferred you will need a bank account and you must communicate your full bank details to the Jobcenter; this can also be an account designed for protection from seizure.
- Taxes: The basic income support benefits are exempt from taxes.
- Children's allowance: For children aged under 25 you may be eligible for a children's allowance if certain conditions are met. The application for this allowance must be filed in writing with the Employment Agency's competent Family Benefits Office (Stuttgarter Strasse 55, 71638 Ludwigsburg). The children's allowance is not a benefit paid by the Jobcenter or the Landratsamt Landkreis Ludwigsburg (District Office).
- Legal remedies/how you can contest decisions: Every decision taken by your Jobcenter can be contested by you or by another person affected by that decision, for example against the decision regarding your application for benefits and every subsequent alteration of this decision. The objection must be submitted within one month after you have received a notification of the decision in question. As a result the contested decision will be reviewed. If the decision cannot be reconsidered to meet your demands, you will receive a written ruling on your objection making this clear. You may appeal this reconsidered decision. Together with the written ruling you will receive information on legal remedies available informing you about where to lodge your appeal (which court), within what time limit and which application forms have to be used. Generally, objection and complaint have no delaying effect. This means that the legal consequence stated in the decision will be valid initially.
- Claims against third parties: If you receive the basic income support for jobseekers, your claims against third parties will generally change over to the Jobcenter, by act of law, for the time expenses were incurred. Such claims changing over to the Jobcenter are, for example, a claim against your private health or long term care insurance, a claim resulting from unjustified enrichment, a claim to a compulsory portion against heirs or a repayment claim from a donation. This also affects civil claims to maintenance (e.g. maintenance following divorce and separation, maintenance claims against parents), however, only up to the amount of the benefit payment. The claim does not change over to the Jobcenter as long as the claim for maintenance is met by regular payments.
- If other authorities need proof that you are claiming benefits: If required, you can prove that you are receiving basic income support for jobseekers by producing the Jobcenter's notice of approval and proof of the last benefit payment transferred into your account (e.g. a bank account statement). Every year or, as the case may be, when you stop receiving benefits, you will additionally obtain an official confirmation of benefit payments from your Jobcenter which you are advised to keep in a safe place. This confirmation contains a listing of the periods in which you were claiming benefits. There is a separate sheet in your notice of approval which you can use as proof of your benefit payments when applying for an exemption from the TV licence fee for the services ARD, ZDF and Deutschlandradio. You can pick up an application form at your local Jobcenter. File your application without delay, at the latest on the same day as your application for unemployment benefit type II, because an exemption can only be granted for the future, never retroactively.
- Data protection: The Jobcenter needs your data in order to assess your benefit claim for basic income support and to pay out the benefits to you. Required data includes in this context bank account statements going back three months from every account held by the members of the "community of need". Please always submit photocopies, no originals. For certain debit postings it is admissible to blacken the addressee and the reason for payment. This includes contribu-

tions to political parties, trade unions or religious associations. On the other hand, all credit postings, account balances and debit postings affected by the German Social Security Code SGB II (payments of rent, heating costs, electricity payments, maintenance payments, insurance contributions etc.) must not be blackened and have to be completely readable. The German Social Security Code protects you from illegal use of your personal data. You can request information about which of your data is stored or contained in files. Your data is only forwarded (e.g. to health insurance funds, pension insurance funds or other authorities) insofar as this is permitted according to the German Social Security Code. Medical and psychological reports as well as diagnostic findings are not forwarded if you have expressly objected to this. In order to avoid misuse of benefits, the competent institutions are entitled to compare electronic data belonging to different claimants. Furthermore, certain authorities can be asked to disclose information. In justified individual cases the Jobcenter can also conduct external investigations, e.g. home visits, to clarify benefits-related questions. Due to the inviolability of the home (article 13 of the German Constitution) you have the right to deny access to your home. However, this may result in a rejection of your application for benefits if there is no other possibility to determine whether your asserted claim is justified. In order to expose possible misuse of benefits it is admissible to question witnesses and experts.

- Entitlement to counselling and intermediation services provided by the Employment Agencies: If you do not qualify for benefits according to the German Social Security Code II (SGB II), you are still entitled to help and support according to the German Social Security Code III (SGB III). You can make use of the Employment Agencies' counselling and intermediation services even if your application for benefits was rejected according to the German Social Security Code II (SGB II). For further information please contact the Employment Agency directly or go to www.arbeitsagentur.de.

1. Basic income support for jobseekers

1.1 General facts about the basic income support for jobseekers

The basic income support for jobseekers according to the German Social Security Code II (SGB II) exists since 01 January 2005, when unemployment benefit and social welfare benefit for persons who are fit to work but in need of assistance, the two social benefits existing until that time, were merged. Apart from services and non-cash benefits, the benefits according to SGB II are primarily the unemployment benefit type II and social security benefit.

All persons fit for employment can receive unemployment benefit type II insofar as they are eligible. Persons unfit for work living with a least one person fit for work in a "community of need", however, qualify for social security benefit. Both benefits (unemployment benefit type II and social security benefit) are designed to ensure that basic needs are met. The term "basic income support" implies that only the minimum level of needs is met, i.e. it ensures a sociocultural subsistence minimum. This social security is designed for persons who are currently unable to cover their (entire) living costs themselves, whose income and assets are not sufficient to cover their minimum requirements.

As opposed to unemployment benefit, unemployment benefit type II and social security benefit are tax-financed. As opposed to the unemployment benefit paid by the Employment Agency, the other two are no insurance benefits, i.e. benefits that people qualify for as a result of contribution paid into the unemployment insurance system, they are state welfare benefits. Therefore it is not decisive whether and how long you have previously paid contributions into the social security and unemployment insurance systems when you were employed. Nor does the benefit amount depend on how much you previously earned, it is exclusively based on the legal mini-

mum you are entitled to to live, if you cannot cover the costs yourself. Therefore, if you are in need of assistance, you can apply for benefits even if you did not have to pay social security contributions so far (i.e. if you were a pupil, student, housewife, unemployed etc.). Even unemployment is not a prerequisite for being eligible; if your income is too low you may qualify for supplementary benefits according to SGB II even if you are working full-time. Furthermore, it is irrelevant whether you are employed or self-employed. The decisive question is whether your living costs are covered or not.

The individual amount someone is entitled to in case of need is based on the so-called “normal requirements” statutory provision; for more detailed information please refer to chapter 4.2.1. In addition to the normal requirements, the Jobcenter incurs certain costs, such as a reasonable rent, reasonable additional expenses when renting as well as health and long term care insurance contributions.

As the basic income support for jobseekers is a tax-financed social benefit, it is not possible that a wealthy person claims benefits. Therefore it is not possible to claim unemployment benefit type II for someone with usable assets exceeding the statutory exemption amounts that have to be granted to someone claiming benefits according to SGB II. When taking into account the assets, not every item of property is taken into consideration. And only income exceeding certain exemption amounts is taken into account. Please turn to chapter 5 for more detailed information regarding assets and income taken into account.

1.2 The term „community of need“

The calculation how much basic income support for jobseekers someone is entitled to, implies either one person, living alone and fit for work, or several persons living together in a so-called “community of need” (insofar as at least one of these persons is fit for work as defined by § 8 SGB II).

If several person are living together in one household and are running the household jointly on an economic level, generally all these persons will be treated as an entity, a “community of need”, and therefore they must vouch for each other. However, not every case of persons living together is automatically a “community of need”; for example, this does not apply to flat sharing, and children aged over 25 still living with their parents are not considered to be part of the “community of need” either. The persons belonging to a “community of need”, however, do not need to be married or related. Same-sex partnerships can also constitute a “community of need”; it is not necessary to register the partnership to be eligible. Who is part of a “community of need” and who is not, is determined in the German Social Security Code II and described below:

Persons belonging to a “community of need”:

- Employable claimants
- As the partner of employable claimants :
 - wife/husband not living apart permanently,
 - companion not living apart permanently,
 - a person living with the claimant in a joint household in such a way that following a reasonable assessment it can be assumed that both persons involved are willing to take on responsibility and vouch for each other (caring and committed union).

- The unmarried children of the employable claimant or his/her partner if they are aged under 25
- Father and/or mother and, as the case may be, the partner of the employable, unmarried child aged under 25 if they are not employable themselves. Unemployable parents are part of a “community of need” together with their unmarried children aged under 25, if at least one child is fit for work, i.e. at least 15 years of age.

The personal circumstances (income and assets) of all persons belonging to such a “community of need” will be taken into account when making a **joint calculation**, so to speak, everything they have and everything they need will be viewed as a whole. Every member of the “community of need” must use his/her income and assets to satisfy the needs of the other household members, because one person’s income is not considered to be just his/hers, but is taken into account when assessing the requirements of the whole “community of need”.

The difference between a “community of need” and a common household: The members of a “community of need” are considered as one entity when assessing their needs. On the other hand, persons sharing a flat but constituting separate economic units, not related or living as a couple etc., are considered to be living together in a common household and the calculation of benefits will be done independently from the others for each member of the household. Hence the distinction between a “community of need” and a common household has far-reaching (financial) implications.

Considered to be a “community of need” is, for example, a couple who have been living together for over a year, a couple living together with a common child, persons who are entitled to dispose of each other’s income or assets etc. A household whose members are separate and independent of each other (such as flat sharing), for example, does not qualify for a “community of need”. Furthermore, a separate “community of need” is, for instance,

- an unmarried child aged under 25 that has a child of his/her own, or
- a child on its own aged over 25.

Besides persons fit for work, persons unfit for work can also be entitled to benefits according to SGB II, if they form a “community of need” with at least one employable person. The SGB II benefit which persons unfit for work can receive is called social security benefit. The benefit which employable persons in need of assistance can receive is called unemployment benefit type II. There is a difference between social security benefit and social welfare benefit; social welfare benefit is a benefit based on Book XII of the German Social Security Code (SGB XII) and subordinate to the benefits based on SGB II.

1.3 Filing an application

To receive basic income support you must file an application. Your competent Jobcenter will give you the application forms and a check list with the required documents and a date will be set for the submission of the completed and signed application as well as the required documents to the person responsible for the assessment of your benefits. Your application can only be treated when all required documents have been submitted.

You must file your application with your competent Jobcenter, in charge of the district you live in or where you have your main residence. Please refer to pages 2-3 for your competent Jobcenter.

If you are no longer able to cover your living costs yourself, please file an application for basic income support as soon as possible. Your application is retroactive to the first day of the month in which you filed your application; on no account will you be able to claim benefits for previous periods.

In order to avoid discontinuance of benefit payments, please make sure that you file an **application for continued approval** with your competent Jobcenter **in good time before expiry of your currently approved benefit period**. It is important to observe the deadlines in this context.

When you file an application for subsistence benefits, your entitlement to these benefits is retroactive to the first day of the month. This means: If you file your application on the 20th of the month, you can receive subsistence benefits from the first day of that particular month. However, your income, if any, will also be taken into account from that time (the 1st day of the month of application). For certain benefits (e.g. for basic household equipment/benefits for education and participation) a separate application must be filed; therefore, turn to your Jobcenter if you need advice in your particular case in order to avoid losing out on benefits. If you file an application, this application is also valid for the persons living with you in the “community of need”. This means: All these persons have certain obligations resulting from the moment you file an application or receive benefits.

Please note: You must file your own separate application if you are living in a household with other persons, but are not part of their “community of need” (e.g. flat shares). And your children or your partner’s children must also file a separate application if they are aged over 25! A child aged under 25 with a child of his/her own or living with a partner must file a separate application!

2. Priority benefits: Children’s allowance and housing benefit

2.1 Children’s allowance

The children’s allowance is a higher-priority family benefit than the basic income support for jobseekers, provided by the Employment Agency’s Family Benefits Offices designed to prevent child poverty of children until the age of 25. Its purpose is to provide support for low-income families and single parents with children in order to avoid neediness according to SGB II. It is therefore excluded to claim unemployment benefit type II/social security benefit and children’s allowance simultaneously.

The children’s allowance, supplementing the child benefit, aims at parents/single parents whose income can cover their own cost of living, but not those of a child living with them. Mainly families with several children claim this benefit. The children’s allowance increases the claiming families’ income and can be up to 140 euro per month and child. As a rule, the children’s allowance is granted for a period of six months each time.

Persons claiming children’s allowance can additionally receive benefits for education and participation for their children. These are in detail: day trips organized by schools/nursery schools, multi-day school trips/trips organized by nursery schools, personal school supplies, school transport services, learning support, subsidized lunch in schools, nursery schools or after school care clubs, benefits to enable participation in social and cultural community activities. If you are claiming children’s allowance, for benefits for education and participation please file your application with your competent local authority. The address is Schwieberdinger Strasse 58, 71636

Ludwigsburg. As a rule, if you are entitled to the children's allowance, you also qualify for housing benefit. This requires a separate application (see chapter 2.2).

Qualifying requirements: Parents and single parents are entitled to children's allowance for their unmarried children aged under 25 living in their household if

- they are claiming child benefit for their children,
- the parents' monthly income reaches the minimum income level (900/600 euro gross per month),
- the assets taken into account do not exceed the maximum income level and
- the family's needs are met with the payment of children's allowance and possibly housing benefit, thus there being no entitlement to unemployment benefit type II/social security benefit.

Filing your application: For the children's allowance you must file a separate written application with the Employment Agency's Family Benefits Office. As a rule, no allowance is granted for periods prior to the application. For further information please contact your competent local Employment Agency's Family Benefits Office (for the administrative district Ludwigsburg it is situated Stuttgarter Strasse 55, 71638 Ludwigsburg, phone +49(0)7141 137-561, opening times: Mon-Wed, 08:30am-12:00pm, Thu until 06:00pm) or go to www.familienkasse.de on the internet. The leaflet "Kinderzuschlag" explaining the children's allowance in detail is available at the Family Benefits Office as well as on the internet.

If you have filed an application for children's allowance with the Family Benefits Office, but you do not qualify for it, you may file an application for unemployment benefit type II with retroactive effect. You must file this application immediately after the month in which the decision of non-entitlement to children's allowance has become effective, ideally as soon as you have been notified of the decision.

2.2 Housing benefit

Generally you are entitled to both children's allowance and housing benefit; they are higher-priority benefits compared to the benefits according to SGB II. This means that you must apply for children's allowance and housing benefit if you are entitled to these benefits, and that in this case you cannot receive basic income support for jobseekers. Households not claiming basic income support for jobseekers receive housing benefit as a supplement to housing costs to ensure economic safety of covered persons. Tenants (in the form of rent subsidy) as well as homeowners (in the form of a government subsidy) may be eligible.

Filing your application: You only receive housing benefit if you apply for it. This application must be submitted in writing to the municipal authority of your place of residence. Housing benefit can only be granted from the beginning of the month in which the application for housing benefit was filed. In the administrative district Ludwigsburg the housing benefit application forms are handed out and treated by the large district towns Bietigheim-Bissingen, Ditzingen, Kornwestheim, Ludwigsburg, Remseck am Neckar, Vaihingen/Enz as well as by the Housing Benefit Office of the District Office ("Landratsamt") Ludwigsburg (for the administrative district's other municipalities). Go to the homepage of the administrative district Ludwigsburg for a list of the different branches and an information brochure.

3. Reintegration into the labour market as priority objective

For claimants of basic income support, reintegration into the labour market is the priority objective. Cash benefits to cover living costs can only be granted if financial need cannot be remedied in any other way – especially by taking up employment.

Someone who is in financial need because he/she does not find a job is supported by the community. In return he/she must do everything to be able to pay for his/her costs of living again. With the SGB II benefits for integration into the labour market, all claimants fit for work are to be encouraged in such a way that **in future they are able to cover their own and their families' living costs themselves – ideally without needing basic income support.**

Therefore, the main objectives of basic income support are that:

- your financial difficulties are prevented or removed by finding a job, to reduce the time or the extent of your financial difficulties,
- your ability to work is maintained, improved or restored,
- disadvantages due to your sex can be counteracted,
- your family living conditions are taken into consideration (especially child-raising, taking care of sick relatives),
- disadvantages due to a disability can be counteracted,
- incentives to take up and keep a job are created and maintained.
- werden.

3.1 Encouragement and challenge

In order to integrate you into the labour market as quickly as possible, you can receive benefits for professional or social integration. Your situation is analyzed in detail in a personal interview. With the findings of this analysis a personal objective is determined as well as how to reach it and set out in a so-called integration agreement which can be seen as a contract.

Your personal advisor will accompany and support you on your way to employment, but will also challenge you. You and all employable members of your “community of need” must do everything possible to end or at least reduce your financial difficulties when you are claiming unemployment benefit type II. The objective is for you to cover your living costs by yourself (again) without claiming social benefits. This is where your personal responsibility comes in: primarily, you must actively try to put an end to your unemployment and also participate actively in all measures you are being offered to achieve this goal. You must make use of all measures for activation and professional integration, qualification schemes, job opportunities as well as offers for any type of work (mini-job, part-time, full-time, temporary etc.). Which measures come into consideration in your case will be discussed between you and your personal advisor and set out in writing in the integration agreement. If you refuse to conclude an integration agreement, necessary measures can be enforced by means of an administrative decision. The latter is valid and binding without your signature. If you do not participate in activities as agreed this can have far-reaching consequences such as a benefits cut or even the discontinuation of your benefits (see chapter 8).

If you are currently in a difficult situation where you have to solve other problems first before being able to look for a job properly, rather than turning to a personal advisor you can seek the help and support of a specially qualified case manager. Case management provides more intensive assistance, you work together toward solutions for your problems. We can offer debt counselling, addiction counselling or psychosocial assistance to help you overcome your difficulties and open up new opportunities for you to find a job.

If you are under 25 and fit for work and in need of help you will be offered intensive assistance and special measures. The Jobcenter has a specialist team in charge of pupils and persons looking for training. This aims at putting young people into training or work as quickly as possible to avoid youth unemployment. Rejecting the agreed offers has immediate consequences for your benefit payments, even more severe than for older employable claimants (chapter 8.3.3).

Furthermore, the Jobcenter Landkreis Ludwigsburg participates in the federal programme “Perspektive 50plus – regional agreements “Silverstars”, an initiative financed by the Federal Ministry for Labour and Social Affairs aiming at improving the prospects of finding work for people over 50 who have been unemployed for a long time. Contact your Jobcenter for information about this project or go to www.perspektive50plus.de. Please let us know if you are interested in participating. The project will probably run until the end of 2015.

3.2 Integration services

Special integration services can be envisaged to put you (back) into work. The precondition to this is that they are necessary to put an end to your financial difficulties, reduce them or make them end sooner. Your personal advisor/case manager will assess whether you require such services and if yes, to what extent. Your qualifications will be taken into account as well as your personal situation. Top priority measures are measures which improve the prospects of immediate employment.

If you are an employable claimant aged under 25, you will be offered training or work soon after having filed your application for basic income support for jobseekers. If you have no profession and if no training can be found for you, we will work towards finding you a job that will help you improve your professional knowledge and skills. In preparation for training, young people can participate in education schemes preparing them for employment. In the context of these measures young people have the right to work towards catching up on the basic school leaving certificate (“Hauptschulabschluss”), insofar as this is a realistic objective. Adults have the right to catch up on the basic school leaving certificate in the context of further training, if a successful participation in the scheme can be expected and the relevant eligibility conditions are met.

Necessary and reasonable costs to help you find an employment subject to social security contributions can be incurred by the Jobcenter. It is absolutely essential that you ask your personal advisor what these costs may be exactly before these costs incur. Additionally to cash benefits to cover the costs of living, the following services are being offered in particular:

- Intermediation and counselling,
- Extended vocational orientation,
- Socio-pedagogical assistance and organizational support for industrial training and when preparing for vocational training,
- Preparation to catch up on the basic school leaving certificate,
- Employment-oriented case management (for clients with special assistance and counselling needs to overcome their problems; if indicated using addiction and debt counselling, psychosocial counselling, counselling for childcare and home care of relatives),
- Possibility to benefit from the promotion fund to find employment subject to social security contributions,
- Measures aiming at activation and integration in the labour market,
- Integration services for the self-employed,
- Support programme for vocational training or preparation for training,
- Support programme for further education,
- Support programme for disabled persons in employment,
- Integration allowances for employers,
- Support programme (in cooperation with employers) for employable claimants who have been out of work for a long time and who have placement handicaps,
- Initial qualifications scheme,
- Working opportunities with additional expense compensation,
- Initial allowance to take up an employment subject to social security contributions or a self-employed activity,
- Placement vouchers.

In addition, more services are available within the framework of the so-called “Freie Foerderung”, a social benefit according to § 16a SGB II if this is necessary to integrate you in the labour market. As a rule, the above mentioned services are **services the Jobcenter can grant you at their reasonable discretion**; however, you have no legal claim to these services. In any case make use of the possibility to talk to your personal advisor/case manager about the services you might qualify for.

3.3 Your integration agreement

In the so-called integration agreement your personal advisor/case manager and you agree and set out in writing as follows:

- The steps you should take to find work (how, when and how often you have to be active yourself),
- What benefits and measures apply in your case and
- What third party benefits you must apply for as priority benefits.

The integration agreement can be seen as a contract. **The obligations imposed on you in this agreement are binding; non-observance of these obligations will generally affect your benefit** (see chapter 8).

Integration agreements are generally concluded for a period of six months; after this period a new integration agreement must be signed. If changes are wanted or needed – for example, because the initial situation has changed – the integration agreement can be adjusted any time by concluding a new one. An integration agreement is concluded with every employable claimant in your “community of need” who is looking for work or training.

3.4 Which jobs can you reasonably be expected to take up?

As an employable claimant of basic income support for jobseekers you are generally obligated to take up every job you are capable of doing on a mental, psychological and physical level. This also includes fixed-term work, part-time jobs, mini-jobs as well as jobs with temporary-employment agencies, because these jobs can also put an end to your financial difficulties or at least reduce them.

There are the following exceptions to the rule of having to take up every reasonable job:

- If taking on that job would endanger your or your partner’s child’s education if the child is less than three years of age. If the child is older than that, its education is generally not considered to be in danger as long as it is taken care of in a day care facility, with a day nanny or in any other way or if this can be arranged,
- If your usual occupation has very specific physical demands and your new job would make it extremely difficult to take on your previous occupation again in the future,
- If taking on a job is not compatible with the care of a relative and the care cannot be ensured any other way,
- If another important reason can be established.

The following are not considered to be important reasons to refuse to take up a job:

- If that job does not correspond to your training or your previous work (claimants of unemployment benefit type II do not have occupational protection, i.e. the right to restrict their job search to their usual occupation).
- If that job is inferior to your training qualifications and/or if you earn less than before,
- If the place of work is further away than your previous workplace (you can be expected to travel up to one and a half hours each way, i.e. three hours a day),
- If the working conditions are not as good as in your previous job,
- If another occupation has to be given up to take up that job (exception: The current occupation can probably put an end to your financial difficulties in future).

If you are offered a salary which is lower than the standard wage and the salary usually paid in that place, the only reason why you would not be expected to take up that job is if the remuneration is illegal or immoral. As a rule, your personal interests must be subordinated to the interests of the general public. For exceptions see above. These general rules apply accordingly for the participation in measures aiming at integration in the labour market.

Please also read chapter 8 in this brochure (sanctions) about how your benefits are generally affected if you refuse to take up, if you terminate or if you behave in a way so as not to be given a reasonable job, training, occupation or an employment based on the services according to § 16e.

4. Unemployment benefit type II and social security benefit

4.1 Eligibility requirements

All **employable persons eligible for benefit** who require assistance from the age of 15 until the statutory retirement age between 65 and 67, are entitled to **unemployment benefit type II** if their main residence is in Germany.

As a foreigner you can receive benefits if you are allowed to take up employment in Germany or if you could obtain this permission. However, for the first three months of your stay in Germany, generally no benefits are paid according to SGB II. This exclusion does not concern foreigners who are employed or self-employed and entitled to freedom of movement in the Federal Republic of Germany. This also applies in cases of involuntary unemployment or if someone has to stop their self-employed activity through no fault of their own after they have been working for more than a year. In the event of involuntary unemployment after having worked for less than a year, the status remains untouched only for a period of six months. As a foreigner you receive no benefits according to SGB II if you only came to Germany to look for work (this exception also applies to the members of your family) or if you are entitled to benefits according to § 1 of the German Asylum Seekers Benefits Act (AsylbLG).

Right of residence “grandfather clause”: According to the so-called “grandfather clause”, foreigners with a residence title according to §§ 104 a, 104 b or 23 para. 1 of the German Residence Act can receive benefits as defined by SGB II. Persons living in a “community of need” with an employable person eligible for benefit can also receive benefits.

No benefits are granted to persons receiving an old-age pension or compensatory payments from a miners’ association as well as persons living in a residential facility (this generally also includes penal institutions). If you are in a hospital for probably less than six months you can still receive benefits. As a rule, trainees, participants in vocational preparation courses and students will receive no unemployment benefit type II, no social security benefit and no benefits for education and participation. However, they may possibly be entitled to a supplement to basic income support for jobseekers (see chapter 4.2.4).

According to the legal definition you are **employable** if you could work for at least three hours a day subject to normal labour market conditions and will not be prevented from doing so in the foreseeable future due to illness or disability. If you can temporarily not be expected to take up employment – for example because you are raising a child under the age of three or caring for a relative – you are still considered to be generally employable.

You **require assistance** if with the income and assets taken into account you cannot cover, or only insufficiently, your own cost of living or the living costs for the persons living with you in a “community of need” and if you are not receiving (or cannot receive) the required assistance from others, especially from relatives or other social benefit institutions.

Persons entitled to benefits who are unfit for work and living in a “community of need” with an employable person entitled to benefits, receive **social security benefit** to cover their living costs, insofar as they do not qualify for benefits according to chapter four of Book Twelve of the German Social Security Code (basic income support for older people or people with a reduced earning capacity). Furthermore, persons drawing a pension can also temporarily receive social security benefit due to a partially or totally reduced earning capacity. However, the members of a “community of need” who are drawing a permanent pension due to reduced earning capacity or who have reached the legal retirement age between 65 and 67 are not entitled to social security benefit.

Social security benefit includes: normal requirements amount, additional requirements amount and requirements for housing and heating. Claimants of social security benefit may possibly also be entitled to benefits for education and participation or to be granted a loan in case of ir-refutable need. The benefits for additional requirements correspond largely to those for claimants of unemployment benefit type II.

4.2 What benefits are there?

Employable persons entitled to benefits receive unemployment benefit type II. The benefits comprise:

- the normal requirements,
- additional requirements,
- requirements for housing and heating.

If certain conditions are met, there is an additional claim for benefits for education and participation for the children and adolescents belonging to the “community of need” (chapter 6). The claimant’s income and assets will reduce the benefit payments if certain exemption amounts are exceeded.

4.2.1 Normal requirements

The initial situation: Your living costs – and those of the other persons in your “community of need” – are not covered. According to SGB II you and your family require assistance if you cannot cover yourselves the basic amounts in the table below, the costs for housing and heating as well as any monthly additional requirements. In this case you can obtain the missing amount by filing an application for unemployment benefit type II/social security benefit. The normal requirement amount is designed to cover regular and one-off requirements with a lump-sum. It particularly takes into account food, clothing, personal hygiene, household effects and household energy (without heating and hot water production). Furthermore, daily life personal requirements also include a reasonable participation in social and cultural community life. In certain cases benefits for additional requirements and any special requirements may be granted additionally.

The normal requirement amounts are updated every year on 1st January based on a balanced mix of price and wage indicators valid for the whole of Germany with no difference between East and West. Please refer to the table below for the currently valid normal requirement amounts.

Normal requirement amounts from 01 January 2016	
Singles	404 euro
Single parents	
Persons of full age with an underage partner	
Partners of full age	364 euro
Persons of full age until reaching the age of 25 (18-24 years)	324 euro
Persons aged under 25, moving without the confirmation of the municipal authority (15-24 years)	
Children or adolescents from the age of 14 until reaching the age of 18 (14-17 years)	306 euro
Underage partners (14-17 years)	
Children from the age of 6 until reaching the age of 14 (6-13 years)	270 euro
Children before reaching the age of 6 (0-5 years)	237 euro

4.2.2 Additional requirements

For requirements not covered by the normal requirements amount, certain circumstances may qualify you for a so-called additional requirements amount. This supplement (this can also be a lump sum) to the normal requirements amount can be granted to the following persons:

- Mothers-to-be from the 13th week of pregnancy: 17% of the relevant normal requirements amount,
- Single parents (of full age) with minor children: 36% for one child aged under 7 or 2 to 3 children aged under 16 or 12% for each minor child, but altogether a maximum of 60% of the relevant normal requirements amount,
- Disabled persons receiving certain benefits according to SGB IX or SGB XII: 35% of the relevant normal requirements amount,
- Persons entitled to benefits who require a more expensive diet for medical reasons (if provably necessary): a reasonable amount of costs, as a rule the supplement amounts to either 10% or 12% of the relevant normal requirements amount,
- Unemployable, fully disabled persons who are officially registered as disabled and holders of a pass classified "G": 17% of the relevant normal requirements amount,
- Persons with irrefutable and regular, very different special requirements ("hardship regulations"): according to individual requirements.

The total amount paid for personal additional requirements must not exceed the relevant normal requirements amount paid out to the claimant in question.

If certain conditions are met, other special long-term requirements caused by particular individual circumstances and which cannot be avoided, can be taken into consideration. Accordingly, claimants who, for example, produce hot water with devices installed in the home (decentralized hot water preparation), receive an additional requirements amount of a certain percentage of the normal requirements amount.

4.2.3 Requirements for housing and heating

As a rule, the Jobcenter assumes **reasonable** housing and heating costs which will be paid out to you. These benefits must solely be used for their intended purpose (i.e. for housing and heating). In case of doubt, the Jobcenter can transfer the payments directly to your landlord or another authorized recipient to make sure the money is used for its intended purpose. We can also transfer the payments directly to your landlord at your request.

If you are living in your own house or flat, the housing costs also include associated financial burdens; these are, for example, reasonable debt interest on mortgages, real estate tax, home insurance, ground rent and ancillary costs like for a rented flat. In certain circumstances, irrefutable costs for maintenance and repairs can also be considered as a requirement. This does not apply to the repayment instalments, however, they ultimately build up assets and building assets is not the purpose of welfare benefits.

If your housing costs are unreasonable you will be asked to reduce these costs, for instance by moving. You will generally be given six months to move. In that time the Jobcenter will pay for the total amount of your housing costs. If you can prove that you have tried to find a cheaper abode in that time, but without success, the Jobcenter may continue to pay for the costs. If you cannot prove your efforts or if you do not want to move, the Jobcenter will only pay for a reasonable amount of housing costs. The reasonability of costs is determined by the Jobcenter on the basis of tables of upper rent limits depending on the place of residence. Please contact your Jobcenter about these upper rent limits.

4.2.4 Differing requirements

Loans for special requirements: In certain situations in life a requirement may arise which endangers your means of subsistence, but cannot be avoided. In such an emergency you can be granted a material or cash benefit as a loan. Such an irrefutable requirement can arise, for example, due to the loss of an object or essential repairs. The loan is interest-free. Every month 10% of the relevant normal requirements amount are withheld until the loan is paid back.

One-off benefits: The monthly normal requirements amounts shown in the table in chapter 4.2.1 are designed to cover regular living costs. In addition, one-off benefits can be granted for

- basic household equipment including domestic appliances,
- basic items of clothing and essential items for pregnancy and birth,
- acquisition and repairs of orthopaedic shoes, repairs of medical devices and equipment as well as rent for therapy devices.

These one-off benefits can be granted in the form of cash payments or non-cash benefits (vouchers). The Jobcenter can also determine a lump sum. You may also claim such benefits if you do not receive subsistence benefits, but your income or assets do not cover this special requirement. In this case, however, your income in the next six months following the decision might be taken into account.

Normal requirements amount as non-cash benefit: The normal requirements amount you and/or the persons living with you in a “community of need” are entitled to can be granted in whole or in part as non-cash benefits, namely as vouchers. This measure can be taken, for example, if you regularly spend your normal requirements amount too quickly, because your standard of living is not adapted to your benefit payments, i.e. if you have bad spending habits.

Benefits for trainees: As a rule, trainees are not entitled to benefits according to SGB II, but instead they have a priority right to claim educational support. In certain cases, however, it is necessary to grant trainees basic income support as an additional benefit in order to cover their costs of living, namely if their requirements cannot be met with income and/or assets to be taken into account. These additional benefits do not count as unemployment benefit type II and they do not imply an obligation to contribute to social insurance.

In case of need the following benefits can be granted upon application:

- additional requirements amount for pregnancy,
- additional requirements amount for single parents,
- additional requirements amounts for a more expensive diet and special, irrefutable, long-term requirements,
- basic items of clothing,
- essential items for pregnancy and birth.

Trainees receiving vocational training grants or a monthly premium according to SGB III or benefits according to the German Federal Education and Trainings Assistance Act or do not receive them because their income/assets are taken into account, can receive an allowance for uncovered reasonable housing costs. Benefits for normal requirements, requirements for housing and heating costs as well as necessary contributions to health and long term care insurance can be granted as a loan despite the priority right to claim educational support, if special circumstances make it seem exceptionally harsh and therefore unacceptable not to grant unemployment benefit type II (particular hardship). A mere living standards shortfall on its own does not yet constitute particular hardship for a claimant of unemployment benefit type II/social security benefit, because the difference can be covered with (additional) earned income. A loan can also be granted upon application in those cases where trainees in their first month of training only receive benefits (especially apprenticeship pay and educational support benefits) at the end of the month.

4.3 When, how and how long do I receive payments?

Subsistence benefits are paid in advance for each month. For our calculations whole months always have 30 days, no matter if they have 28, 29, 30 or 31 days.

If you are not entitled to benefits for the whole month (e.g. because you moved to another district on the 17th of that month), you receive a thirtieth of your monthly payment for every day you are entitled to benefits, i.e. in this case 17 thirtieths. If at the beginning of the month you already received a payment for the whole month, the Jobcenter will ask you to return the excess amount of 13 (30-17) thirtieths. Please note: As opposed to unemployment benefit, your claim for unemployment benefit type II does not automatically end when you take up employment. When examining your claim we always look at whole months; what is decisive is whether your income in a particular month exceeds your benefit requirements taking into account exemption amounts.

As a rule, the money is at your disposal on the first working day of the current month, possibly even sooner. However, the Jobcenter has no influence over possible delayed payments (e.g. due to delayed crediting of your account or delayed delivery of a payment order), transaction procedures are down to the bank. How quickly you receive your benefits also depends on when you submit to the Jobcenter your completed application documents. The persons responsible for treating your application will do so as quickly as possible, but it will still take some time.

Therefore, please always submit your application (for continued approval) and required documents duly completed and as soon as possible. Your application can only be treated when all necessary papers and supporting documents have been submitted.

If you have received an advance benefit payment and later it turns out that you are entitled to less benefits or no benefits at all, you have to pay back excess amounts. The same applies if you have made false statements resulting in you receiving more benefits than you were entitled to.

The Jobcenter alone decides on your application. The Jobcenter also arranges for the transfer of benefit payments and files all your benefit documents. Therefore, if you have any queries regarding your benefits, please turn to the person responsible for your benefit approval in your competent Jobcenter. This includes queries concerning the benefit amount, upper rent limits, advance payments, loans, reclaims, reimbursement of waste disposal charges and other expenses etc.

Your subsistence benefit will be transferred into the account stated in your application. These transfers are only free of charge if the account is held in a bank in Germany. You have to be the account holder or at least the co-owner of that account. If you do not have a bank account, you will receive a so-called “payment order for collection”, a check. With this payment order you can collect the money in cash at any branch of the Kreissparkasse by presenting your ID. However, this will cost you a lump sum of 7.10 euro each time, this amount will be immediately deducted from your benefit payment. Exception: These costs will not be deducted if you can prove that it is not possible for you to open an account through no fault of your own. In order to be paid out in cash the amount must exceed 10 euro. Single amounts of less than 10 euro will be added

until reaching a total amount of at least 10 euro. However, if nothing has been paid out to you for over six months, even an amount less than 10 euro will be paid out.

Periods of approval: In order to review regularly if the conditions for your benefit claim are still met, according to SGB II your benefits are generally approved for a period of six months. Variations are possible, for example, if it is already known that the conditions will cease to exist. This means that every six months or in good time before expiry of your currently approved benefit period you must file an application for continued approval with your competent Jobcenter and submit all necessary papers and substantiating documents to calculate the amount you are entitled to. Please observe the relevant deadlines to ensure smooth operation.

Seizure of benefits: As a rule, subsistence benefits cannot be subject to seizure and therefore cannot be transferred or pledged. However, you only have automatic protection from seizure if you change your current account into an account exempt from attachment, a so-called “Pfaendungsschutzkonto” or “P-account”. Certain exemption amounts cannot be seized on the “P-account”. Every person is only entitled to hold one “P-account”. Please inform yourself of your bank’s conditions and change your present current account into a “P-account” in good time if required, in order to protect your benefit payments from creditors enforcing their claims within the statutory limits. If your current account is to be seized and other institutions from which you receive money (e.g. Jobcenter) have received such instructions, you have the possibility to file an application against these instructions with the district courts to obtain protection from execution. For more detail you can turn, for example, to debt counselling. Jobcenter clients have priority for appointment with the debt counselling of the District Office (“Landratsamt”); please contact your personal advisor in case of need.

5. How do income and assets affect your benefit?

You remember: Subsistence benefits – unemployment benefit type II and social security benefit – **are only paid if assistance is required**. A person requires assistance if he/she cannot cover his/her living costs and the living costs of the persons living with him/her in a “community of need” with the income or assets taken into account. The principle is simple: First you must use your own financial means before you can expect financial assistance. This is because unemployment benefit type II/ social security benefit are no insurance benefits, but tax-financed social benefits only those in need are entitled to. So if you have income and assets your benefits can be stopped temporarily, in part or in whole depending on how much income or assets you have and what portion of it is counted toward your benefits.

Your own financial means include:

- a) **Your income:** Income is generally all earnings whether they are money income or in-kind income. The type of earnings, where they come from, whether they are intended to cover the cost of living, whether they are subject to taxation or whether they are one-off or regular earnings is not of any importance.
- b) **Your assets:** Your assets include all your belongings of value and usability, irrespective of the fact whether the assets are in Germany or abroad.

- c) **Income and assets belonging to persons living with you in a “community of need”:** All persons belonging to the “community of need” are included in the calculation of benefits. Therefore, income and assets belonging to these persons must also be taken into account, for example, your partner’s income. Any income earned by your unmarried children aged under 25 or your partner’s children will be counted toward their requirements. If you are unmarried and aged under 25, your parents’ income and assets will also be taken into account.

In the light of this, the application form and relevant appendices to the application form will contain questions about the other persons sharing your household thus forming a “community of need”.

Please note: You must state your entire assets and income in your application and, as the case may be, in relevant appendices to the application form as well as in every application for continued approval. Whether any of it is to be taken into account will be decided by the Jobcenter alone based on legal provisions. The exemption amounts you are entitled to are also regulated by law.

The Jobcenter has the right and obligation to check your statements and those of other household members. Please answer the questions in the application form very carefully; if you are unsure please ask first. Do not take the risk to conceal any income or assets! By means of an automated data processing system the Jobcenter collects and uses data from third parties (e.g. from the German Federal Central Tax Office, from pension insurance funds etc.). In this way the Jobcenter finds out about employments you did not mention. By concealing any income or assets you risk significant reclaims and in case of fraud you even have to expect criminal proceedings and fines. Please do not take this risk, but **make true and complete statements.**

Employment and unemployment benefit type II: You are also entitled to unemployment benefit type II, for instance, if you are working full-time but your income is not sufficient to cover your family’s living costs. The additional income limit of 15 hours per week which has to be observed when claiming unemployment benefit from the Employment Agency does not apply to unemployment benefit type II. Unemployment is not a prerequisite to qualify for unemployment benefit type II! The relevant exemption amounts valid for unemployment benefit do not apply either. If you are not self-employed you are obligated to choose, for the taxation of your income, the most favourable tax bracket ensuring the maximum net income.

5.1 Income

When receiving unemployment benefit type II you and all employable claimants living with you in the “community of need” are obligated to do all you can to stop or at least reduce your need for assistance and to take on every reasonable job to achieve this. At the same time your income will be set off against your requirements – apart from exemption amounts designed to ensure that those working are better off than those not working.

Your income includes, for example:

- Income from employment or self-employment,
- Compensation for reduced income such as unemployment benefit, parental allowance (“Elterngeld”) or sickness benefit,

- Capital and interest earnings, income from shareholdings,
- Income from rental and leasing, agriculture and forestry,
- Alimony payments, child benefit,
- Pensions (e.g. half-orphan pensions, widow's pensions, disability pensions),
- Non-recurring gains (e.g. tax refund, redundancy money, inheritance, repayment of operating costs).

5.1.1 Exemptions and other amounts deductible from your income

The following amounts are to be deducted from your (gross) income:

a) Applicable taxes, such as: wage/income tax, solidarity tax, church tax, trade tax, capital gains tax,

b) The statutory amounts of compulsory contributions to public social security. These are contributions to health insurance, long term care insurance, pension insurance, promotion of employment, as well as compulsory contributions paid by compulsorily insurable self-employed persons in the framework of social security to the farmers' pension fund, the insurance fund for craftsmen, accident insurance and the compulsory contributions to long term care insurance of persons taking out voluntary health insurance.

c) Statutory and adequate private insurances: Statutory insurances are deductible in full from your income. This applies, for instance, to vehicle insurance. For adequate private insurances a lump sum of 30 euro per month can be deducted for persons of full age. Minors only qualify for this lump sum if they have actually concluded such an insurance contract and it is adequate with regard to reasons and amount. For claimants who are not compulsorily insured in the statutory health insurance and exempt from the statutory pension insurance, the 30 euro lump sum does not apply to their costs for adequate insurances. Relevant contributions are deductible in full on presentation of substantiating documents. Such insurances are, for example, voluntary/private health/long term care insurance, pension insurance, accident insurance, occupational disability insurance and disability insurance for self-employed persons and freelancers as well as life insurances. If you receive a subsidy for these costs, this subsidy reduces the deductible amount.

d) Contributions to old-age provisions promoted according to the German Income Tax Act, insofar as they do not exceed your own minimum contribution for the government subsidized "Riester" product.

e) Necessary expenses to acquire, secure and maintain your income (income-related expenses), such as costs for two households, contributions to professional associations and trade unions, expenses for work material and professional clothing, travel costs. In these cases the Jobcenter also deducts lump sums before taking into account income from salaried employment, namely 15.33 euro as a lump sum for necessary expenses and, to carry out your occupation, in addition costs for public transport or, if you use your own car, 0.20 euro per kilometer (of the shortest possible distance) to your place of work, insofar as the costs incurred are not inadequately high compared to public transport. If you incur expenses exceeding the sum of both lump sums, these higher costs can be taken into account provided that they were necessary and can be proven.

If you are **self-employed**, you must substantiate your income and expenses resulting from your occupation for every relevant period of approval. For further details please read the explanatory brochure on income from self-employment, trade and business or agriculture and forestry in the period of approval (appendix EKS), available in your Jobcenter.

f) Expenses to fulfil statutory maintenance obligations. These can be deducted up to amounts set out in maintenance orders or notarial maintenance agreements.

g) Amounts which were already taken into account as income in the context of vocational training or vocational preparation for a child. Income which was already taken into account according to the regulations of the German Federal Training Assistance Act or the German Social Security Code III when calculating your benefits will not be deducted a second time.

h) Exemption amounts for working people. Instead of the costs mentioned in chapters 6.1 c, d, e (private insurances, provisions for sickness and old age, necessary expenses) a lump sum of 100 euro is deducted as exemption amount from your gross income. If the costs are higher, these higher amounts can be deducted if you have an occupation subject to social security contributions. Expense allowances for voluntary workers or training supervisors as well as other part-time work (tax-free income according to the German Income Tax Act) and for the pocket-money when participating in the German Federal Volunteer Service or German Youth Volunteer Service, are subject to a basic exemption amount of 200 euro per month. Other costs can possibly be deducted from the income taken into account if they can be proven.

Furthermore, another portion will not be taken into account:

- 20% of your gross income between 100.01 euro and 1.000 euro are free.
- Another 10% of your gross income between 1,000.01 euro and 1,200 euro are free. If you have a minor child or are living with a minor child in a “community of need”, the amount is increased from 1,200 euro to 1,500 euro. However, for income resulting from a participation in a Volunteer Service this provision does not apply.
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5.1.2 Income not taken into account

Certain earnings do not count as income as defined by the regulations for basic income support for jobseekers; therefore, when assessing your need for assistance, these earnings will not be taken into account and considered as privileged earnings.

This includes for example: Basic pensions according to the German Federal War Victims Relief Act and laws stipulating a corresponding application / blind person’s allowance / nursing allowance according to Book Eight of the German Social Security Code paid in the event of full-time care and daycare (for full-time care 92-159 euro are deducted as income; for daycare, the earnings exceeding the necessary costs are considered as income resulting from self-employment) / special allowances such as disaster aid, awards from public funds (for birthday and marriage jubilees, lifesaving awards) or donations from tombolas for needy persons.

Earnings from jobs with compensation for additional expenses are not deducted from unemployment benefit type II. And these jobs are not occupations subject to social security regulations, i.e. no social security contributions have to be paid.

5.1.3 When is your income taken into account?

Your income will always be taken into account in the month you receive it. However, as unemployment benefit type II is generally paid out to you at the beginning of the month, it can happen that – if you receive your earnings later on in that month – you have then been paid too much (overpayment). The Jobcenter will ask you to pay back the excess amount.

If your income changes from one month to the next, your Jobcenter can determine a temporary amount for your benefit payments. In this case an average monthly income will be assessed so that the same amount is deducted every month in the relevant period of approval. And the end of each period of approval the Jobcenter will carry out a final settlement. If your income was overestimated you will receive an additional payment, if your income was underestimated and you were subject to overpayment, you must refund the excess amount.

5.2 Assets

All usable assets must be taken into account. A person's assets consist of all goods that can be measured in money. In this context it is irrelevant whether the assets are in Germany or abroad. Assets are usable if they can be directly used as means of subsistence or if their cash value can be used to cover living costs by using them, selling them, lending money on them, renting or leasing them out. On the other hand, unusable assets are items of property the owner cannot freely dispose of (e.g. because the item of property has been pledged). Any income you have received before you were entitled to benefits (i.e. before the month in which you filed your application), is considered part of your assets.

The application for basic income support for jobseekers includes the appendix "VM" where you must enter your different assets, if you have any.

Assets include, for example, money in cash, credit balances on investment accounts, savings accounts, credit balances from building society savings, savings certificates, securities (stock options and shares in a fund), cash-value life insurances, house and land ownership, flat ownership as well as any other real property rights. Generally, your own usable assets as well as those of the persons living with you in the "community of need" will be taken into account.

5.2.1 Amounts deductible from assets

The following amounts are deductible from your assets:

a) Exemption amounts: When taking into account your assets for the calculation of your benefit you and your partner are entitled to a basic exemption amount of 150 euro each multiplied by your respective ages (calculation of exemption amount: age multiplied by 150). This basic exemption amount, the so-called protected assets, is at least 3,100 euro. Currently, a maximum of 9,750 euro per person are not deductible as protected assets in the "community of need". Persons born before 01 January 1948 are subject to a special regulation: These persons are entitled to an exemption amount of 520 euro for each year of their life, a maximum of 33,800 euro. The basic exemption amount of 3,100 euro also applies to every minor child entitled to benefits.

b) “Riester” old-age provision: Savings resulting from so-called Riester contracts including returns thereof up to the minimum amount according to § 86 of the German Income Tax Act are not deductible as assets. Condition: The owner must not use the provision assets before retirement.

c) Other old age provisions: Other assets to be used as retirement provisions are not deductible up to an amount of 750 euro multiplied by the age of the claimant and his/her partner respectively (currently a maximum of 48,750 euro per person). Condition: The utilization before retirement must be irrevocably excluded in a contract. Sums exceeding the exemption amount cannot be excluded in the contract, this is inadmissible according to § 168 para. of the German Insurance Contract Act. Generally, an exclusion of utilization can also be agreed on later. If you have queries in this matter you must contact your insurance company.

d) Exemption amount for necessary acquisitions: Every claimant living in the “community of need” is entitled to an exemption amount of 750 euro for necessary acquisitions.

5.2.2 Assets not taken into account

The following items of property are not taken into account:

a) Adequate household effects: Adequate household effects include all objects that are necessary or at least customary to run a household and live in it.

b) An adequate motor vehicle: for every employable person. As a rule, a motorbike or car up to a current sales value of 7,500 euro is considered adequate. When checking the adequacy, the institution paying the basic income support for jobseekers takes into account, among other things, the value of the motor vehicle, the size of the “community of need”, the number of existing motor vehicles and the time of acquisition. Should the value of the motor vehicle exceed 7,500 euro, the excess value will be taken into account when conducting the means test, i.e. it will reduce the exemption amount for assets accordingly.

c) Objects and rights set aside for old age provision when exempted from pension insurance obligation: If you or your partner are exempt from the obligation to be insured in the statutory pension insurance, any assets which are (demonstrably) set aside for old age provision are not taken into account. However, it must be unmistakably clear that these assets are set aside for old age provision. A proof can be, for example, the certificate of a cash-value life insurance with a term until your 60th birthday.

d) An adequate flat or house that you own and live in yourself: As a rule, a habitable surface up to 130 square metres is considered adequate. Residential property you do not live in yourself counts as part of your assets.

e) Assets for the acquisition or maintenance of an adequate property for persons with a disability or in need of care: Assets set aside for an imminent acquisition or the maintenance of a property are not taken into account. However, the condition is that this property is being used or is to be used for residential purposes for persons with a disability or in need of care and that this purpose would be endangered if the assets were to be used otherwise.

f) Objects and rights which cannot be economically utilized: To determine whether the utilization of items of property is obviously uneconomical, the current net value is decisive. It is of no importance to what extent future prospective earnings or returns are lost through the utilization. If the utilization of an item of property merely leads to a result of more than ten per cent below its net value, its utilization is obviously uneconomical.

If the immediate use or the utilization of assets which should in fact be taken into account (resulting in a reduced benefit or no benefit at all), is not possible or if the use or the utilization would be a case of particular hardship, benefits will be granted as loans. Your repayments will either be secured by property (e.g. with a hypothecary credit) or in another way.

6. Benefits for education and participation

6.1 What benefits are there?

For children, adolescents and young adults there are so-called requirements for education and participation in addition to the normal requirements:

Benefits for			
Pupils	Learning support	Transport for pupils	School supplies
Pupils and children in daycare facilities	Allowance for catered lunch	School excursions and multi-day school trips	Culture, sports and participation *
* for children and adolescents up to the age of 18			

Pupils are all persons who

- are aged under 25,
- are attending a school providing general or vocational education and
- are not receiving any apprenticeship pay.

School excursions: For pupils as well as for children attending a daycare facility the Jobcenter can bear the expenses for day excursions and for multi-day school trips.

Providing personal school supplies: Pupils receive 70 euro on 01 August and 30 euro on 01 February in one year for school supplies. This is designed to help with the acquisition of satchels, sportswear as well as writing, drawing and maths equipment (fountain pens, pens, coloured pencils, calculator, triangle, exercise books and folders, rubbers, craft materials etc.).

Adequate learning support: Sometimes pupils need help to achieve the main learning targets in school. Additional adequate learning support can be granted if the school confirms an existing need and at the same time the school cannot provide a comparable learning support for the pupil.

Allowance for catered lunch: If schools, after school clubs, daycare facilities or day nannies offer lunch, an allowance can be granted for these meals through the benefit for education and participation. Please note that parents have to contribute one euro per day and that for food bought at a kiosk selling sandwiches and small meals no allowance can be granted.

Participating in social and cultural life: Children and adolescents under the age of 18 receive 10 euro a month for associations, cultural and leisure activities, for example music lessons, sports, games and social activities or holiday camps.

Transport costs for pupils: Pupils who cannot reach the nearest secondary school by foot or by bike will generally receive an allowance for their transport costs insofar as these costs are not covered otherwise. Parents will have to pay five euro per month from their own pocket for these transport costs.

How are these benefits provided? To ensure that the children receive the benefits and these amounts are not available to purchase other goods, most of these benefits are not provided in the form of money, but in the form of non-cash benefits and services (especially in the form of vouchers). There are different ways of assessing your benefits entitlement and cost reimbursement. Your municipality will inform you about how they proceed.

Please keep in a safe place invoices, receipts, tickets or registrations you want to use to claim benefits for education and participation, you might be requested to submit them as proof.

6.2 Filing your application

For all benefits for education and participation (except for personal school supplies) **a separate application has to be filed for every child. Please file your applications in good time** in order not to lose out on any benefits for your children. Remark: The sponsorship and implementation of the educational package is exclusively down to the local municipalities. Claimants of unemployment benefit type II/social security benefit have to turn to their competent Jobcenter. For families claiming housing benefit and/or children's allowance, the competent authority is located Schwieberdinger Strasse 58, 71636 Ludwigsburg. For further information on the benefits for education and participation please go to www.bildungspaket.bmas.de on the internet.

7. Social security and incapacity benefits

If you receive unemployment benefit type II you are generally obligated to contribute to the statutory health and long term care insurance. Furthermore, the pension insurance fund will be informed of the periods you received unemployment benefit type II and possibly they will count towards your pension. For claimants of social security benefit the Jobcenter does not provide statutory health, long term care and pension insurance coverage. For your insurance cover please contact your health insurance fund or pension insurance fund directly. In certain cases the Jobcenter can subsidize your contributions.

7.1 Health insurance and long term care insurance

If you receive unemployment benefit type II you are automatically insured in the statutory health and long term care insurance provided you do not qualify for family insurance. The lump sum contributions for health and long term care insurance in the amounts stipulated by law are entirely paid by the Jobcenter.

If you were insured in a private health insurance just before you start claiming unemployment benefit type II, you will continue to be privately insured while you receive benefits. If you did not have health coverage before and you are self-employed working full-time or exempt from insurance payments according to § 6 para. 1 or 2 Book Five of the German Social Security Code, the fact that you are receiving benefits will not result in statutory health insurance, but you have to make provisions yourself in case of illness. However, your Jobcenter may be able to grant you a subsidy. Moreover, there are special regulations on compulsory health insurance for persons aged 55 or older when they start receiving benefits. There is no insurance obligation for health and long term care insurance if unemployment benefit type II is paid as a loan or if merely benefits for essential household equipment, for clothing (including pregnancy and birth) or for the acquisition of orthopaedic shoes have been granted.

If you are obligated to take out public health insurance, the Jobcenter will generally enroll you in the same public health insurance fund you were in before you started receiving benefits. However, you have the possibility to choose another health insurance fund if you terminated your contract with your previous health insurance fund in time. But if you are in a health insurance fund for agricultural workers you cannot change to another health insurance fund. If you had neither public nor private health coverage before you started receiving unemployment benefit type II, you must choose a health insurance fund and register as a member. As a new member you will receive a membership confirmation from your health insurance fund which you have to submit to the Jobcenter without delay after your registration. If you do not choose a health insurance fund yourself, the Jobcenter will take care of it. When you have chosen a health insurance fund, it is down to the latter to decide whether to take you on, not the Jobcenter. For further information please contact your health insurance fund.

When you switch health insurance funds, you have to submit to your Jobcenter the membership confirmation from your new health insurance fund without delay. The health insurance fund you are insured with appears on the notice of continued approval or the notice of amendment. The Jobcenter informs your health insurance fund of the beginning and the end of your benefits period as well as any interruptions.

Very important: Your Jobcenter will only insure you when the benefits you applied for have been approved. The insurance generally begins – also retroactively – on the first day for which you receive benefits. So in the event that you require the services of your health insurance fund after having filed your application but before it has been approved, you are not yet insured! Therefore it can make sense to ask your health insurance fund, by way of precaution, about a provisional cover for you and your family.

If you received benefits you were not entitled to (for example benefits you received due to false statements you made when filing your application) your Jobcenter will ask you to pay back not only any excess benefit, but also contributions to health and long term care insurance the Jobcenter paid for you.

Family insurance: If you are claiming unemployment benefit type II you might be able to be insured with others in a family insurance. If you have this possibility this will have to be your first choice. In this case the Jobcenter will not pay for another insurance, public or private. To be covered by a family insurance, i.e. a co-insurance with someone who is already insured (spouse, partner or parent – the so-called named insured) is possible under specific conditions. The Jobcenter will examine whether a family insurance is already in place. If both spouses/partners are claiming unemployment benefit type II, the person who has applied for the benefits and receives them will generally be compulsorily insured (as the named insured).

Incapacity benefits: If you become incapacitated for work while receiving unemployment benefit type II, you keep your social security protection and continue to receive benefit payments amounting to your previous unemployment benefit type II payments.

If you become incapacitated for work after you have filed your application or while receiving unemployment benefit type II, you must inform the Jobcenter without delay of your incapacity and submit a medical certificate attesting to your incapacity and how long it is expected to last. If your incapacity takes longer than stated in the medical certificate, you must submit another medical certificate as proof. Please also inform us without delay when you are able to work again.

If the submitted certificate of incapacity or a medical appraisal commissioned by the Jobcenter shows that you will probably be incapacitated for more than six months, you are no longer employable as defined by law. You will then no longer receive unemployment benefit type II but either social security benefit (if you are living with an employable person in a “community of need”) or social welfare benefit according to SGB XII (if you are living alone).

7.2 Accident insurance

You are accident-insured if you turn to your Jobcenter or another institution upon special demand (e.g. counselling interview, a medical examination, a job interview). In your own interest you must inform your Jobcenter immediately of a commuting accident that would be covered by the accident insurance. Please note: If a commissioned third party (e.g. a private job placement officer) asks you to report to him/her, you are not insured against accidents according to the statutory provisions. In this case the third party must take care of your accident insurance!

7.3 Pension insurance

When receiving unemployment benefit type II and social security benefit you are not compulsorily insured in the statutory pension insurance, the Jobcenter does not pay for you any contributions into the pension insurance fund. However, your Jobcenter will inform the pension insur-

ance fund of the periods you received unemployment benefit type II so that the pension insurance fund can examine whether these periods count towards your state pension. This is to your advantage, because in this way gaps in your insurance can be avoided and, in particular, existing entitlements to disability pensions and benefits for participation in working life can be maintained.

The period cannot be taken into account as counting towards your state pension if you are compulsorily insured as an employee or self-employed person or, for example, if you are compulsorily insured because you receive sickness benefits. If you are a pupil or if you receive unemployment benefit type II as a loan or only benefits for basic household equipment, clothing (including for pregnancy and birth) or for the acquisition of orthopaedic shoes, these benefit periods will not count towards your state pension. If you want to know what periods of you receiving benefits are communicated to the pension insurance fund, ask your Jobcenter.

Particular case: If you were born before 01 January 1952, you can receive an old-age pension due to unemployment from the statutory pension insurance fund if certain insurance-related and personal conditions are met. This requires, among other things, that after the age of 58 and six months you were unemployed for a total of 52 weeks. Your periods as a claimant of unemployment benefit type II which your Jobcenter reported to the pension insurance fund, will only be taken into account when examining your qualifying condition “52 weeks of unemployment”, if you were in fact unemployed during that time. Please contact your pension insurance fund for further details.

Reporting benefit-free periods to the pension insurance fund: Periods of unemployment without benefits are also reported to the pension insurance fund if you are looking for an employment by yourself (personal efforts) , or if you make yourself available for job placements, if you have registered as unemployed with the Employment Agency and if you have updated your placement profile every three months and do not qualify for unemployment benefit type II because you are not considered to be sufficiently needy. Periods of unemployment in which you have not received any benefits can be taken into account as periods counting towards your state pension if you meet certain conditions according to pension insurance law.

Therefore, if you are unemployed, but do not qualify for unemployment benefit type II because you are not considered needy, let your competent Employment Agency know without delay to avoid any disadvantages for your pension insurance.

7.4 Subsidized contributions

Subsidized contributions to health and long term care insurance: In some cases, claimants are neither compulsorily insured in the statutory health insurance nor in the statutory long term care insurance and they cannot be covered by a family insurance either. If these clients are insured on a voluntary basis either in a public or private insurance, under certain conditions a subsidy can be granted for contributions payable for health and long term care insurance. Private insurances offer a so-called base rate. If you are entitled to benefits, this base rate will be halved. If your insurance contract does not include a base rate, your individual contribution will be used for comparison. The lower contribution (half of the base rate or your individual contribution) can be paid by the Jobcenter as subsidy. Furthermore, under certain conditions it is possible to obtain a subsidy from the Jobcenter for health and long term care insurance to avoid neediness as defined by SGB II. For further details please contact the Jobcenter.

8. Very important information:

Your obligations and the consequences of breaching Jobcenter rules (sanctions)

Those in need of assistance because they cannot find a job can count on community support. In exchange they must do all they can to be able to cover their living costs again by themselves.

When receiving unemployment benefit type II you are being encouraged but also challenged. This means that it is mainly up to you to take steps to end your need for assistance, i.e. you must make every possible effort to end your unemployment and actively participate in all measures to achieve this objective.

If you do not meet your obligations without an important reason, this will have far-reaching financial consequences. Your unemployment benefit type II might be reduced or even stopped completely; this could even apply retroactively. This can also be the case if you fail to report to your Jobcenter in person upon request. Stricter rules apply to claimants aged under 25; this group of people even risk child benefit payments being stopped by the Family Benefits Office in the event of repeated failure to report.

Therefore, in your own interest, please take note of the instructions below in order to avoid any disadvantages.

A non-observance of obligations, generally subject to sanctions, exists if – despite written instructions about the legal consequences or knowing about them - you

- refuse to fulfil your obligations set out in the integration agreement or the administrative act, especially if you refuse to make sufficient efforts to find a job and furnish proof of these efforts.
- refuse to take on or pursue a job, training or occupation or if by your behaviour you prevent the initiation of such a job, training or occupation or
- do not participate in a reasonable employment promotion measure, if you interrupt this measure or have caused it to be interrupted.

You must also expect sanctions if you,

- aged over 18, have reduced your income and assets in order to qualify for unemployment benefit type II or to increase your entitlement,
- continue your uneconomic behavior despite instructions on legal consequences or knowing about them,
- receive no unemployment benefit because your entitlement has been interrupted or stopped due to a temporary ban,
- meet the conditions for a ban resulting in your entitlement to unemployment benefit being interrupted or stopped.

8.1 Personal attendance requirement

As long as you receive basic income support for jobseekers, you are obligated to report in person to the Jobcenter or any other Jobcenter authority when requested to do so. Personal attendance can be required, for example, to discuss whether you qualify for benefit, for purposes of training and work placements etc. Appointments for a medical or psychological examination arranged by the Jobcenter also require personal attendance.

If you cannot keep the appointment tell your Jobcenter immediately and give a reason why you cannot attend. If you cannot keep an appointment due to illness, you must inform your Jobcenter immediately and submit to your Jobcenter a medical certificate regarding your inability to work and its expected duration. Furthermore, your Jobcenter can decide that your personal attendance requirement is valid for the first day you are able to work again. This means that you must report to the Jobcenter in person on the first day you are able to work again (i.e. on the day after your inability to work has ended). This obligation to report is also valid during opposition proceedings or social security court proceedings as long as you are claiming benefits. A failure to report will generally lead to your normal requirements amount being reduced by 10% for three months.

8.2 Absence regulations (holidays)

Generally, the Jobcenter staff must be able to reach you personally by mail on every working day at your stated address and you must be able to go to the Jobcenter every day if required. Any absence from your residence (no matter whether in Germany or abroad) has to be approved in advance by your personal advisor!

If you intend to live at a different address for some time or go on holiday, you must tell your personal advisor/case manager about it and have it approved. When claiming unemployment benefit type II, you are not actually entitled to holidays like the gainfully employed. However, with your personal advisor's prior consent you can spend **a total of three weeks per calendar year** away from your home, i.e. you can also travel abroad without this affecting your benefits. This is called an absence from your residence. However, your Jobcenter can only approve such an absence if it does not delay or affect your integration into employment.

An absence from your home for longer than three weeks up to a total of six weeks can be approved by your personal advisor on an individual basis; however, in this case your unemployment benefit type II will only be paid for the first three weeks of your absence. If you want to be absent from your home for more than six weeks per calendar year, you must do without unemployment benefit type II for the whole duration of absence. **If you leave your place of residence without permission, your unemployment benefit type II will be stopped and you will possibly have to pay it back.** In this context you particularly have to note that you (and the members of your "community of need") are not covered by your health insurance in this case either.

When returning to your place of residence you must report to your personal advisor without delay. As a rule, you must attend in person; however, with the prior consent of your personal advisor, this can also be done over the phone. If you fail to report on the agreed date, this could affect your benefits; therefore, please be sure not to fail to **report to your Jobcenter upon your return.**

8.3. Sanctions (benefit reductions) as a result of breach of duty

8.3.1 Sanctions for the first and repeated breaches of duty

When receiving subsistence benefits according to SGB II you have certain obligations. For breaches of duty the law stipulates different consequences (sanctions) which you can read up on in the so-called **instructions on legal consequences**. Accordingly, your benefits can be reduced or stopped completely. Please note: If your benefits are stopped completely, you will initially not be covered by your health insurance either.

If you are at least 25 years old, your unemployment benefit type II will be **reduced by 30% of your relevant normal requirements amount** as a first step following a breach of duty on your part despite having been instructed on the legal consequences or having been aware of them.

If you repeatedly violate your obligations despite having been instructed on the legal consequences or having been aware of them, unemployment benefit type II will be **reduced by 60% of your relevant normal requirements amount when you repeat a breach of duty for the first time**.

After every subsequent violation of your obligations your claim to unemployment benefit type II expires completely. This also applies to the costs for housing and heating. When your unemployment benefit type II has been stopped completely, you are no longer covered by your health insurance, either.

The statutory duration of sanctions (benefit reductions or the cessation of benefit payments due to breaches of duty) is **three months each time**.

If you subsequently agree to fulfil your obligations, the reduction for further repeated breaches of duty can, from that time, be limited to 60% of the normal requirements amount you are entitled to. **A repeated breach of duty is only on hand if there was already a reduction prior to that,** i.e. if you have received a sanction notice. A repeated breach of duty is no longer on hand if the beginning of the preceding sanction period dates back at least one year. When the sanction notice regarding a benefit reduction becomes effective, the reduction will be implemented from the month following the sanction notice. Please note: If a sanction occurs due to a ban for unemployment benefit (Unemployment Agency benefit), the reduction becomes effective from the first day of the ban, i.e. it can also be retroactive.

In the event of a reduction amounting to more than 30% of the normal requirements amount, you can **apply for additional non-cash benefits (e.g. food vouchers) granted to a reasonable extent**. These are officially granted when there are minor children living in the “community of need”. The granting of non-cash benefits also revives health insurance coverage.

8.3.2 Sanctions for failure to attend Jobcenter appointments

If the Jobcenter asks you to report to them in person you are obligated to do so. If you do not fulfil this obligation without an important reason despite having been instructed in writing on the legal consequences or having been aware of them, your employment benefit type II will be reduced by 10% of your relevant normal requirements amount. The same applies if you do not keep an appointment for a medical or psychological examination.

Duration of sanctions: The statutory duration of sanctions (benefit reductions or the cessation of benefit payments due to breaches of duty) is **three months each time**.

If you have not fulfilled your obligations as a claimant, **you will not be sanctioned if you have a so-called important reason and can prove it**. Such an important reason is only on hand if on the weighting of your personal interests and the interests of the public, your personal interests take priority.

8.3.3 Tougher penalties for benefit claimants aged under 25

If you are aged 15 to under 25, different legal regulations than those described above apply. For those aged under 25, breaches of duty (except for failure to report) will result in **benefit payments being stopped for three months right from the first time**. This also applies to additional requirements amounts which have possibly been granted. You will not be able to claim additional help with your living costs, either. The Jobcenter will only continue to pay costs for housing and heating, however, these costs will generally be paid directly to your landlord or another authorized recipient, i.e. they will no longer be transferred to you. This is to ensure you do not use the money for another purpose. You may file an application for additional non-cash benefits or benefits-in-kind (e.g. food vouchers). You should make use of this, also to revive your health insurance coverage again. **If you repeatedly fail to meet your obligations** within one year, the payment of your housing and heating costs will be stopped for three months as well, i.e. your complete unemployment benefit type II will be stopped. If you subsequently agree to fulfil your obligations, the Jobcenter can pay the housing costs again. A sanction usually lasts for three months, however, taking into account all circumstances in an individual case, a sanction can be reduced to six weeks for persons aged under 25.

8.3.4 Sanctions when claiming social security benefit

If you are claiming social security benefit, non-observance of obligations can lead to sanctions if you

- do not comply with a Jobcenter request to report to the Jobcenter in person or to report for a medical or psychological examination despite written instructions on the legal consequences or being aware of them,
- aged 18 or older, have reduced your income or assets with the intention of
- qualifying for social security benefit or being granted an increase in social security benefit,
- continue your uneconomic behavior despite instructions on the legal consequences or being aware of them.

9. Obligation to cooperate and notify

In order to examine your application and assess your entitlements, your cooperation is required. **You must indicate all facts which are relevant for your entitlement** and therefore included in the application form. If statements by third parties are required, you must agree to statements being made by these persons. If evidence (deeds, substantiating documents) are required, you must name them and submit them if necessary. Furthermore, you are **obligated to inform the Jobcenter without delay and unasked of any changes** to the indications you already made.

This is the only way to assess the correct amount of your entitlements avoiding that you are paid too much or too little benefit. This also applies when changes occur which could have a retroactive effect on your benefit, for example the retroactive authorization of a pension. If you are receiving unemployment benefit as well as unemployment benefit type II (the so-called “topping up”), you must communicate all changes to the Employment Agency as well as to the Jobcenter because you are receiving benefits from both institutions.

It is particularly important to communicate immediately if one of the circumstances below applies to you or to a person living with you in the “community of need”:

- **Taking up employment:** If you or a person living with you in the “community of need” takes up employment, please inform the Jobcenter immediately. This also applies if you are self-employed or assisting family members. Do not rely on other persons telling you they will report your employment: Reporting that you have taken up employment is your obligation entirely or that of the persons living with you in the “community of need”.
- **Inability to work:** If you become incapacitated for work while claiming benefits please tell your Jobcenter without delay. The same applies for all employable persons living with you in the “community of need”.
- **Applying for/receiving maternity pay, child-raising benefit or similar benefits:** If you apply for or receive maternity pay, child-raising allowance or similar benefits, please tell your Jobcenter immediately. The same applies for all persons living with you in the “community of need”.
- **Changes concerning your residency status:** If you are a foreigner and your residency status has changed or if this applies to a person living with you in the “community of need”, please tell your Jobcenter immediately.
- **Applying for/receiving pensions:** The application for/the receiving of pensions of any kind (especially disability pensions) must be reported to the Jobcenter immediately, no matter if they concern you or another person in your “community of need”.
- **Changes of your contact details:** If your address/phone number etc. changes, please tell the Jobcenter without delay, also for persons living with you in the “community of need”. (Moving: Please note that in case you sign a contract for a new home, your competent Jobcenter must give its approval in advance to bear the costs for your new abode).

- Changes of your family status or living arrangements: If your family status changes/your living arrangements change, i.e. if you get married, enter or end a cohabiting relationship, your partner moves out etc. or if this applies to another person living in your “community of need”, please inform your Jobcenter immediately.
- Changes regarding your income or assets: If there are changes to your income or assets or such changes apply to other persons in your “community of need”, please tell your Jobcenter immediately. This also includes inheritance and donations.
- Yield on assets, tax refunds: If you receive or another person in the “community of need” receives a yield on assets (e.g. interest, dividends) or a tax refund, please tell your Jobcenter immediately.

The representative of the “community of need” is generally subject to a duty of disclosure also for the other members. The person who has originally filed the application for benefits for the “community of need” according to SGB II must make sure that he or she obtains from the persons living with him/her in the “community of need” the required information. The duty of disclosure of the “community of need” representative does not release the other members of the “community of need” from their obligation to give notice and cooperate. Please see that you make **complete and correct statements** and **communicate any changes immediately**. This is mainly in your own interest. If you make incomplete or false statements and do not communicate changes at all or with a delay, you possibly have to pay back wrongly obtained benefits and your actions might constitute an administrative or criminal offence. Misuse of benefits will be uncovered using modern electronic data processing methods – also in cooperation with other authorities and municipalities –and will be forcefully prosecuted in order to protect taxpayers.

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