



GUIDELINE

**for
Artists**



**SUBSIDY FOR COMPULSORY
INSURANCE &
NOTICE OF SUSPENSION**

Subsidies for 2020 to 2024

Basic information for you!

You have just received an assessment notice from your social security institution, i.e. a letter informing you about the social security contributions to be paid for **calendar years 2020, 2021, 2022, 2023 and 2024**? Did you know that the KSVF could help you pay your social security contributions with a subsidy of up to 1.896 EUR? Did you know that you might be able to avoid repayment claims by the AMS (public employment service) with a notice of suspension of your artistic activity (so-called "*Ruhendmeldung*")? You will find everything you need to know about these topics in this information sheet.

Please do not hesitate to contact us if you have any questions: You can reach us by telephone during our opening hours

Monday to Friday: 9:00 am to 12:00 am

Wednesday only in the afternoon: 1:00 pm to 4:00 pm

or online (<https://www.ksvf-formulare.at/forms/contact>)

IMPORTANT TIP:

In order to be able to process each application as fast as possible, we urgently request that you fully complete the application form, read our letters completely and carefully and observe the deadlines set. Only then can the proceedings be completed quickly.

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A. SUBSIDY FOR COMPULSORY INSURANCE 2020, 2021, 2022, 2023, 2024 ("Beitragszuschuss")

The *Künstler-Sozialversicherungsfonds* – KSVF (Artist Social Security Insurance Fund) is legally obliged to carry out an administrative procedure so that we can support you in paying your contributions to the *Sozialversicherungsanstalt der Selbständigen* – SVS (Social Insurance Institution for the Self Employed). Here you will find step-by-step information and explanations that will help you find your way through this procedure more easily.

1. The first step towards a subsidy – compulsory insurance

The first point of contact is the SVS. If you

- as an artist
- due to an activity in a self-employed capacity
- are compulsorily subject to pension insurance (to put it in legal terms: compulsorily insured pursuant to § 2/1/4 GSVG – *Gewerbliches Sozialversicherungsgesetz* (Social Insurance Act for Self-Employed Persons in Trade and Industry)),

then you have already fulfilled the first requirement.

This is because the Fund provides subsidies for the social security contributions that you would otherwise have to pay yourself to the *Sozialversicherungsanstalt der Selbständigen* (SVS). Only this institution is responsible for your social insurance. (Detailed) questions about the social security law must therefore be clarified with the SVS. The KSVF is no social security institution.

If you are not compulsorily insured in the pension insurance scheme of the *Sozialversicherungsanstalt Selbständigen*, the KSVF will not be able to provide any subsidies for your SVS contributions!

EXAMPLE:

If you are compulsorily insured with the SVS exclusively on the basis of a trading licence (and thus in accordance with § 2/1/1 GSVG) or just health insured, the Fund cannot make any payments.

2. The application

In order to initiate a procedure with the *Künstler-Sozialversicherungsfonds* (Artist Social Security Insurance Fund) for subsidies, you must use the current form provided for this purpose. An informal application – whether oral or written – is not legally possible. **You can find our application form here:** <https://www.ksvf-formulare.at/forms/subsidy>

Complete the application form fully and legibly and sign it. Please limit the number of enclosures you submit to the documents listed at the end of the form:

- detailed chronological resume, which in particular highlights the artistic activity pursued in a self-employed capacity, especially during the application period
- certificates of artistic education
- proof of prizes and scholarships etc. received
- income tax assessment notices for calendar years applied for (if already available)

If the KSVF needs further documents during the proceedings, we will contact you. This means: please only send further documents after we explicitly request them!

IMPORTANT TIP:

The application is only valid if the affirmation is signed manually or digitally. Without it your application can not be processed and will automatically become invalid.

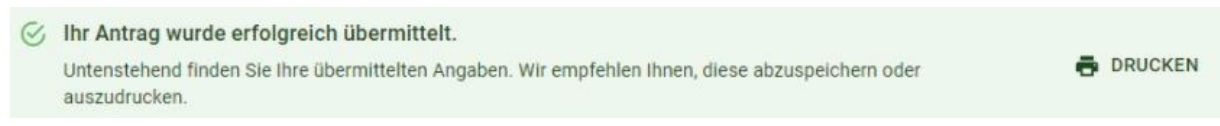
The application can be submitted retroactively for four calendar years (e.g. in calendar year 2024 also for calendar years 2020, 2021, 2022 and 2023).

TIP:

Please keep in mind, that in order to fill out the form it is necessary to have an up-to-date browser! We also recommend that you don't use tablets (e.g. i-pads etc.) to fill out your application, as the uploaded documents sometimes can be incomplete. Please only use file formats like .doc, .xls, .pdf, .png or .jpg for the documents you submit.

IMPORTANT TIP:

After submitting your filled out form you will see a summary of your information. You will find this confirmation that your online application was successfully transmitted to the KSVF on top of the page:



This means: After you see this confirmation on your screen, we definitely have received your application! It is **not necessary** to confirm whether we received your application via phone or e-mail.

2.1 PDF form

We are aware that people are hesitant to submit personal data online. We can assure you that we receive the data you submit via online form securely and treat it as strictly confidential.

If you use the application via online form our proceedings will be faster and easier. Therefore, the form that could be filled out manually will only be provided in justified exceptional cases. Please notify us if you can not use the online form (e.g. because of your technological circumstances). In this case we will send you the form to print at home or by mail.

3. Artistic activity

The next step is to check whether your activity is of an artistic nature within the meaning of the *Künstler-Sozialversicherungsgesetz* – K-SVFG (Artists Social Security Insurance Fund Act).

Consequently, an artist is anyone who, in the fields of the visual arts, the performing arts, music, literature, film and multimedia arts or in one of the contemporary forms of the fields of art,

- a) creates works of art**
- b) within the framework of an artistic activity**

Both requirements must be fulfilled!

How is this verified? The Fund will obtain an expert opinion prepared by a commission consisting of representative bodies. This commission is divided into several curia from the respective fields of art and composed of five expert members consisting of interest groups for artists (Interessensvertretungen) or collecting societies (Verwertungsgesellschaften) in addition to a chairman from the Ministry of Culture.

Documents and work samples are required for the preparation of this expert opinion. Please submit them – upon written request by the Fund – preferably in well zipped and compressed form, e.g. by e-mail.

TIP:

If the expert opinion of the competent representative body is unfavourable, we recommend that you request the appellate body to reassess your documents and work samples. In this representative body, your documents will be presented to other experts. Important: There are deadlines to comply with!

4. Minimum threshold

The recent amendment to the *Künstler-Sozialversicherungsfondsgesetz* has brought about numerous improvements. They also concern the minimum threshold and are very extensively regulated.

To make things easier, just go through the points below step by step. As soon as you meet a point, you have exceeded the minimum threshold. The remaining points then only serve as information.

4.1. Profit

You have achieved a certain profit through your artistic work at home and abroad, which reaches the following amounts in EUR?

<u>Amount 2020</u>	<u>Amount 2021</u>	<u>Amount 2022</u>	<u>Amount 2023</u>	<u>Amount 2024</u>
5.527,92	5.710,32	5.830,20	6.010,92	6.221,28

These amounts correspond to 12 times the threshold of minor employment provided for by the *Allgemeines Sozialversicherungsgesetz – ASVG* (General Law on Social Security).

Please note that this is a tax term defined by law as follows:

- Definition: Profit = surplus of operating revenue over operating expenses = income

If you start or end your self-employed artistic activity during the calendar year, this amount is reduced accordingly.

EXAMPLE:

You are insured for only three months in the year 2021:
Calculation: 5.710,32 EUR/12 months x 3 months = 1.427,58 EUR

4.2. Revenue

Your profit was not high enough? What about your self-employed revenue as an artist? Does it reach the following amounts in EUR?

<u>Amount 2020</u>	<u>Amount 2021</u>	<u>Amount 2022</u>	<u>Amount 2023</u>	<u>Amount 2024</u>
5.527,92	5.710,32	5.830,20	6.010,92	6.221,28

4.3. Scholarships and prizes

Does neither your profit nor your self-employed revenue as an artist reach this minimum threshold? Then please check whether you have received scholarships and/or prizes in accordance with § 3/3 of the *Kunstförderungsgesetz* (Art Promotion Act), which serve as income replacement.

4.4. Secondary artistic activity

What about revenue from a secondary artistic activity? For example, revenue from teaching, art mediation, art interpretation? To put it into legal terms – revenue from preparatory activities as well as activities that serve to carry on, disseminate or make artistic creation accessible?

What else do you need to know? This revenue must be related to the area of art you have applied for or your artistic activity that has already been positively assessed. Furthermore, this revenue can only be taken into account up to a maximum of 50% of the above-mentioned minimum thresholds.

EXAMPLE:

You paint and give music lessons on the side. Is that permitted? No!
You play in a band and give guitar lessons on the side. Is that permitted?
Absolutely!

You earn 3.000 EUR from your performance and 4.000 EUR from your lessons in 2022. How do you calculate whether you have reached the threshold?
 $3.000 \text{ EUR} + 2.915,10 \text{ EUR} (5.830,20 \text{ EUR} \times 50 \%) = 5.915,10 \text{ EUR}$

4.5. Reference period

Still not successful? Then you now have the option of recalculating your income situation over a three-year reference period. Please note: These "3-year units" are individual for each artist and depend on the year of the first subsidy payment.

EXAMPLE:

Revenue 2019	1.000 EUR
Revenue 2020	1.000 EUR
Revenue 2021	<u>19.000 EUR</u>
Sum	21.000 EUR

Spread over three years, 7.000 EUR per calendar year is calculated. The respective thresholds were therefore exceeded in principle. Please contact the KSVF to find out whether this also applies to you in individual cases!

4.6. Bonus years

Last but not least! If everything else fails. If the minimum threshold is not reached even taking into account the rules described above, five "bonus years" will be granted. This means that in the first five years in which the required minimum income and revenue thresholds are not reached, the subsidy can still be received. Please note: If the Fund has in the past waived repayments of subsidies in the course of reclaim procedures, the relevant years will be counted as bonus years.

Minimum threshold "exceeded"? Perfect! Then please also note our maximum threshold! Both thresholds are important and must be observed!

ONE LAST TIP:

Employee income from an artistic activity, provided that no contribution periods are acquired in the statutory pension insurance scheme due to this activity, or this income is not subject to the statutory pension insurance (i.e. in principle income from a marginal activity), can still be taken into account.

4.6.1. Special Bonus years

Because of the Covid-19-Pandemic there was significant loss of income and a financial burden for artists in combination with that. To reduce this burden the Minimum threshold is not applicable for the calendar years 2020, 2021 and 2022. These years will not be counted in the context of the calculation of the bonus years.

What does this mean? If you already used a bonus year for the calendar years 2020, 2021 or 2022, these years are „free“ again, because the special bonus year is in use.

5. Maximum threshold

Now it's time to take your income tax assessment notice and look for the item "Total income". If you have earned foreign income, it must be added to this item. Why is that important?

The Fund may provide subsidies only to artists whose total profit does not exceed the maximum threshold.

Pursuant to § 2/3 *Einkommensteuergesetz* – EStG 1988 (Income Tax Act 1988), this threshold applies to the following types of income:

- Income from agriculture and forestry
- Income from self-employment
- Income from a trade or a business
- Income from employment
- Income from capital
- Income from rental of immovable property
- other income within the meaning of § 29 EStG 1988.

What is the maximum permitted amount of your total profit in EUR?

<u>Amount 2020</u>	<u>Amount 2021</u>	<u>Amount 2022</u>	<u>Amount 2023</u>	<u>Amount 2024</u>
29.942,90	30.930,90	31.580,25	32.559,15	33.698,60

These amounts correspond to 65 times the threshold of minor employment provided for by the *Allgemeines Sozialversicherungsgesetz – ASVG* (General Law on Social Security).

Exception to this rule – increase of the maximum threshold in the case of children: In calendar years in which a child is entitled to family benefits, this income level shall be increased by six times the applicable threshold of minor employment per child. (This requirement is also fulfilled if the entitlement to family benefits for this child belongs to the other parent, for example.)

EXAMPLE:

For calendar year 2021, the maximum threshold is:
For one child: 2.855,16 EUR + 30.930,90 EUR = 33.786,06 EUR
For two children: 5.710,32 EUR + 30.930,90 EUR = 36.641,22 EUR

6. Completion of the proceedings

Congratulations! You've made it this far. What are the next steps?

In general – the Fund decides in writing, by means of a formal decision.

- **Favourable decision** – The subsidy is awarded

Before the procedure is completed, we will contact you again to clarify whether you wish to receive the subsidy for a limited or unlimited period.

What exactly does that mean?

Unlimited period: The Fund pays the subsidies for the calendar years applied for and continuously for the following years to the *Sozialversicherungsanstalt der Selbständigen*. As a consequence, you will only be required to pay the social security contributions reduced by the subsidy.

If you choose this option, we will once again expressly draw your attention to your obligation to report. In this case, you are obliged to keep an eye on the minimum and maximum thresholds and to contact the Fund if you are no longer able to observe them!

Limited period: The Fund pays the subsidy exclusively for the calendar years applied for to the *Sozialversicherungsanstalt der Selbständigen*. As a consequence, you will only be required to pay the social security contributions reduced by the subsidy. What advantage does that option have? In this variant, the income limits have usually already been reviewed. The risk of repayment is therefore reduced.

If you choose this option, you are of course welcome to again submit an application for the following years at a later date. If your artistic activity does not change, no new expert opinion will be issued by a representative body. In order to determine whether you are still active in the field of art already assessed, please indicate which projects you have worked on in the calendar year(s) applied for or which projects are still planned (= list of projects).

IMPORTANT TIP:

With both alternatives, there is no direct payment of the subsidy into your own bank account!

- **Unfavourable decision** – The application is rejected

If the proceedings reveal that a requirement (points 1 to 5) is not fulfilled, no subsidy can be awarded and the Fund issues an unfavourable decision. You have the right to appeal this decision to the *Bundesverwaltungsgericht* (Federal Administrative Court).

In the event of new facts, a new application for a subsidy may be submitted.

7. Obligations after the KSVF's decision

Changes – what you need to do? Your notification and cooperation obligations: You are obliged to notify us immediately of all facts that are relevant for the withdrawal or amendment of the right to a subsidy – to do so, please use our online form (<https://www.ksvf-formulare.at/forms/contact>)

This applies in particular

- to a change in your income situation
- to a change in the activity pursued by you
- in the event of termination of your insurance contract

but also if your name and address change.

Income thresholds – once more:

The subsidy is subject to compliance with certain income thresholds. This means that, in principle, a statutory minimum level must be exceeded and, on the other hand, a maximum level may not be exceeded.

The Fund is also obliged to check the legal receipt of the subsidy if there are indications to the contrary or by sample checks. In the course of this procedure, you must, upon request, provide all relevant supporting documents and records for inspection and truthfully provide information. **Documentation (e.g. in the form of cash-based accounting) is required to prove compliance with the required minimum threshold.**

8. Repayment of subsidies

Imagine the following: You receive the subsidy on an ongoing basis and it turns out afterwards that you have not fulfilled the necessary requirements in one or more calendar years. What will happen now?

The Fund is required by law to reclaim from you any subsidy awarded by the KSVF to the *Sozialversicherungsanstalt der Selbständigen* in excess of the entitlement to such subsidies or after the lapse of the entitlement.

Whether you actually have to repay the subsidy you have received also depends on your economic situation and your cooperation.

Why? Whether thresholds have actually been exceeded or fallen below and what amounts are actually reclaimed can only be determined after a separate procedure has been carried out.

Furthermore, it is possible to waive the reclaim or to subsidy payment facilities. You will be informed in writing of the initiation of this procedure. At the same time, the necessary forms will be sent to you.

"Introductory regulation" – what is that?

Artists who fall below or exceed the respective income threshold do not have to repay the entire subsidy, but only the amount by which the income threshold was exceeded or fallen below.

EXAMPLE:

The KSVF was able to support you with 1.896 EUR to your contribution payment in one calendar year. After reviewing your tax assessment, it was established that your total income exceeded the maximum threshold by 300 EUR. If there is a reclaim, the amount to be reclaimed will not be set at 1.896 EUR, but only at 300 EUR. Only when you have exceeded the maximum threshold by at least 1.896 EUR, you would you have to repay the entire subsidy.

In order to facilitate or prevent repayments, the law provides three options:

- deferral
- payment by instalments
- waiver

In order to be granted these payment facilities, certain requirements must be fulfilled, which you must prove. It is therefore imperative that the relevant applications are fully and comprehensibly justified!

8.1 Deferral and payments by instalments

The Fund may, upon request, defer the claim or authorise its payment by instalments if:

- a. the immediate or the immediate full payment of the amount due for repayment would entail considerable hardship for the person concerned and
- b. the collectibility of the claim is not jeopardised by such payment facilities.

What exactly does that mean?

Deferral: In order for the Fund to subsidise you a deferral, you must justify why the full payment cannot be made immediately (e.g. due to your economic and/or personal situation) BUT at a later date.

Payment by instalments: In order for the Fund to subsidise you an instalment payment, you must justify why an immediate payment is not possible (e.g. due to your economic and/or personal situation) BUT an instalment payment is possible without problems (e.g. due to current orders and related current revenue). You can attach a proposal for the number and the amount of instalments to the application. The Fund then decides after reviewing your overall situation.

8.2. Waiver

The Fund may, upon request, waive its claim in whole or in part if collection of the claim would be inequitable according to the circumstances of the case, in particular taking into account your financial circumstances.

What exactly does that mean?

In order for the Fund to be able to waive repayment of subsidies unduly received by you, you must justify and prove that you are unable to repay them. In order to check your current economic situation – as the basis for the Fund's decision on a request for waiver – you must submit the completed inquiry form. This inquiry form will be sent to you with the request for repayment. If you have not exceeded the required minimum threshold, the following applies:

- In the first five calendar years in which the minimum threshold is not reached, this eligibility requirement does not apply and you are exempt from a repayment obligation (= bonus year). In order for the fund to check whether the bonus arrangement is necessary for you, a procedure is initiated and your income situation is clarified again together with you.
- If you have received additional subsidies although the required minimum threshold has not been exceeded, there are further possibilities for waiving their repayment. Details in this regard depend on the individual case and will be communicated to you in writing or by telephone.

IMPORTANT TIP:

If you have exceeded the permissible maximum threshold five times or have not reached the required minimum threshold five times, the subsidy can only be awarded after you have proven that you have met the required income thresholds, i.e. only retroactively.

B. Temporary suspension of the artistic activity – notice of suspension ("Ruhendmeldung")?

On 21 October 2010, the National Council passed the *KünstlerInnensozialversicherungs-Strukturgesetz* – KSV-SG (Artists' Social Insurance Structure Act). This new law, which came into force on 1 January 2011, stipulates that artists may notify the KSVF (*Künstler-Sozialversicherungsfonds*) of the temporary suspension of their self-employed artistic activity.

1. The consequences of a notice of suspension

The consequence of the notice of suspension is that the artists are excluded from health and pension insurance according to the *Gewerbliches Sozialversicherungsgesetz* (Commercial Social Insurance Act) and from accident insurance according to the *Allgemeines Sozialversicherungsgesetz* (General Social Insurance Act) for the duration of the suspension of the artistic activity.

If all other general conditions for eligibility are fulfilled, unemployment insurance benefits can be claimed during the exemption from the social security obligation. Please contact the relevant bodies for details.

2. Obligation to notify

The suspension and resumption of the artistic activity shall be immediately reported to KSVF. The relevant forms (Meldung des Ruhens and Meldung der Wiederaufnahme) can be found on our website. You can submit the form both to the Fund and to the *Sozialversicherungsanstalt der Selbständigen*.

2.1. Assessment

After the suspension of artistic activity has been received, the Fund must assess whether your activity is an artistic activity within the meaning of § 2 of the *Künstler-Sozialversicherungsfondsgesetz* – K-SVFG (Artists' Social Insurance Fund Act). Upon receipt of your notice of suspension, the Fund will inform you in writing of the further documents required for this procedure.

If your "artist status" has already been established by the KSVF within the framework of a procedure for awarding subsidies for social security contributions, this step is omitted.

3. Forwarding of the notice of suspension to the SVS

If your "artist status" has been established by the Fund, the next step is to forward your notice of suspension to the SVS, which will take all steps required under insurance law.

The suspension shall take effect at the earliest at the end of the calendar month for which the suspension of the artistic activity has been reported. If you are already aware of a future suspension of your activities, report this to the Fund as soon as possible. A retroactive effect before the reporting date is excluded. It is therefore very important that you immediately submit a notice of suspension. The effect of the suspension ends at the end of the day before the resumption of the self-employed artistic activity.

EXAMPLE:

The effect of the suspension ends at the end of the day before the self-employed artistic activity is resumed; temporary suspension of the activity on the 29th of May 2023, notice of suspension to KSVF on the 15th of June 2023. Resumption of the activity on the 10th of October 2023, notice of resumption on the 3rd of November 2023; the validity of the suspension ends on the 9th of October 2023, compulsory insurance under the GSVG begins on the 10th of October 2023.

IMPORTANT TIP:

Please check with the *Sozialversicherungsanstalt der Selbständigen* (whether your contribution payment is actually reduced as a result of a notice of suspension).

4. Stop of the subsidies in the case of a notice of suspension

Please note: Since a notice of suspension results in the exception from compulsory insurance, it is not possible to receive subsidies for periods during which the activity is suspended.

FINAL TIP:

For more detailed information – in particular on your insurance relationship and the statutory provisions of unemployment insurance – please contact the *Sozialversicherungsanstalt der Selbständigen* or the AMS service point responsible for you.

Further information can be found in the brochure "*Selbstständig Unselbstständig Erwerbslos*" (Self-Employed Employed Unemployed) published by the Cultural Council at www.kulturrat.at/infoams and on the website of the IG BILDENDE KUNST at www.igbildendekunst.at



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