



INHOUSE-SEMINAR: PAYROLL BASICS GERMANY

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Duration: 3-5 days

If desired, additional parallel or subsequent practical training using the internal payroll system (SAP, PAISY, DATEV, P&I LOGA or other system if required).

1. INTRODUCTION 2. LABOR LAW BASICS

Legal Foundations

Hierarchy of norms /GBL, law, collective bargaining law, bargaining agreement, law, individual agreement, company practice, overall commitment

- The employment contract
- minimum wage – effects on payroll accounting
- Definition employer and employee
- Rights and obligations in the employment relationship
- Data protection/retention periods
- The personnel file – Employee rights

3. INCOME TAX LAW BASICS

3.1 Foundations

- Income tax law
- Fiscal income types
- Collection, payment, wage tax liability
- Fiscal accrual principle
- Income tax - additional taxes
- income tax rate

3.2 Characteristics of income tax deductions

- Tax classes
- Work-factor method
- Electronic income tax deduction features
- Income tax-related tax exemptions



3.3 Income tax calculation

- Income tax tables and their application
- Standard taxation of current and other remunerations
- Flat-rate taxation according to Art. 40 Section.2 EStG (German Income Tax Law)
- Flat-rate income tax calculation

3.4 Special charge types/tax exemption/exemption limits

- Reimbursement of expenses
- Courtesies
- Amenities

3.5 Taxation of benefits in kind/countervailing benefits

4. SOCIAL SECURITY LAW/CONTRIBUTION LAW

4.1 Introduction

- History of social security in Germany

4.2 Foundations

- Choice of health insurance
- Health insurance funding/50-50 principle
- Social security number

4.3 Insurance class and insurance carrier

4.4 Expenditure Compensation Act

4.5 Premium computation

- Income threshold
- Premium computation

4.6 Assessment of insurance obligations

4.7 Non-recurring payments in social security

- March clause
- SI income threshold

4.8 Social security registration system – DEÜV

- Person group key
- Contribution group key
- Notification reasons
- Activity key



5. PAYROLL ACCOUNTING PRACTICE

5.1 Payroll structure

- gross wage/net wage/basic wage/overtime
- gross amount social insurance/gross tax amount

5.2 Partial wage calculation

5.3 Employee joining/leaving – working papers

5.4 Continued remuneration in different cases

- Public holidays
- Vacation
- Sick leave
- Maternal leave
- Parental leave
- Paid/unpaid leave according to Art. 616 GCC (German Civil Code)
- Family care time

5.5 Accounting of special employee relationships

- Short-term employees
- Marginal employees – Mini job
- Transition zone
- Working students
- Interns
- Apprentices
- Pensioners

6. CLOSING ACTIVITIES AT THE END OF THE MONTH/YEAR

6.1 Month-end procedures

- Employee registration/deregistration DUEV-registration see Social Insurance
- Registration of short-term and marginal employees/fast-track registration
- Due dates/Transfer of social security contributions to insurance companies
- Contribution statement
- Income tax registration and transfer to tax authorities

6.2 Year-end procedures

- Income tax adjustment via the employee
- Registration of severely disabled employees