

# ABC of employment

All questions and answers relating to employment

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# Delegation abroad

If you bill an order via Smart and carry out this order in whole or in part outside Germany, you should inform Smart of this 10 days before your stay abroad. This also applies to home office abroad ("workation").

Please complete the [delegation abroad form](#). Our payroll office will then take care of the A1 form.

For temporary work assignments as part of your employment with Smart in the EU, the EEA states (Iceland, Norway, Liechtenstein), Switzerland and the United Kingdom, Smart must post you and apply for the A1 certificate as confirmation of the posting prior to the work assignment. The A1 certificate may be checked abroad.

The A1 certificate is a confirmation that you are insured in Germany and that the country in which you are working on a temporary basis may not deduct any additional social security contributions from your salary.

If you work regularly at the same location, an A1 form with a longer validity can also be issued, but only for the period of the Smart employment contract.

The posting procedure is not possible for:

- Non-EU nationals working temporarily in Switzerland, Denmark, the United Kingdom or in the EEA states of Iceland, Norway or Liechtenstein
- Nationals of Iceland, Norway & Liechtenstein who work in Switzerland on a temporary basis
- Swiss nationals working on a temporary basis in the EEA states of Iceland, Norway and Liechtenstein

If you will be working in a country outside the EU, Switzerland or the EEA for a limited period of time, it is possible that this country has concluded a social security agreement with Germany. If this is the case, Smart can also post you and you can avoid double insurance payments. Please contact us if this is the case.

# Employment contract

You can find templates of employment contracts issued by Smart here:

- [Employment contract with Smart eG](#)
- [Employment contract with Smart Bildungswerk](#)
- [Addendum with Smart eG](#)
- [Addendum with Smart Bildungswerk](#)

Please note that all above contracts are only available in German. We do not offer official English translations for legal reasons.

# Maternity protection

# Minijobs

## For whom?

If your gross salary amounts to up to **538 EUR** (info: 2024) you are employed as a minijobber. At Smart that corresponds to the highest Minijob category M10 of 520 EUR. You can find all Minijob categories for each Smart eG and Smart Bildungswerk [here](#).

Please note: Although Minijobbers do not pay contributions to the social security system and have no income tax, there are still flat rate contributions on the side of the employed that will be covered from your budget. Please find the full employment costs in the table with employment categories.

Please note that a mini-job does not give you access to public health insurance. A mini-job can be a good option for you if you already have social security and work with Smart on the side. This applies, for example, to students, people with family insurance or employees.

## Minijob checklist

All mini-jobbers must be registered with the Minijob Zentrale. You should therefore also complete the mini-job checklist if you are employed by us with a mini-job. We will forward this information to the Minijob Zentrale.

You can find the checklist in German and English below:

[Minijob checklist \(DE\)](#)

[Minijob checklist \(EN\)](#)

Please scroll to the last page (Annex) for the application for release from pension contribution.

## Pension contributions

If you are employed as a mini-jobber, you can be exempted from the pension insurance obligation. Under point 5, you should indicate whether you wish to pay pension contributions or not. If you decide not to, you will receive a slightly higher net salary.

If you answer 'yes' to this question, you should also complete the enclosed application for exemption from pension insurance, sign it and send it to Smart.

## 5. Release from the obligation to contribute to pension insurance

The employee of a low pay job can apply for release from the insurance obligation in the statutory pension insurance scheme through a written declaration to his employer. A sample of the release application is attached. In this case, only the employer pays the lump-sum contributions for pension insurance. Note: Through this, no full pension insurance is acquired.

- ☐ No, I do not want to be released from the insurance obligation in the pension insurance scheme.  
The employer bears the lump-sum contributions towards pension insurance to the amount of 15%. The employee bears the difference to the full contribution amount in the pension insurance (18.6%). The employee's contribution of the amount of the pension insurance is deducted by the employer from the remuneration and he forwards this along with his contributions to the mini-job centre.
- ☐ Yes, I apply for release from the insurance obligation in the pension insurance scheme. (Please fill up the attached release application)  
The employer pays the lump-sum contributions. The one-time release applied for, from the obligation to pension insurance, cannot be reversed.
- ☐ I am receiving the full old age pension after reaching the regular age limit, or I am a receiver of care after reaching a particular age and am freed of paying contributions towards pension insurance. A release from the obligation to insurance for pension insurance is therefore not required.

### How are pension contributions calculated on the employee and employer side?

The minimum pension insurance contribution is 32.55 EUR in total. The employer's share (i.e. the difference between your gross salary and the employment costs) is 15%.

**Example:** For a salary of EUR 100, the employer's contribution is 15 EUR. The remainder (17.55 EUR) is then deducted from the employee's gross salary. With a salary of EUR 165, the employer's contribution is 24.75 EUR, while the employee's contribution is then only 7.80 EUR.

# Parental leave

# Payroll

If you are employed via Smart, you will receive an automatically generated payslip ("Lohnzettel", "Lohnbeleg") at the beginning of the following month, which is uploaded to the Mein.Smart portal. The payslip summarizes all the information about your employment.

The payslip is an important document and official proof of your income.

## Salary

This is your gross employee salary.

Please note: this is not the same amount that you invest in your employment (employment costs/employer's gross salary), as you must also pay the employer's share from your own budget, which is not included in the pay slip.

## Taxes

The tax line shows the deducted wage tax and church tax.

## Social security

The social insurance line summarizes the employee shares for health, long-term care, pension and unemployment insurance.

The respective shares are broken down again separately in the box at the bottom left:

**LSt** = wage tax

**SoliZ** = solidarity surcharge

**KiSt** = church tax

**Kammer** = Chamber contribution (only for certain professional groups and for employees of the Bildungswerk)

**SV** = social insurance

**SV-Brutto** = the amount that forms the basis for the assessment of social security contributions



**KV** = health insurance contribution + additional health insurance contribution

**RV** = the contribution to pension insurance

**AV** = the contribution to unemployment insurance

**PV** = the contribution to long-term care insurance (insured persons with children pay 3.05 %, insured persons without children pay  $3.05 + 0.35 = 3.4$  %)

Only the employee's share (50%) is entered in the box. If you are employed via Smart, you must also pay the employer's share (the other 50%) from your budget. However, this is not listed in the payslip.

### Net salary

The "Net salary" line shows the amount you receive from Smart as your salary at the end of the month.

### Personal data

The payslip also contains your **Sozialversicherungsnummer (SV-Nr.)** and your **Steuer-Identifikationsnummer (Steuer-ID)** - both numbers can be found in the box at the top left.

# Sick leave

Sickness notifications are now sent electronically from the doctor to the health insurance company. Nevertheless, we ask you to send us your sickness notifications with **start and end date** by email, because we do not receive the information automatically from the health insurance. To receive a reliable confirmation we need to insert the exact time frame that matches the information given by the health insurance provider in the system.

Please note that we cannot send invoices for the service period in which you were on sick leave.

## Sick pay at Smart eG

If you are employed by **Smart eG** and fall ill:

- you will continue to receive your salary without interruption.
- for the first 6 weeks, your salary will be paid from your budget. From the seventh week of illness, your health insurance provider (Krankenkasse) will pay sick pay (approx. 70% of your gross salary)

## Sick pay at Smart Bildungswerk

The employees of **Smart Bildungswerk** pay the so-called Umlage 1 (between one and three percent depending on the health insurance company) to the health insurance companies through their employer's contribution and are therefore entitled to continued payment of wages in the form of sick pay from the first week of incapacity for work in the event of illness. The salary is therefore paid by the health insurance provider from the first week, in the case of the eG only from the seventh week of illness. If you, as an employee of the Bildungswerk, are unable to work due to illness and are therefore unable to carry out assignments, you should send us a scan of the medical certificate (for the employer) by e-mail.

## Child sickness benefit

If your child is ill, please send us and the health insurance provider the sick note. For this period, the salary will be taken over by the health insurance provider and then paid directly to you (see employment contract § 6: (3) Claims in accordance with § 616 BGB for continued payment of remuneration in the event of temporary incapacity are excluded).

# Unemployment benefits

## Do you receive unemployment benefits (ALG I) and want to work with Smart?

Processing your orders via Smart is also possible to a limited extent if you are receiving unemployment benefit at the same time. However, the rules regarding permitted additional income must be taken into account. If you regularly work more than 15 hours a week, you can no longer receive unemployment benefits. Agentur für Arbeit has summarized important information in a [leaflet](#).

At Smart, you can earn EUR 165 from a mini-job without having your ALG1 reduced, or EUR 100 if you receive Bürgergeld.

Do you have an order that exceeds the maximum allowed amount? Then you can deregister from the Agentur für Arbeit for the duration of the execution of the project and be employed by Smart with a higher salary for this period. It is also possible that you will still receive unemployment benefit, but your social benefit will be reduced. You always have to inform Agentur für Arbeit about any additional income.

If you receive unemployment benefits at the same time, your budget must always be paid out accordingly, i.e. you are not allowed to 'bunker' your budget and bill higher, but only have a mini-job paid out to you.

You should inform us as soon as you receive ALG I or Bürgergeld. We can then arrange a consultation if necessary.

## Your employment with Smart is ending and you want to apply for unemployment benefits (ALG I)?

If you have been employed for 12 months in the last 5 years, you can apply for unemployment benefits (ALG I).

Unemployment registration is not automatic after your contract ends. You should register in person at the *Arbeitsagentur* 3 months before the end of your employment. See the [website of the Arbeitsagentur](#) for more information.

After you end your employment with Smart and register as unemployed, we will send the certificate of employment to the employment agency.

Please always actively inform us that you need the certificate of employment (Arbeitsbescheinigung).

# Vacation

## Vacation days

All our members are contractually entitled to 20 days' vacation (based on a 5-day week). This corresponds to a statutory regulation on minimum vacation entitlement, which employees are obliged to take.

As a member of Smart, you can organize your working hours flexibly. It is also important to understand that you are responsible for covering all of your employment costs (i.e. your salary during your vacation is also paid from your budget).

To ensure that you have fully used your vacation, two vacation days per month are automatically allocated to you and noted on your payslip.

You can notify us of additional vacation days at any time. As an employer, we can grant you more vacation days. You can apply for a leave in the portal by [requesting a change](#).

## Unpaid leave

You can also apply for unpaid leave. This way you can keep your employment uninterrupted without spending money from your budget. If you have no budget for further employment, Smart can suggest unpaid leave.

During unpaid leave, your employment will continue, but you will not receive a salary. No social security contributions will be paid from your budget during this time.

You are still insured during the first month of unpaid leave, but you do not pay pension insurance contributions for that month. For unemployment insurance, periods of unpaid leave do not reduce ALG 1.

**However, from the 2nd month of unpaid leave, insurance in all branches of social security ends!**

# Side income