

# Guidance for employers on hiring refugees

## Important information regarding payroll accounting

June 2022

### Employment of Ukrainian citizens in Germany

What do you, as employer, need to consider? Which information do you need? Find out all you need to know below.

The war in Ukraine is a humanitarian catastrophe the likes of which Europe has not seen in decades. Many people have lost their lives, and many more have fled the crisis region. According to information from the German Federal Ministry of the Interior, 360,000 war refugees from Ukraine have already been documented as entering Germany since 24 February 2022. Many of them wish to work here. In order to ensure proper handling in payroll accounting, a number of things need to be considered.

#### Work permit

In the first instance it is necessary to check whether the employee has a valid residence permit with the relevant work permit. The [immigration office](#) is required to register an employment permit in the residence permit upon issuing a residence permit, even if no specific employment relationship exists at that point in time. Even a temporary residence permit [Fiktionsbescheinigung], issued to bridge the period of right of residence until the actual residence permit is issued, is sufficient documentation for employment. Check the residence permit (temporary residence permit/residence permit showing "employment permitted") and document this (copy/scan).

#### Principles under employment law

Principles under employment law (e.g. minimum wage) and other [conditions for access to professions](#) naturally apply to these employees, as they do for all employees.

#### Social insurance

Usually refugees do not have a German social insurance number. These need to be applied for in conjunction with registration with the German pension insurance. It is advisable to also request name at birth, place of birth and country of birth in advance of making the registration. In the course of preparing the payroll accounting, you, as employer, will receive electronic notification of the newly issued social insurance number from the German pension insurance.

If your new employee has not yet selected a health insurance provider, coordinate with each other in good time. After registration with the German pension insurance, the employee and you, as employer, receive the necessary confirmation of insurance from the health insurance provider. The general principles under social insurance law apply for the calculation of the relevant contributions.

#### Income tax liability

All those who have their place of residence or habitual abode in Germany are generally [subject to income tax without restriction](#). This also generally applies to refugees from Ukraine. For this reason, the individual payroll tax deduction attributes must be taken into account in payroll accounting, and the tax identification number (IdNr) and date of birth requested upon employment being taken up. If your employee does not have a tax identification number, the employer can make use of the anticipated deduction attributes for a [period of](#)

[up to three calendar months](#). Employees should contact their competent registration authority, which will trigger the issue of a tax identification number at the German Federal Central Tax Office (BZSt) upon entry in the register of residents [Melderegister]. The German Federal Central Tax Office will then send the issued tax identification number to the address recorded by the registration office, which may take a few days.

### Support people from the crisis region

Takeaways from information to date: the additional effort for payroll accounting is kept within limits. Be encouraged to support people from the crisis region. There are a number of websites where you can publish vacancies for Ukrainian refugees. Use this opportunity. If we can support you with issues relating to hiring and organising payroll accounting for Ukrainian refugees taking up employment, our experts would be happy to provide assistance. Please do not hesitate to contact us.

#### Details needed from refugees from Ukraine

- ✓ Surname, first name, current address
- ✓ Copy of residence and work permit (consider any time limit)
- ✓ Date of birth, place of birth, name at birth
- ✓ Health insurance provider
- ✓ Tax identification number
- ✓ Bank details (IBAN)



#### Checklist for Ukrainian citizens

We would like to also invite you to make use of the linked checklist for Ukrainian citizens and to forward this to others (available in [German](#), [English](#) and [Ukrainian](#)). This list provides you with an overview of the tasks that need to be carried out, ideally before taking up employment.

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