

# Members' subscription rules valid from 01.01.2017



A) The **admission fee** for new members is 10 euros, inclusive of 19% VAT.

## B) Membership fees

Members must pay the **annual membership fee** until membership is cancelled. Membership fees are calculated according to the provisions of sections B and C. Insofar as a lower calculation base has not been proven or been shown to be credible, the previous year's figures are to be used.

Income for married couples and those in registered civil partnerships filing jointly will be calculated jointly, providing that both partners become members; in this case only one membership fee will be charged.

The membership fee increases incrementally according to the calculation base, which is based upon all taxable and non-taxable income or - if these details are not known - upon money received with the exception of benefits. These are, for example:

- 1) Gross annual salary or pensions as detailed on the annual income tax statement including other payments in accordance with § 24 para 1 a or b of the Income Tax Act (EStG) plus payments, expenses and travel allowances paid tax-free by the employer;
  - expense allowances (tax-free payments from the federal or state government).in accordance with § 3 para 12 EStG;
  - income from secondary professional activities as outlined in §3 paras 26 and 26 a of the EStG (e.g. trainers, instructors, educators, carers working for or on behalf of an authority or non-profit organisation);
  - payments in lieu of wages according to § 32 b EStG (unemployment benefit I, sickness benefit etc.)
- 2) Income from:
  - taxable and non-taxable foreign earnings and income, such as wages, foreign pensions etc.;
  - taxable and non-taxable pensions, maintenance payments, permanent expenses;
  - renting out and leasing of undeveloped or developed land and participation income from renting and leasing (see § 21 subsection 1 paras 1 - 3 EStG);
  - capital assets (interests, dividends etc.), even if flat rate tax has been withheld;
  - private sales transactions of land or parts of land,
  - Child benefits from children who are of full age.

Scale of fees	Contribution level	Calculation base		Total contribution	
		from euros	to euros	Incl. 19% VAT euros	
	1		up to	10.000	39,00
	2	10.001	-	15.000	67,00
	3	15.001	-	20.000	89,00
	4	20.001	-	30.000	107,00
	5	30.001	-	40.000	127,00
	6	40.001	-	50.000	148,00
	7	50.001	-	60.000	172,00
	8	60.001	-	70.000	185,00
	9	70.001	-	80.000	197,00
	10	80.001	-	90.000	231,00
	11	90.001	-	120.000	273,00
	12		over	120.000	330,00

## C) Adaptation of contribution levels in particular cases

Specific factors can increase the membership fee. The fee can be increased by a maximum of 4 increments.

Each of the following circumstances brings about an increase of 1 increment:

- income from capital assets is more than €2,000;
- supplementary pension allowance as outlined in § 83 EStG (Riester pension) is being claimed;
- the member is making use of household-related services, services of private craftsmen or help via the private home check process as detailed in § 35 a EStG;
- there are earnings or income from renting or leasing out undeveloped or agricultural land.

Each of the following circumstances brings about an increase of 3 increments:

- there are earnings or income from renting or leasing out developed land or

- the member has foreign earnings or income (salary, pension etc.)
- D) The Organisation's services** can only be used once payment of the corresponding annual membership fee has been made as outlined in § 3 (3) of the articles of association.
- E)** Fees are considered to have been paid **in line with the articles of association** when they have been acknowledged by the Head of the Advice Centre. As part of the dunning process the fee claimed will be at the most recently established contribution level.
- F)** In the case of **retroactive admission**, with regards to the period in the past, the membership fee which would have been charged to an existing member at that time will be charged.

## Example calculations based on the members' subscription rules valid from 01.01.2017

### Example 1:

Member A, married, 2 children aged 6 and 9, for whom he receives child benefit, in addition to his wages of €14,500 receives €4,416 in child benefit and has no other income.

The calculation base is €14,500 → contribution level 2. The child benefit does not affect the fee, as the children are still minors. Hence the membership fee owing is €67.

### Example 2:

Member B is the owner of a newly purchased detached house partially rented out as a residence. He receives wages of €35,000 and rental income of €4,800.

The calculation base is €39,800 → contribution level 5. As B has property for rent, the fee is increased by 3 increments → contribution level 8, so that the membership fee owing is €185.

### Example 3:

Member C receives non-taxable payments of €1,000 from his employer on top of his wages of €35,000. In addition he receives earnings from capital assets (interest) of €2,500. He also receives child benefit for one of his two adult children, as the child is still receiving vocational training.

The calculation base for C is (€35,000 + €1,000 + €2,500 =) €38,500 → contribution level 5. As C has income from capital assets of more than €2,000 and receives child benefit for an adult child, his fee increases by 2 contribution levels → contribution level 7. This results in a membership fee of €172.

### Example 4:

Member D is an employee with a gross annual salary of €39,400 and has repair expenses on his rented flat, of which €1,800 of wage costs can be deducted as household-related services.

The calculation base for D is €39,400 → contribution level 5. Due to the household-related services the fee is increased by one contribution level → contribution level 6. This results in a membership fee of €148.

### Example 5:

Member E will be admitted by the VLH as a new member in 2017. He is having his tax returns for 2016 and 2015 drawn up for him. In 2016 he had a salary of €25,800. In 2015 he received salary of €19,000 and then became unemployed and received a further €1,500 in unemployment benefit.

The calculation base for E is €25,800 for his 2017 membership fee and (€19,000 + €1,500 =) €20,500 for his 2016 membership fee → both at contribution level 4.

Hence the membership fee - in addition to the admission fee of €10 - will be €107 for 2017. For 2016, according to the members' subscription rules valid at the time, E will pay €102. Thus the total membership fee including admission fee will be (€10 + €107 + €102 =) €219.