

COMPLETION GUIDE

FORM FAG01

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I. GENERAL INFORMATION

1. What is form FAG01 for?

The FAG01 form is for the **submission of an application for payment relief/reduction by a business association or other economic operator** to the National Tax and Customs Administration (NTCA).

Payment relief/reduction can be requested by business associations that cannot meet their payment obligations - taxes, contributions, surcharges, fines and other debts registered by the NTCA - on time for some reasonable economic or personal reason.

The **following payment reliefs/reductions** can be requested using the form:

- deferred payment and instalment payment,
- reduction or cancellation.

Payment by instalments and deferred payment may only be allowed if the payment difficulty

- is temporary, and
- is not the result of an omission attributable to the taxpayer.

Reduction or cancellation may only be allowed

- for **debts that are actually overdue** and unpaid (not for tax debts),
- if the fulfilment of the obligation would result in **the impossibility of carrying out the economic activity**.

NTCA may only grant a payment relief if so requested!

2. To whom does it apply?

The FAG01 form is for the **submission of an application for payment relief/reduction by a business association or other economic operator**.

Applications may also be submitted by

- the person liable to pay the tax,
- the liquidator when a company goes into winding-up or liquidation,
- the tax representative,
- the fiscal representative, and
- the trustee,
- and the taxpayer's representative.

Individuals and self-employed persons can submit their application to NTCA on form FAM01 that is another form.

3. How can the form be submitted?

The form can be submitted on paper and by electronic means.

Taxpayers who are obliged to use electronic communication may submit the form only electronically. The **electronic FAG01 form** can be found on the website of NTCA under the menu item "form finder" and can be filled in and submitted to NTCA using the **General Form Filling Framework Program** (i.e. ÁNYK in Hungarian). Submission requires access to the client gate.

More information on the electronic submission of declarations and the rules of contact by electronic means can be found on the NTCA website (www.nav.gov.hu) in the following informative materials:

- Information booklet no. 32 "*General rules for electronic administration and communication in tax matters*", and
- "*Contacting the National Tax and Customs Administration after 1 January 2019 by taxpayers who are obliged to open a client gate for companies/legal entities*".

Taxpayers who are not required to communicate electronically can also submit the application on paper. The completed application form can be printed out and sent **by post** to the Payment Facilities Department/Division of the competent NTCA Directorate as per the head office or establishment of the business entity or **handed in personally** at the NTCA customer service offices of NTCA.

If you submit a paper form to NTCA, do not forget to sign it!

Notification of the right of representation

Proxy of the taxpayer may also submit form FAG01. In order to do so, the right of representation shall be notified to the NTCA in advance.

NTCA will, ex officio, ensure the right of representation for **legal representatives with independent representation rights** in the case of taxpayers subject to company registration and court registration, As such, no notification is necessary in this regard.

The right of representation for **a permanent proxy, agent or other representative established by law** has to be notified to NTCA.

This can be done in two ways:

- at least 15 days prior to the first administration, **on the EGYKE form**, which
 - may be submitted electronically by those who are obliged to administer their affairs electronically or who voluntarily choose to administer their affairs electronically, attaching the permanent authorisation or mandate as an electronic document,
 - those who are not obliged to use electronic means may also submit a paper form to any first instance tax and customs directorate, as well as
- via **the representation reporting interface available on the eBEV portal**, attaching the permanent authorisation or mandate as an electronic document, in which case the authorisation becomes valid upon approval of the permanent authorised representative or delegate.

The NTCA will notify the taxpayer and the representative of the registration of the notified representative. The right of representation takes effect from the date of receipt of the notification.

4. Where can the form be found?

The **electronic FAG01 form** is available on the website of NTCA in the General Form Filling Framework Program (i.e. ÁNYK in Hungarian) via the following path:

- www.nav.gov.hu → „Nyomtatványok” (Forms) → Nyomtatványok ÁNYK-hoz (Forms to ÁNYK) → „Nyomtatványkereső” (Form search).

Automatic electronic payment by instalments may be applied for via

- the online form **AUTRESZ** in the Online Form Filling Application (ONYA in Hungarian).

Paper forms can be found on the NTCA website via the following path:

- www.nav.gov.hu → „Nyomtatványok” (Forms) → „Letöltések-egyéb” (Downloads, other) → „Adatlapok, igazolások, meghatalmazásminták” (Data sheets, certificates,

specimen authorisations) → „Adatlapok fizetési könnyítésre és/vagy mérséklésre irányuló kérelmek elbírálásához" (Data sheets for the assessment of applications for payment reliefs and/or reduction).

5. Is there a cost for applying for a payment relief/reduction?

Submission of the application for a payment relief/reduction is **free of any charges and duties**.

6. Further information, assistance

If you have any further questions about the form or certain tax related rules, please feel free to contact us at the contact details below.

On the Internet:

- on the webpage of the NTCA, on www.nav.gov.hu.

Via e-mail:

- on the form that can be found at the following address: <http://nav.gov.hu/nav/e-ugyfsz/e-ugyfsz.html>.

By phone:

- on the Infoline of the NTCA
 - in Hungary on the following phone number: 1819,
 - from abroad on the following phone number: +36 (1) 250-9500.
- via the customer information and administration system (ÜCC) of the NTCA*
 - in Hungary on the following number: 80/20-21-22,
 - from abroad on the following number: +36 (1) 441-9600.

The Infoline and the ÜCC of the NTCA can be called from Monday to Thursday from 8.30am to 4pm and on Fridays from 8.30am to 1.30pm.

For specific information and assistance, please call 1819, menu item 2.*

*To use the system, you must have a customer identification number or Partial Code Telephone Identification (RKTA). If you do not have a customer identification number, you can request it on the form called TEL, which can be submitted to the National Tax and Customs Administration in person or through the KÜNY storage. If you are not using the ÜCC for your own purposes, please submit form called EGYKE as well.

In person:

- countrywide at the customer services of the NTCA. Browser for customer services: <https://nav.gov.hu/nav/ugyfelszolg>.

7. Which legislation shall be taken into account?

- Act CL of 2017 on the Rules of Taxation,
- Act CLI of 2017 on Tax Administration and the Regulation of Tax Administration (Tax Administration Act),

- Act CCXXII of 2015 on the General Rules of Electronic Administration and Trust Services.
- Act XCIII of 1990 on Duties,
- Government Decree 485/2015 (XII.29) on the Competence and Jurisdiction of the Organisations of the National Tax and Customs Administration.

II. DETAILED INFORMATION (FAG01)

A. Application data

1. Application for automatic payment by instalments

Tick only **if you are included in the reliable taxpayers' database**. If you are not in the database, your application will be automatically rejected.

2. Method of application submission

Please indicate if you wish to submit the application

- letter '**E**' by electronic means,
- letter '**P**' on paper by post,
- letter '**S**' in person.

The form may be sent electronically only if the letter '**E**' is indicated.

An application for automatic payment by instalments, may only be submitted electronically.

3. Application due to the epidemic situation

Please indicate if you are applying in connection with an epidemic situation caused by the coronavirus.

4. Wartime situation

Please indicate if you are applying because of the war situation.

This option is not available if you have also selected A/3 in FAG01.

5. Increase in overhead costs

Please tick if your application is made to an increase in utility bills.

This option is not available if you have also selected A/1, A/3 and A/4.

B. Data of the taxpayer

1. Please enter the **tax identification number** (TIN) of the economic operator submitting the application.
2. Please give the **full (and abbreviated) name** of the applicant economic operator.
3. Please provide the **address** of the registered office of the applicant economic operator.
4. Please provide the **telephone number** of the applicant economic operator.
5. Person submitting the application.

Please indicate

with letter '**K**' if the application is submitted by a representative of the taxpayer,
with letter '**L**' if it is submitted by the taxpayer's permanent proxy,
with letter '**M**' if it is submitted by the taxpayer's proxy.

6. Please enter **the name and tax identification code** or **TIN** of the representative, permanent proxy or proxy submitting the application.

Please provide the details of the person completing and submitting the form to NTCA.

7. Please provide the **telephone number** of the representative or proxy submitting the application.

C. Attachment(s)

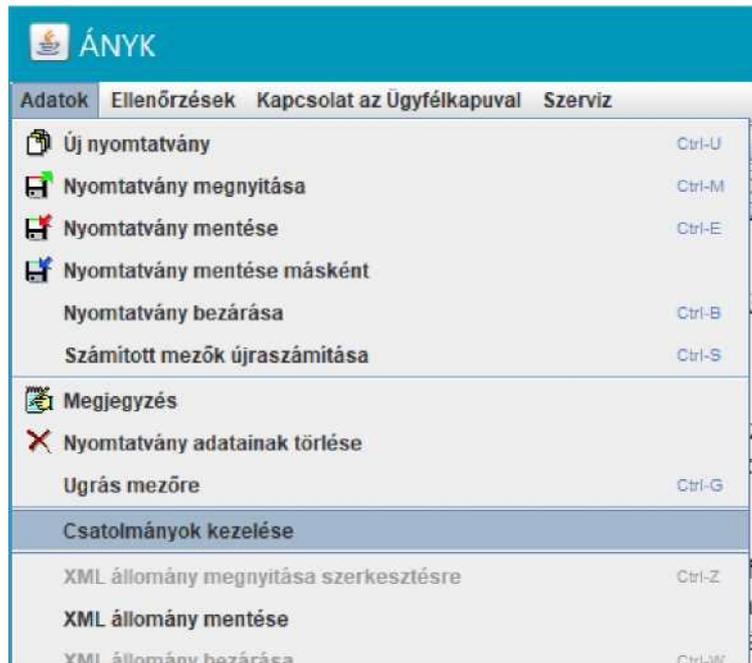
If the form is submitted electronically, attachments may be attached.

A maximum of 30 attachments of 5 MB per file, up to a total of 180 MB, can be attached
Accepted file types: pdf, rtf or xls.

There is no limit on the number and length of attachments for postal or personal submission.

The attachments shall be submitted electronically as follows:

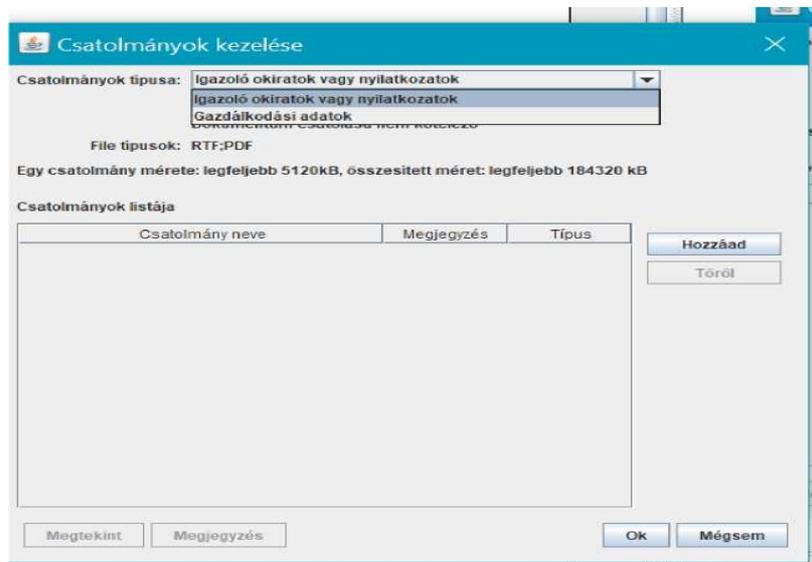
- a. Select '**Manage attachments**' from the 'Data' menu.



- b. After selecting 'Manage attachments', a pop-up window will appear allowing you to attach the desired attachments to the form. Here, you must first select the type of attachment, depending on whether you wish to attach a supporting document or a declaration or management data. If you choose **supporting documents or declarations**, you can attach files with rtf or pdf extensions, while if you choose **management data**, you can attach files with xls or pdf extensions.

- c. After selecting the type, click on the ADD button to select the file to be attached, which will then appear in the list of attachments. To attach another file, click on the ADD button again. Only attachments of the same type are displayed in the attachments list at a time.

- d. When you have finished attaching files, click OK to return to the form.



1. The number of attachment(s), file(s) attached to the application are automatically displayed once the attaching of files is complete.

2. Please enter the name of the attachment(s), attached file(s). If you are attaching document(s) or electronic copy(ies) to the application, please indicate their name. If, due to the large number of files to be attached, the names of the files cannot be included in the space available, please attach the names in a separate attachment and include only the name of the file containing the attachment names in this box.

Please **keep the original of the attachment** sent electronically **within the limitation period**, as it may be checked by NTCA.

FAG01-NYIL

If the automatic application for payment relief is selected (FAG01, block A, point 1), only the NYIL sheet will be active, other sheets are inactive and cannot be completed.

Please select here whether you are requesting payment in instalments or the deferral of payment.

If you request an instalment payment, please indicate the number of months for which you are requesting an instalment payment (between 2 and 12 months).

FAG01-01

D. Subject of the application

In the application subject block, please complete Table I or Table II. However, both tables cannot be completed together!

Please note that

- NTCA may not waive or reduce the tax of a non-private individual¹, and
- no payment relief (instalment payment, deferred payment) may be granted for the advance payment of income tax of natural persons and for the income tax deducted, the local tax collected and the contributions deducted by the paying agent from the individual².

If **Table I** is completed, the application is assessed taking into account the debts outstanding at the time of assessment. If column d) is completed, columns e) and f) or columns g) and h) may be completed together.

If **Table II** is completed, please specify the debts applied for. When completing this table, at least one row must be completed. If column a) is completed, column b) is automatically completed, column c) is mandatory, and if column d) is completed, columns e) and f) or columns g) and h) may be completed together.

¹ Section 201 (1) to (2) of Act on the Rules of Taxation.

² Section 198 (3) of Act on the Rules of Taxation.

column 'a': **tax type code** concerned by the application, selected from a drop-down list.

column 'b': the name of the tax type for which the application is made, which **appears automatically** when the tax code is selected.

column 'c': the **amount** of the debt to which the application relates, to be expressed in **HUF**.

If you do not know the exact amount of the debt, **you may**, with the appropriate authorisation, request the taxpayer's **current account statement electronically**. The EGYKE registration form is used to notify this authorisation as well.

column 'd': for requesting a **reduction/cancellation** of the debt.

column 'e': to request authorisation for the payment of the debt in **instalments**.

column 'f': if you request authorisation to pay by instalments, you must indicate the **term**. The term must be provided **in months**.

column 'g': you can request **deferral** of payment of the debt.

column 'h': if you request a deferral of payment, you must indicate the **date of the deferral**. Please enter the date of the deferral in **day/month/year** format. In the case of a request for deferral, please attach documents proving your ability to pay the requested liability at a later date, in a lump sum.

If you wish to apply for a **deferred payment in instalments**, please complete columns e) and f) and indicate the starting date of the deferred payment and the reason for the deferred payment in Section I of Sheet 06. Deferred instalment payments may be allowed where the taxpayer is only able to pay the debt from a later date (e.g. seasonal businesses, etc.).

Also, please indicate in Section I of Sheet 06 if you are requesting payment relief on the amounts requested for cancellation/reduction in the event of a rejection of the reduction request.

E. Data on economic management

1. Does the applicant have any other liabilities?

Only other public debts or debts considered as such of the economic operator should be provided.

Please indicate:

with letter '**Y**' if yes,
with letter '**N**' if no.

If yes, please complete the table. The amount of the liability should be **rounded to the nearest thousand HUF**.

2. Disclosure of other information

Other data relating to the economic management of the undertaking must be provided. If there are any overdue receivables, overdue receivables from suppliers, or long-term loans held by the company and any interest on them, the data relating to these are required.

Please indicate:

with letter 'I' if there is such a receivable or loan,
with letter 'N' if there is none.

If yes, please complete the table and attach a detailed statement of the debt and copies of the documents justifying the steps taken to recover the debt. The amounts should be **rounded to the nearest thousand HUF.**

3. Does the applicant hold securities purchased for investment purposes?

Please indicate:

with letter 'Y' if yes,
with letter 'N' if no.

If yes, please complete the table. Please enter the name and type of the security, the date of acquisition in month/year format and the value of the security **rounded to the nearest thousand HUF** in the description field.

FAQ01-02

4. Has the applicant received dividends (in the current and previous year)?

Please indicate:

with letter 'Y' if yes,
with letter 'N' if no.

If yes, please complete the table. Please indicate the name of the company granting the dividend, its tax number, the date of granting the dividend in month/year format, and the amount of the dividend **rounded to the nearest thousand HUF.**

5. Has the applicant paid dividends (in the current and previous year)?

Please indicate:

with letter 'Y' if yes,
with letter 'N' if no.

If yes, please complete the table. The date of the dividend should be given in month/year format and the amount of the dividend should be **rounded to the nearest thousand HUF.**

6. Does the applicant own movable tangible property worth more than HUF 500,000?

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete the table. Please indicate the name of the asset. If this is provided, the other boxes in the row are mandatory. The identification data field must be completed with the characteristics of the movable tangible property necessary for its unique identification (e.g. type, serial number, registration number, size, colour, etc...). The estimated market value should be **rounded to the nearest thousand HUF** and the ownership percentage should be given as a fraction or %. (e.g. 1/2 or 50%).

7. Does the applicant own real property?

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete the table. Nature of the real property: please indicate the name under which the real property is to be used, e.g. family house, apartment, holiday home, enclosed garden, agricultural land, arable land, forest, vineyard, farm, garage, workshop, premises, warehouse, office, etc., the address, the topographic lot number, the ownership share, the date of acquisition in month/year format and the estimated market value of the ownership share **rounded to the nearest thousand HUF**.

FAG01-03

8. Bank accounts and their balances

Please indicate the name of the financial institution keeping the applicant's bank accounts, the bank account numbers and the date of the last balance in day/month/year format, and the balance amounts **rounded to the nearest thousand HUF**.

Block I must be completed for Hungarian bank accounts and Block II for foreign bank accounts, indicating the IBAN of the bank account (column b).

FAG01-04

9. Date of the last cash closure

Please enter the date of the last cash closure in day/month/year format.

10. Cash stock

Please enter the cash stock amount available at the last cash closure, **rounded to the nearest thousand HUF**.

11. Does the applicant have an affiliated company?

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete the table. Please enter the name of the company, its tax number, the amount of the applicant's share **rounded to the nearest thousand HUF**, the percentage of the share and the date of the investment in month/year format.

12. Has the applicant transferred assets to another company free of charge?

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete the table. Please give the name of the company(ies), its/their tax number, the amount transferred **rounded to the nearest thousand HUF** and the date of the transfer in month/year format.

13. Has the applicant made any contributions, investments to foundations or public interest commitments in the current and previous year?

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete the table. Please indicate the amount of the contribution or commitment, **rounded to the nearest thousand HUF**.

F. Offering securities as collateral**Are you offering a security as collateral?**

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete the table.

Type of collateral: a summary description of the collateral offered, e.g. movable pledge, mortgage, security, bank guarantee, surety, etc.

Name of the asset: the name of the movable or immovable asset, the name of the security, the name of the bank or guarantor in the case of a bank guarantee or surety.

Value of collateral: the market value of the asset or the amount of the guarantee or bank guarantee must be given, **rounded to the nearest thousand HUF**.

FAG01-05**G. Duty obligation****1. Are you entitled to a personal duty exemption?**

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please complete Section 2.

Attention! Only organisations listed in Section 5(1) of the Duties Act are entitled to personal duty exemption.

An additional condition is that the organisation referred to in points c) to g) and m) of the above paragraph is entitled to duty exemption only if

- it has not incurred a corporate tax liability or,
- in the case of a budgetary body, a liability to pay the central budget

on its income from its business activities in the calendar year preceding the acquisition of the assets or the opening of the procedure.

The organisation concerned must declare this and, if the procedure is initiated before 1 June, that no tax liability is foreseeable. If the commitments made in your declaration are not met, you have until 1 July of the year in which the duty becomes due **to report this to the competent authority and pay the additional duty without incurring a tax penalty.**³

2. Declaration of personal duty exemption

Mandatory if the answer in Section 1 is 'Y'. Please select from the drop-down list the grounds on which the applicant is entitled to duty exemption.

H. Informative questions

1. Please specify the reasons for the failure to comply with the tax payment obligation.
2. Please list the measures taken to avoid the accumulation of tax debts.
3. Please list the measures taken to restore financial equilibrium and solvency and to meet tax payment obligations in the future.

³ Section 5 (2) - (4) of the Duties Act.

FAG01-06

Here you can elaborate on any other aspects you wish to make to the application. Also, if the space provided in any of the boxes on the form is insufficient, you may refer to that box and enter the information you wish to provide here. If the data and information you wish to provide would not fit in here either, you may attach them as a separate attachment, taking into account the information in Part C.

In this section, you can indicate if you wish for the payment relief to be free of any penalty, as well as the starting date of the deferred instalment payment and the reasons therefor. You may also indicate in this section if you do not wish to receive tax authority documents electronically.

J. Annual report

This is where you need to mention whether you are required to prepare annual report / simplified annual report / consolidated annual report.

Please indicate:

- with letter 'Y' if yes,
- with letter 'N' if no.

If yes, please select the type of report and the type of balance sheet and profit and loss statement from the drop-down list.

For the reporting period, data must be current but dated no more than 3 months prior to the date of application. **The start of the period must be on or after 1 January of the current year.** If you do not yet have up-to-date data for the current year, you must enter an arbitrary date interval and complete the forms with **data content 0**. This should be indicated in Section I of Sheet 06. However, the column for the previous year must be completed with the most recent data.

In addition, please indicate the preparation date of the accounts.

After selecting the balance sheet and profit and loss account, please complete all the rows of the sheets that have become active (the form does not accept blank fields, so at least '0' must be entered), and please enter the data in thousand HUF.

Example of how to complete block J in the case of an application at the beginning of the year:

On 6 January 2022, the most recent management data available are for the period 01.01.2021 to 30.10.2021 (which are not older than 3 months at the time of submission). So the reporting period (current year) can be an arbitrary interval for the year 2022, as no up-to-date data are yet available (01.01.2022 to 01.01.2022).

The reporting date should also be a current date in 2022, e.g. 06.01.2022.

The above example can only be used for forms submitted at the beginning of the year, if you already have up-to-date data for the current year, then the forms should be completed accordingly.

If the answer is **no**, then the attachment of the report prepared in accordance with the rules applicable to the economic operator is **required**.

K. Average staff numbers

Please indicate your employee headcount at the time of completion. The total includes employment in any known employment relationship including agency staff. If the company has no employees, enter zero.

Emergency application

If a taxpayer applying for a payment relief or tax reduction is a reliable taxpayer at the time of filing his/her application, he/she may also submit an application for an emergency procedure (emergency application⁴) when submitting the said application. In an emergency procedure, the time limit is fifteen days.

No request for substantiation may be made in the event of a delay in the submission of the request for urgent procedure.

If you meet the above criteria and you are applying for an urgent procedure, please indicate this on the form and also indicate the date of registration in the database.

National Tax and Customs Administration

⁴ Section 198 (9) of the Act on the Rules of Taxation.