

Registering with NTCA: getting a tax number and a tax identification number

Anyone wishing to carry out a taxable activity or earning income subject to income tax, or to apply for budget support, **must register with the National Tax and Customs Administration (NTCA)**. NTCA keeps records of reported data and any changes thereof.

NAV allocates a **tax number** to registered taxpayers engaged in economic activity and a **tax identification number** to natural persons not engaged in economic activity.

The following describes **the steps for getting** a tax number and, for natural persons, a tax identification number.

I. Registration of taxpayers obliged to get a tax number

Who needs to get a tax number?

A tax number must be received by

- > any **private individual** engaged in an economic activity,
- > **sole proprietors**,
- > **companies**
- > **legal entities registered by court**, such as foundations, if they carry out an economic activity,
- > and so-called **legal entities registered in the registry of budgetary organizations**, such as budgetary institutions.

You must register with NAV **before starting** your taxable activity.

Your employer and payer must do so no later than fifteen days counted from such date when the first taxable payment is made to you.

Who is not required to get a tax number?

No tax number is required to be received by any natural person who

- > is not a sole proprietor, and
- > only lets out or leases some real property in full or in part, and
- > does not opt for being subject to VAT tax, and
- > is not obliged to get a tax number under any other legal regulations.

How to get a tax number?

One-stop registration: sole proprietors, companies, legal entities registered with court, and legal entities registered in the registry of budgetary organizations **do not need to register with NAV separately**, as they fulfil their obligation to register with NAV by submitting their application for registration to the body that maintains their records (body that maintains the register of sole proprietorships, courts of registration, courts, Treasury).

Direct registration: other taxpayers **must register directly** with NAV, using the form provided for this purpose.

What happens after registration?

After registration, NAV will **allocate a tax number to the taxpayer**.

NAV does not directly communicate the tax number to taxpayers who register in the one-stop shop system, but **through the server that keeps their records**.

Once the tax number has been allocated, the taxable **activity can be started**.

Taxpayers must **indicate** their tax identification numbers **on all documents** related to taxation.

When does NAV decide to allocate no tax number?

NAV will refuse to allocate a tax number,

- > if the **data** provided by the taxpayer is **incorrect**,
- > **incomplete**,
- > or when, during the so-called **tax registration procedure**, which is mandatory for companies, it turns out that there is a legal obstacle to issuing a tax number.

Special rules for companies

The allocation of a tax number to taxpayers required to register a company is not carried out automatically, it is preceded by a so-called **tax registration procedure**.

The tax registration procedure typically takes **one working day**. This is conditional to the applicant's **completely and correctly specifying**, in the application for registration originally submitted to the court of registration, the tax identification numbers of the senior executives of the company to be registered and of company members to be examined during the tax registration procedure.

If any legal obstacle arises during the deadline of one working day, NAV will implement the procedure **within eight working days**.

A taxpayer who registers through the court of registration must, within fifteen days from the date of registration, **also report** the following information **directly** to NAV:

- > the place where his/her documents, and certificates and records available electronically are kept, if it is different from his/her registered office or residential address; and the fact, when this is the case, that he/she keeps certificates, books or records electronically, by providing online access to them,
- > the tax identification number of his predecessor,
- > the tax identification number of any owners of joint ventures; and, in the case of an owner not having a tax identification number who owns a general partnership, a limited partnership, a limited liability company, an association, or a joint venture, personal details for him/her as a natural person and his/her residential address and usual place of stay, for the allocation of a tax identification number; and, in the case of a foreign natural person, his nationality,
- > the mailing address of a natural person, if it is not the same as his/her registered office, or site,
- > any site of his/her not registered with the court of registration,

- > in case a registered office service is used, the name, the registered office, tax number of the registered office service provider, the start date of the usage of services and, in the case of a fixed-term legal relationship, the date of termination thereof.

A company that registers through the court of registration must, within fifteen days from the date of registration, **report in writing all valid current account numbers maintained with financial institutions abroad**, the name of the foreign financial institution keeping the current account of the company, and the date of opening and closing the current account.

II. Registration of natural persons not engaged in any economic activity

Who needs to get a tax identification number?

For getting a tax identification number, **such natural person must register** with NAV who does **not yet have** a tax identification number, and

- > does not carry out any business activity, is not liable to pay VAT, and
- > earns taxable income or wants to apply for budget support, or
- > is a senior official of a company, or a member of a company who is authorized to sign on behalf of the company, or managing director of a company,
- > member, shareholder of a one-person company.

Before receiving any taxable income or applying for budget support, you must register with NAV. You must communicate your tax identification number to your employer or payer before your income is paid, and no budget support can be paid as long as the taxpayer has no tax identification number.

Anyone who is required to apply for a tax identification number due to his/her position in a company must register with NAV **before the allocation of the tax number of the company** concerned.

How to get a tax number?

You must register **directly with NAV**, using the form provided for this purpose.

A taxpayer starting a sole proprietorship may not have a tax identification number when applying for a tax number. In this case, NAV will also allocate a tax identification number at the same time when allocating the tax number. **In this case, therefore, no separate application is required for a tax identification number.**

What happens after registration?

On the basis of a registration, NAV will, within fifteen days, allocate a tax identification number to the natural person and issue an official certificate thereof, i.e. a tax card, by sending it to the taxpayer's address.

Upon finding some discrepancy when verifying the data reported by the natural person, NAV will first issue a **temporary tax card** valid for sixty days.

In such cases, NAV will request the natural person to verify the reported data in order to **clarify the reason for the data discrepancy**. If the data verified by the natural person and the data corrected in NAV's records do not match the data found in the register of personal data and addresses, NAV will immediately contact the district office competent for the natural person's place of residence or stay. NAV will extend the validity of the temporary tax card by sixty days, if the data discrepancy cannot be corrected within its validity period.

The tax card must be kept. The data of the tax card may also be verified by using an electronic identity card.

III. Reporting changes

The taxpayer must report to NAV any changes in his/her data that affect his/her tax liabilities, within 15 days thereof.

Sole proprietors, companies, and legal entities registered by court do not have to report changes the reporting of which to NAV is the responsibility of the body keeping their records. Such changes need to be reported only to the registration body, such as the court of registration.

In addition, changes in natural personal identification details and residential addresses **do not have to be reported** either.

Sole proprietors and taxpayers having registered with a court of registration, as well as legal persons registered by court, must **notify NAV of any changes in their main activity, within fifteen days**.

If there is any change in data included in public registers, **the taxpayer may request the body keeping the public register to notify NAV** of such change.

Sole proprietors may notify NAV of any changes in data not maintained in the register of sole proprietors but to be reported to NAV also through the body keeping the register of sole proprietors.

An existing taxpayer may report his/her application for a **Community tax number** as a change if he/she wishes to establish a commercial relationship with a taxable person resident in another Member State of the European Community. A taxpayer may also report it as a change of data when he/she has terminated his/her commercial relationship with a taxable person resident in another Member State of the European Community. Allocating or returning a Community tax number is possible during a year.

IV. Legal regulations relevant to registration

- Articles 16 (1) - (2), Articles 19 (1) - (2), Article 29, Article 32, Article 34, Articles 36-37, Article 39, Article 44, and Annex 1 of Act CL of 2017 on the Rules of Taxation.
- Article 16 of Government Decree 465/2017 (XII. 28.) on the Detailed Rules of Tax Administration Procedures.

V. Further information, help

Should you have any further questions about the form or individual taxation rules, please do not hesitate to contact us at the contact details listed below.

Internet:

- > through NAV's website www.nav.gov.hu.

E-mail:

> using the form available through: https://nav.gov.hu/ugyfeliranytu/keressen_minket/levelkuldes

Phone:

> through NAV's Info Line

- from Hungary by dialling 1819,
- from abroad by dialling +36 (1) 161-1819.

> Information on specific case(s) and managing individual cases*

- from in-country on the phone number 1819 (menu item 2),
- from abroad on the phone number +36 (1)461-1819.

You can call the NAV Info Line from Monday to Thursday from 8:30 a.m. to 4 p.m., and on Fridays from 8:30 a.m. to 1:30 p.m.

* You must have a Customer ID Number or Partial Code Telephone Identification (RKTA) to use the system. If you do not have a Customer ID number, you can request one by using a TEL form and submitting it to NAV in person or through the KÜNY data repository. When using the ÜCC for affairs other than yours, please submit and EGYKE form as well!

In person:

> at NAV Customer Services nationwide.

Customer Service finder: <https://nav.gov.hu/nav/ugyfelszolg>.

National Tax and Customs Administration