

Automatic instalment payment
granted to natural persons
for tax debts not exceeding HUF 1,000,000

Dear Customer,

At the request of natural persons, i.e., private individuals, sole proprietors and private individuals liable for VAT, the National Tax and Customs Administration (NTCA) may, once a year and for a tax debt of up to HUF 1,000,000, allow instalment payment, free of any surcharge, for up to 12 months. In such cases, NTCA will not examine whether the payment difficulty is attributable to the taxpayer's conduct or whether the payment difficulty is temporary. This is the so-called **automatic instalment payment relief**. This relief does not apply to liabilities deducted from employees¹.

If a taxpayer fails to make payment on time of an instalment due under an authorized automatic instalment payment, the instalment payment relief will no longer be in effect and the debt becomes payable in a lump sum.

In this case, NTCA will also require a late payment surcharge on the remaining debt for the period starting from the original deadline².

The procedure is free of charge. The application may be submitted by the taxpayer or the person liable to pay tax³, as well as his/her representative⁴. A one-time power of attorney must be submitted to NTCA in writing, attached to the application. **A sample power of attorney to be used by individuals and sole proprietors** can be downloaded from the NTCA website – www.nav.gov.hu –, *using the menu items „Downloads” ^ „Data sheets, certificates, samples of power of attorney” ^ „Samples of power of attorney”*.

So, if you are

• a natural person

(private individual, sole proprietor, private individual liable for VAT) *and*

• your tax debt is up to HUF 1,000,000

(excluding the amount of advances on personal income tax, any income tax deducted, any taxes collected, and any contributions deducted from the private individual by the payer),

then you are entitled

• free of duties,

• once in a calendar year,

• to request NTCA to allow instalment payment of up to 12 months, free of surcharge.

You can submit your request for automatic instalment payment by using the form provided and submitting it

- by post,
- in person at NTCA Customer Services,
- or **electronically, by selecting the AUTRESZ application form in the Online Form Filler Software Application (ONYA)**, or using the form FAM01, which can be downloaded from the NTCA website.

¹ Section 199 (1) of Act CL of 2017 on the Rules of Taxation (Taxation Act).

² Section 198 (3) of the Taxation Act.

³ Section 59 (1) of the Taxation Act.

⁴ Section 17 (1)-(2) of Act CLI of 2017 on the Rules of Tax Administration Procedures.

There is no right of appeal against the decision approving the application for automatic instalment payments.⁵

Contact options

For any taxpayer who is not obliged to communicate electronically with NTCA and submits his/her application on paper,

- but has made the choice of using electronic communication in the Register of Dispositions (RNY), or
- has issued no instruction as to the means of communication in RNY, but has a secure delivery availability known to NTCA (KÜNY data repository),

NTCA will deliver documents electronically to his/her KÜNY data repository.

And if someone submits his/her application electronically, whether or not obliged to communicate electronically, **NTCA will deliver the necessary documents**

- **primarily electronically** to the taxpayer or to the taxpayer's representative submitting the application,
- unless the taxpayer is not required to communicate electronically and he/she has not consented to electronic communication in the RNY.

Evaluation

NTCA will consider the conditions detailed above when assessing the application. **If the applicant fails to meet any of the conditions, NTCA will reject the application.** In this case, it is possible to initiate a „traditional”⁵ payment facilitation procedure. You can access details of the procedure through <https://nav.gov.hu/pfile/file?path=/en/taxation/Booklets/30.1-payment-facilities-for-individuals>, in Information Leaflet no. 30.1, titled „Payment facilities for individuals”.⁶

⁵ Subsection (4) of Section 199 of Taxation Act.

⁶ Application for payment facilitation to be evaluated pursuant to Sections 198 (1)-(7) of the Taxation Act.

Application for automatic instalment payment for private individuals

1. Identification details

* Taxpayer's name:

* Residential address:

Tax identification number / Tax Number:

If you are not required to communicate electronically and want to initiate a paper-based application procedure for automatic instalment payment, which address do you request NTCA to send documents to?

Phone number (for daytime contact):

2. Application

** I request instalment payment to be granted free of surcharge pursuant to the provisions of Section 199 (1) of the Taxation Act for my tax debt not exceeding HUF 1,000,000 for (a maximum of 12) months.

I declare that I have read the information about the instalment payment relief and I acknowledge the contents therein.

Done at, _____ , (year

(month)_____ (day)

signature of taxpayer (proxy) ***

* **Please fill in legibly, in block capitals, for clear identification!**

** **If you do not indicate the number of instalments requested or indicate a term of more than 12 months, NTCA will consider the application for a period of 12 months.**

*** **In case of a limited power of attorney, please attach the completed power of attorney form as well!**