

Documents required for assessing applications for payment relief by private individuals (sole proprietors)

1. Information
2. Data sheet (application)
3. Completion guide
4. Statement of support (as required)

Payment relief for natural persons¹

Natural persons (private individuals, sole proprietors, and individuals liable to pay VAT) who are unable to meet their payment obligations on time for any justified economic or personal reason may request a **payment relief from the National Tax and Customs Administration (NTCA)**.

The payment relief may be:

- **deferral** of payment,
- authorizing **instalment payment** (the former two together: **payment facilitation**),
- **tax reduction**,
- or, in some particularly justified cases, **waiver** of tax.

I. Payment facilitation

Payment facilitation – **deferred payment or instalment payment** – **may be requested if the payment difficulty**

- **is not attributable** to the applicant, or the applicant has acted as could be expected of him/her in the given situation to avoid the difficulty, *and*
- **it is temporary in nature**, so it is expected that the applicant will be able to pay tax at a later date²

No payment facilitation may be requested for any:

- personal income tax advances,
- income tax deducted,
- contributions deducted from the natural person by the payer, and
- tax collected³.

Special cases

Payment facilitation may be **allowed** even if **the applicant has not made every effort to avoid** payment difficulties, but only if the immediate or lump-sum payment of the tax would place a heavy burden on the applicant's family, income, property and social circumstances. The applicant must provide proof of this fact or its likelihood.⁴

In that case, payment facilitation may be granted also for deducted liabilities, if an increase in instalments payable under the applicant's credit, loan or financial leasing

¹The rules of payment relief are set out in Article 198 and Articles 200-201 of Act CL of 2017 on the Rules of Taxation (hereinafter: Taxation Act).

² Article 198 (1) of the Taxation Act.

³ Articles 198 (3) (a)-(c) of the Taxation Act.

⁴ Article 198 (4) of the Taxation Act.

agreements with financial institutions or the termination of credit agreements would represent a disproportionately high burden. Payment facilitation for deducted liabilities may be granted under a **debt settlement procedure**⁵.

Surcharge payment

For **the term of** an authorized **payment facilitation** – from the date of the authorization decision – **NTCA will require a surcharge** at a rate equal to the Central Bank base rate quoted on the submission date of the application.

In exceptionally justified cases, **payment facilitation may be granted free of any surcharge**. If you want to request a surcharge-free payment facilitation, this must be indicated in Point 17 of the application.

II. Debt reduction and waiver

NTCA may, upon request, **reduce or waive tax-, fine- or surcharge debts if their payment would seriously jeopardize the livelihood of the taxpayer and his/her relatives living in the same household**. As a precondition to granting reduction, NTCA may require the payment of some part of the tax debt, in proportion to the taxpayer's ability to pay.⁶

No reduction or waiver may be requested for

- any **tax or contribution debt to be deducted** by the payer from the natural person, and
- any **tax levied as a type of tax to be collected**.

Equity

A **serious threat to livelihood** can be inferred, in particular, if **the net per capita income** of a taxpayer and his/her close relatives living in the same household **does not exceed the current minimum subsistence level**, and this income situation is reflected in their wealth and social circumstances.

Of course, this does not mean that equity may only be exercised in the case of such a low income, a reduction or waiver may also be requested for a higher amount of income if, comparing income and other property conditions with the size of the debt, the payment of the full amount of the debt would seriously jeopardize the livelihood.

Surcharge- and penalty debt

NTCA **may reduce or waive the debt of surcharges and penalties out of exceptional equity**, especially, if its payment would make the economic activity of the sole proprietor, legal entity or other organization impossible. As a precondition to granting reduction, NTCA may require the payment of all (or some part of) the tax debt.

⁵ Article 198 (5) of the Taxation Act.

⁶ Article 201 (1) of the Taxation Act.

III. The information provided

You are responsible for providing proof that the conditions for the relief exist. For the assessment of the application, the form must be completed fully and correctly, with amounts provided in HUF. If the data provided on the data sheet contradicts NTCA's records or reflects unrealistic public utility or other expenses different from usual, **NTCA may request the submission of documents and copies of invoices suitable for the verification of such data.**

If you fail to indicate in this form all the facts or circumstances necessary for assessing your application, or you fail to provide all the evidence available to you, then later, in a possible appeal or a procedure launched based on an appeal, **you will not be able to provide them.** You may not establish a new fact, or to refer to new evidence, of which you had been aware before NTCA's decision at first instance, but you had not presented it or had not referred to it.

Submission of the application

You may submit your application for payment relief by using the form attached and delivering it

- by post,
- in person at NTCA Customer Services, or
- **electronically, using a form called FAM01**, which can be downloaded from the NTCA website.

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

- but declared to use electronic communication in the Register of Disposition (RNY), or
- has not made any declaration 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.

The application may be submitted by the taxpayer, the person liable to pay tax⁷, or their representatives⁸. **If, on behalf of the taxpayer, a representative acts who has no permanent power of attorney, a power of attorney must be attached** at the same time as the application is submitted. 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”.

Charges

Submission of the application **is free of charge**⁹.

National Tax and Customs Administration

⁷ Pursuant to Articles 59-60 of the Taxation Act.

⁸ Articles 14-15 and Article 17 (2) of Act CLI of 2017 on the Rules of Tax Administration Procedures (Tax Procedures Act)

⁹ Pursuant to the provisions of Act XCIII of 1990 on Duties.

DATA SHEET

**For the assessment of applications for payment relief and/or reduction by private individuals
(sole proprietors)**

Before you begin, please read our completion guide!

1. Identification details

a) name:	
b) tax identification number:	
c) residential address:	
d) for paper-based payment relief procedure: please send the documents to the following address:	
e) phone number:	
f) occupation:	
(g) employer's name and address:	

The reason for the request is related to the war. (If yes, mark it with X!)

The reason for the request is related to the increase in utility costs. (If yes, mark it with X!)

2. For what amounts do you request a payment relief?

IMPORTANT! If the content of the form differs from the application, NTCA will consider it an amendment to the application.

a) For all my outstanding debts at the time of the application for which a payment relief may be granted according to the relevant legal regulations, I request

- **instalment payment** (number of instalments requested:), or
- **deferral of payment*** (requested payment date: day month year), or
- **reduction.**

Please underline the forms of payment relief of your choice.

If you complete point (a), you no longer need to complete points (b), (c), (d) and (e).

* deferral of payment: lump sum payment at a later date

6. Additional properties owned by the applicant and those living with him/her in the same household:

Nature of the property ¹	Address or topographical number	Owner's name	Ownership share	Year of acquisition	Acquisition title ²	Estimated market value of ownership share ³
Total						

¹family house, apartment, holiday home, enclosed garden, agricultural land, arable land, forest, farm, garage, workshop, other.

²purchase, inheritance, gift, exchange, other.

³The market value must also include the value of buildings located at the specified topographical number.

7. Monthly, regular expenses related to the maintenance of real properties:

Title of expense	1. (residential) property address:	address of property 2:	address of property 3:	address of property 4:
	Monthly amount	Monthly amount	Monthly amount	Monthly amount
Water				
Electricity				
Gas				
Heating				
Condominium fee				
Waste management fee				
Home insurance				
Rent				
Phone, TV, internet				
Other:				
Total				

8. Other monthly, regularly paid expenses not accounted for in the sole proprietorship:

(for example, costs of nursing due to a long-term illness; costs of doctors, medicines; due dates for loan repayments; costs of motor vehicles; financial support to relatives; costs of going to work; etc.)

Description of expense	Monthly amount	Due date (month, year)
Total		-

Attention! If you have a loan, you must also attach documents proving its existence, its amount and instalment amount.

9. Amounts of other debts with indication of title (public utility arrears, loans to private individuals, debt, etc.):

Title of debt	Obligee's name	Debt amount (HUF)	Monthly instalment amount (HUF)
Total	-		

Attention! Documents certifying the existence, amount and monthly instalment amounts of debts must also be attached.

10. Details of motor vehicles, industrial, agricultural machinery, watercraft and aircraft used (owned) by the applicant and those living with him/her in the same household:

	Motor vehicle 1	Motor vehicle 2	Motor vehicle 3	Motor vehicle 4
Make of vehicle				
Type				
Plate number				
Owner				
Nature of usage ¹				
Market value				
Year of manufacture				
Year of acquisition				
Utilisation ²				
Title of usage ³				
Due date of loan				

¹Nature of usage: personal motor vehicle, heavy duty vehicle, utility vehicle, etc.

²Utilisation: in business or for private purposes.

³Title of usage: owner, leasing, rental, other

If the vehicles are essential for transporting you or a close relative, please state the reason and attach supporting documents (e.g., disabled person, other illness requiring transport, going to work in the absence of public transport, etc.).

11. Bank accounts owned by the applicant and those living with him/her in the same household:

Owner's name	Name of account-keeping financial institution	Bank account number	Most recent account balance	
			Date	Amount (HUF)
Total				

12. Securities, shares, other investments, cash, foreign currency, bank deposits, bonds, government securities, other savings owned by the applicant and those living with him/her in the same household:

Owner's name	Type of savings/investments	Value (HUF)
Total		

13. Membership- or participation rights embodying property value, interest in a company, share of business owned by the applicant and those living with him/her in the same household:

Name of company	Tax number	Extent of participation right (%)

14. Movable properties with a value higher than HUF 100,000 each (technical articles, works of art, precious metal, jewellery, etc.) owned by the applicant and those living with him/her in the same household:

Description of movable property	Year of acquisition	Market value (HUF)

15. Receivables outside the undertaking, amount per debtor with indication of title:

Title of receivables	Amount of receivables (HUF)	Due date	Obligor's name
Total		-	-

Measures taken to recover receivables: _____

16. Indication of the amount of each security offered as collateral for the payment facilitation (surety, pledge, mortgage, etc.):

Type of security	Description of asset	Value of security
Total		

17. Other comments related to the submission of the application (reason for the arising of payment difficulties, extraordinary expenses, etc.):

Aware of my criminal responsibility, I declare that the information provided in this form reflects the reality. I consent to NTCA's processing my personal data to the extent necessary for the assessment of my application. I have read the contents of the attached information leaflet and I acknowledge its contents.

Done at, _____, _____ (day) _____ (month) _____ (year)

taxpayer's signature

name of close relative living in the same household

signature

name of close relative living in the same household

signature

name of close relative living in the same household

signature

ANNEX
for assessing applications for payment relief by sole proprietors

I.

Description	Year before the subject yearyear	Data for the current period from(month).....(year) to(month).....(year)
Sales revenue:		
Materials and goods procured:		
Salaries and public dues for employee(s):		
Depreciation rate:		
Other production and handling costs:		
Entrepreneurial withdrawal:		
Income:		
Loss:		

II.

Average number of employees:		
Tangible assets (real properties, machinery, motor vehicles, etc.):		
Inventory (materials, goods, etc.):		
Fixed financial assets:		
Funds (bank accounts, till):		
Securities:		
Accounts receivable:		
Overdue accounts receivable:		
Liabilities:		
Tax- and contribution debts		
Other public dues owed:		
Accounts payable:		
Overdue accounts payable:		
Short-term liabilities:		
Short-term loans:		
Long-term loans:		
Repayments on long-term loans in subject year:		
Interest on long-term loans in subject year:		

Please, provide financial management figures in HUF: for a period not earlier than three months prior to the submission of the application in the column “Data for the current period” (indicating the period), and for the year prior to the year of the current period in the column “Year before the subject year”.

taxpayer's signature

COMPLETION GUIDE

2. For what amounts do you request a payment relief?

In this section, you are required to complete either point (a) or points (b), (c), (d) and (e), as follows. If you submit your application relevant to the full amount of your debt, please complete point (a). Underline the relief of your choice (you can specify more than one item, such as instalment, or reduction); for an instalment payment request, please indicate the requested term; and for a payment deferral request, please indicate the desired payment deadline. If you fail to provide this information, NTCA will make decisions on them. If you have completed point (a), then you are not required to complete points (b), (c), (d), and (e) (NTCA will take into account point (a), if they are filled in). If you wish to specify exactly the type and amount of tax requested, then please complete point (b) or (c) or (d) or (e), if necessary. In this case, you do not need to complete point (a).

3. Income data (in HUF):

In this section, please provide a **monthly** breakdown of income items (for example, 1/12 of the annual amount for an annual Cafeteria benefit). If you receive regular monthly financial support from someone, please attach a statement by the supporter to that effect. You can find a form for this purpose in the next annex.

4. Data on persons living in the same household as the applicant and their incomes and other regular benefits (including dependants):

If a person living in the same household receives other benefits in addition to his/her income, please enter the aggregated data in the column "Monthly net income and other benefits".

7. Monthly, regular expenses related to the maintenance of real properties:

In this section, please enter your expenses in a **monthly** breakdown (for example, if an invoice amount contains aggregate data for multiple months, indicate the amount falling for one month). Please indicate the addresses of real properties in the header (details of residential property, and the real properties indicated in point 6 above). If you have a public utility bill arrears, please indicate the relevant data in point 9.

8. Other monthly, regularly paid expenses not accounted for in the sole proprietorship:

In this section, please indicate expenses also in a **monthly** breakdown (for example, if you pay the amount of motor vehicle tax annually, indicate 1/12 of the amount). For loans, it is sufficient to attach pages containing the main data of the loan (name of the parties, loan, loan amount, monthly instalment, interest amount, etc.). If you provide monthly financial support to a person not living in the same household with you, the monthly amount of the support must also be indicated here. If you have arrears in unpaid fees, please indicate the relevant data in point 9.

9. Amount for each creditor of other debts, with indication of title (public utility arrears, debts to private individuals, etc.):

In this section, please indicate if you have accumulated arrears or some other debts. If instalment payment is allowed for some debt, please indicate the relevant monthly instalment, **if you pay it regularly**.

STATEMENT OF SUPPORTER

I, the undersigned, _____ (name of supporter) _____ (address of supporter) (tax identification number: _____), being aware of my criminal liability, declare that I support _____ (name of supported person) with HUF _____ (amount) on a monthly basis.

I have provided this statement for the assessment of the application for payment relief.

Attached to this declaration, I provide proof of my income from which I grant the financial support.

Done at, _____, _____ (day) _____ (month) _____ (year)

Supporter's signature