



# User Guide

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Welcome to the Smart cooperative's user guide!

Here you'll find extensive information on the internal procedures and guides to the documents and forms that you'll need to work with us:

- The **order form** (*Auftragsformular*), that you use to communicate your projects (contracts, orders...) that Smart shall invoice. The order form is the basis for the invoice that Smart sends to your client.
- The **budget overview** (*Budgetübersicht*) – your 'dashboard' with all relevant information concerning incoming and outgoing payments related to your projects invoiced through Smart.
- The **expenses reimbursement form** (*Auslagerstattung*) that you use to submit your professional expenses to be reimbursed out of your budget.
- The **travel expenses form** (*Reisekosten*) that you use to submit your travel costs to be reimbursed out of your budget.
- The **monthly pay slip** (*Entgeltabrechnung*) that you receive at the end of each month if you're employed through Smart.

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# Working with Smart

## Contacting Smart



As a **member**, your e-mail contact is [berlin@smart.coop](mailto:berlin@smart.coop) or [bildungswerk@smart.coop](mailto:bildungswerk@smart.coop) ([berlin@smart-de.org](mailto:berlin@smart-de.org) is an alias of this address and can also be used).

In order to retrace your e-mail, we'd like to ask you to include the following information in the **subject heading**:

- Your first and last name,
- Your Smart membership number (you can find it on the cooperative share),
- A keyword summarizing your request
- Please try to send us separate e-mails for each request, for example, an order form in one e-mail and a question on your employment contract in a separate e-mail.

**For example: Susi Saxofon / 0999 / Expenses.**



You can reach us **on the phone** only on request by sending us an e-mail first.



If you'd like to request a **phone call**, we'd like to ask you to schedule an appointment beforehand.

Smart members don't have personal advisors. Instead, the entire Smart team is responsible for all members. That way, we can ensure that your e-mail will get a response within 48 hours even during a busy period or in the case of a longer absence of one team member due to vacation or illness.

As a new member, we'll automatically subscribe you to our regular **e-mail newsletter**. We use the newsletter to let you know about important changes and news on Smart. If you accidentally unsubscribed, please let us know via e-mail and we'll re-subscribe you. As an employee of Smart, you must read the newsletter carefully.

**Language:** all Smart team members speak fluent **German** and **English**. If you send us an email in those languages, you can expect to receive a reply as soon as possible. If you write in French, Polish, Italian, Portuguese, or Spanish, a reply might take longer according to the availability of the respective Smart team member.

## Working with Smart

### **Do I have to use Smart for all my payments?**

No. You can decide which contracts and invoices to process through Smart, and which to handle yourself. Please note that if you have a contract with Smart, and also send invoices under your own tax number, you will only be covered for health insurance through Smart if the majority of your income comes from your Smart contract. Also, be aware that your taxable income will be calculated from all your income sources - Smart and private. You must pay income tax if your combined income is above the tax-free threshold (2022: 9,984 Euro). If you issue invoices using your own tax number, you must file a tax return.

### **What happens if there are disagreements between a Smart member and a client?**

The Smart team can mediate in this case, if Smart received a signed order form for that specific order.

### **Should I mention Smart in my website's imprint (*Impressum*)?**

It's up to you. In the imprint, you can mention both your own address and Smart's address including a note that invoices will be sent by Smart.

### **I don't have a VAT number because I am a small business operating beneath the VAT-free limit. What would change if I used Smart?**

Because Smart is registered for value-added tax (VAT, or *Umsatzsteuer*), invoices issued by Smart to your clients will include VAT. There are some exceptions to this, like issuing invoices to business clients abroad. For educational activities that are VAT-exempt and fulfill specific criteria, Smart can issue VAT-free invoices.

### **I'm a trainer, teacher, or coach. Can I use Smart to send VAT-free invoices?**

Yes, when specific criteria are met. Through the Smart Bildungswerk, it's possible to invoice classes, workshops, and seminars for private clients or for VAT-exempt business clients. See the section on the Smart Bildungswerk in this guide starting in the section "Smart Bildungswerk".

### **I don't have a German tax number. Can I work through Smart?**

Yes. Smart cooperative can issue contracts and invoices to your clients on your behalf. To receive your income, you must become a member of Smart. We will provide you with an employment contract, based on the amount you earn, and how much you want to receive each month.

### **What kind of invoices can Smart issue?**

Smart cooperative can issue invoices for all non-licensed services. The sale of products through Smart is currently not possible.

### **Do I need a registered address in Germany?**

You don't need a registered residential address in Germany to become a member of Smart or to use Smart to issue invoices. But you must have a registered address in Germany to be employed by Smart Germany. Registration (or *Anmeldung*) is handled through your local citizens' office (or *Bürgeramt*). If you live in another country, you can become a member of your national Smart cooperative. Smart has branches in Austria, Belgium, France, Germany, Hungary, Italy, the Netherlands, Spain, and Sweden.

### **I don't have any clients in Germany. Is membership possible?**

Yes. Smart Germany can issue contracts and invoices to your clients in other countries. However, we will need to check if this results in additional social insurance obligations.

### **I am insured through the Künstlersozialkasse (KSK). Can I still use Smart?**

Yes. To reduce your social insurance costs and fully benefit from the Künstlersozialkasse (KSK), there are different income levels that must be observed. The KSK provides [information on the various options](#) (in German only).

**I'm receiving unemployment benefits. Can I use Smart?**

Yes. You can still use Smart while registered to receive unemployment benefits such as *ALG I* and *ALG II* (often called *Hartz IV*). However, you must pay attention to the limits on additional income. If you regularly work more than 15 hours per week, your unemployment benefits may be reduced. Contact the *Bundesagentur für Arbeit* for more information.

**I'm a student. Can I use Smart?**

Yes. Enrolled students are only allowed to work a maximum of 20 hours per week and must pay attention to other restrictions to ensure they remain eligible for student health insurance.

**I'm retired. Can I use Smart?**

Yes. The amount you are allowed to earn on top of your retirement income varies according to different factors. Contact the *Deutsche Rentenversicherung* for more information.

**Does Smart offer funding?**

No, Smart does not offer funding.

**Can Smart process payments for publicly funded projects?**

Some publicly funded projects can be handled by Smart, depending on their funding conditions. It is important to first talk with Smart about handling publicly funded projects before submitting any application.

**Can I buy more than one share?**

Yes, it's possible to buy more than one share, for 50 Euro each. Buying more than one share doesn't mean that you'll have more votes at the General Assembly. According to the cooperative's constitution, each member has one vote, no matter how many shares were purchased. If you buy more shares, you help to strengthen the cooperative's assets. You can start with one share, and you can buy more shares anytime.

**How does Smart finance itself?**

Smart has original capital through selling cooperative shares and finances itself through its members' projects that are invoiced by the cooperative. Now, the 9% Smart fee is used to cover administrative costs and to ensure the payment guarantee. The remaining 91% is used to finance and to execute its members' projects. In addition, Smart Germany receives financial support from the European Smart network.

# The Order Form

## What is the order form?

- To send an invoice, Smart needs an order form. In the order form, you must insert all the details that should be included in the invoice.
- Your client must sign the order form. Once the order form is signed by your client, it's considered a **confirmed order form**. If the order isn't signed, the invoice can be sent anyway, but the amount won't be available in your budget before your client has paid. Smart's **payment guarantee** only works if the order form is signed.
- Please note that starting from January 2021, the payment guarantee doesn't apply to clients located **outside of the European Union**.
- Please send your order forms to [berlin@smart.coop](mailto:berlin@smart.coop). Please include your full name, your Smart membership number and 'order form' in the e-mail subject. If you have other questions or requests not related to the order form, please send us a **separate** e-mail.

## How do I fill out the form?

- 1. Client:** Your client's contact details.
  - You don't have to fill out the fields "Client subject to VAT Yes / No" and "Tax number"
  - If your client is a business located in a European Union country, ask if they have an **international VAT ID number**. The number starts with a country code (i.e., FR for France). You can often find this number in the imprint of your client's website or in their e-mail signature.
  - In the field **contact person**, insert the details of the person who shall receive the invoice via e-mail, for example, the person responsible in the accounting department
  - If you would like to be in cc: when Smart sends the invoice via e-mail, please inform us by including a note and your e-mail address in the field **Description of the Order**.
- 2. Contractor**
  - Smart is the contractor. As a Smart member, you're responsible for delivering the services that are detailed in the order form.
  - In the field **Name**, insert your own first and last name – as a co-owner of Smart, you represent the cooperative and sign the order form on behalf of Smart
  - In the field **Membership Number**, insert your membership number. If you have more than one activity that you invoice through Smart, you can add an individual project name next to your Smart membership number – for example xxxx-A1, xxxx-A2, etc. If the project name should appear on the invoice, make sure to include the project name in the field **Description of order**.
- 3. Order**

In general, there are two options to communicate an order:

- 1) a **one-time order** or
- 2) a **frame contract** if you regularly conduct the same activities for the same client.

### Option 1) **One-time order:**

- In the field **Description of order**, describe your activities as detailed as possible
- In the field **Place of service**, include details on the location of your activities, in the field **Service period**, include the exact dates when you worked.
- In the field **Total sum net**, include the agreed net sum (without VAT)
- In the field **VAT rate**, select the applicable VAT rate. If you're not sure which VAT rate applies, look at the FAQ in the User Guide or ask us. We always check if the VAT rate is correct as well.

- Optionally, you can calculate the **Total sum gross**.
- In the field **Mode of payment**, you can specify when the invoice should be issued and sent to your client: either after the completion of your service (at the end of the service period that you inserted in that field), in advance, or through installments (several advance payments).
- In the fields **Billing date** and **Payment due on** are optional. If you selected “After completion of service” in the field **Mode of payment** and don’t add any information in these fields, your invoice will be sent to your client automatically at the end of your service period. Your client then has two weeks to pay the invoice. If Smart doesn’t receive any payment after two weeks, we’ll contact your client. You can also specify a different invoice date – in this case, fill out the field **Billing date** and/or a different **deadline for the payment**. It’s not possible to include a billing date in the past!

**IMPORTANT:** If the invoice should be sent in a **non-Euro currency**, please insert the preferred currency. If the invoice is paid in a non-Euro currency, the amount that will be credited to your Smart budget is the amount that is transferred to Smart’s bank account after deducting currency conversion or other bank fees. The same applies for transfers through **online services** like PayPal or Transferwise.

Option 2), **Frame contract:**

In general, all fields should be filled out the same as in Option 1).

The main difference is that in the field **Description of order**, you can specify a **regular, long-term relationship** with your client.

In this case, you can select two sub-options:

- 2a) an order “on call”,
- 2b) an order defined by specific intervals (for example, monthly invoices)

For Option 2a), insert details on the order in the field **Description of order** and how long the order form shall be valid (it’s possible to insert an unlimited or open-ended duration). In the field **Total sum net**, include the agreed upon hourly or daily rate. The field **Billing date** is left empty.

For Option 2b), in the field **Description of order**, insert the agreed upon intervals in which Smart should invoice your client. In the field **Service period**, you could either insert a specific period (for example, January – June 2022) or “open-ended”. In the field **Total sum net**, include the agreed upon hourly or daily rate. In the field **Billing date**, insert the date or day when Smart should regularly send the invoice (for example, the first day of each month). The field **Payment due on** is optional – if you leave it empty, we apply the standard two-week payment deadline after the invoice is sent.

In the case of any **changes** to the type of activity, the service period or the net sum, we need a new signed order form.

## Examples

### Option 1, one-time order

Description of order:

Translation of the text „European Guideline“ (English-German), 5000 characters

Place of service:	Berlin			
Service period:	December 15-17, 2019			
Total sum net:	500	€	Mode of payment:	after completion of service
VAT rate:	19	%	Billing date:	Januar 10, 2020
Total sum gross:	595	€	Payment due on:	Two weeks

**Consequence:** Smart will send an invoice to the client on January 10th, 2020. The client is expected to pay within two weeks.

### Option 2a) frame contract, “on call”

Description of order:

City tours in Potsdam

Place of service:	Potsdam			
Service period:	January 2020 - December 2020			
Total sum net:	30 EUR / h	€	Mode of payment:	after completion of service
VAT rate:	19	%	Billing date:	on call
Total sum gross:		€	Payment due on:	

**Consequence:** for the entire period between January 2020 and December 2020, only one signed order form is needed for the activity “City tours in Potsdam” for this specific client. The hourly rate is set at 30 Euros net. Invoicing is done “on call”. If you worked for this client and an invoice needs to be sent, you’ll need to send an e-mail to Smart describing in detail how many hours you worked, and on what dates and times. Also communicate the billing date to Smart. Once Smart has sent the invoice, the client will have two weeks to pay the invoice since the field “Payment due on” was left empty.

### Option 2b) Frame contract: specific intervals

Description of order:

English teaching

Place of service:	Frankfurt(Main)			
Service period:	Open-ended			
Total sum net:	20 Euro/hour	€	Mode of payment:	after completion of service
VAT rate:	19	%	Billing date:	End of the month
Total sum gross:		€	Payment due on:	4 weeks

**Consequence:** the activity “English teaching,” if conducted for the same client, only requires one signed order form which is valid open-ended (if specified in the field **Service period**). Smart sends an invoice to the client automatically at the end of each month (as specified in the field **Billing date**). You can either communicate the hours you worked in that month to Smart via e-mail, or you can tell Smart to invoice the same amount each month (this has to be inserted in the field **Total sum net**). In this example, the client has 4 weeks to pay the invoice.

## **5. Copyright and transfer of rights**

This paragraph deals with the mandatory copyright regulations. It's possible to change or amend it according to the nature of your project. If it's changed, it's necessary to attach a signed copy of any changes.

### **Confirmation of the order**

Your client has to sign the field **Signature client**.

Representing the cooperative, you have to sign the field **Signature SMartDe eG**.

# Payment Guarantee

If you process your orders through Smart and are employed by Smart, you can benefit from the so-called **payment guarantee**.

The three **requirements** of the payment guarantee are:

1. Your client has **confirmed** the order by **signing the order form** (or frame contract). Only then does Smart have the legal basis to demand payment from your client and to send a payment reminder or payment request.
2. Your client is based in the **European Union**. For clients outside the European Union, it is very difficult for Smart to collect payments and send payment reminders.
3. New clients who have never received an invoice from Smart before must be **verified** before the invoice is issued. This means that Smart will send an email to your client asking them to confirm their company details (address, contact).

The payment guarantee has two aspects:

The **salary guarantee** means that you already receive an average salary from Smart at the end of each month based on **future orders**. Smart will pay your salary in advance, even though Smart has not yet invoiced your client yet or is waiting for your client to pay. This is to ensure that you **regularly** receive a salary at the end of the month and are thus less dependent on fluctuating payments. You can determine which salary category suits you best in consultation with the Smart advisory team and can adjust this salary category depending on your planned income.

The **payment default guarantee** means that you will continue to receive your salary even if your client hasn't paid Smart's invoice **on time**. Smart will then contact your client and remind them to pay the invoice. If your client doesn't pay the Smart invoice despite several payment reminders, Smart will formally request your client to pay. Before Smart takes this step, you will be contacted to discuss the details. If your client doesn't pay the invoice despite a payment request, Smart is liable with the assets of the cooperative.

## When does the payment default guarantee not apply?

- Your client **hasn't signed the order form** or the frame contract. In this case, Smart has no legal basis to demand the payment from your client and to send a payment request.
- Your client is based **outside the European Union**. In this case, it is very difficult for Smart to collect the payment and send payment reminders.
- A **new client** did not get back to Smart to **verify** the company data before the invoice is issued.
- Smart **hasn't issued an invoice yet**. Payment can only be requested for invoices that have already been issued.
- You have not carried out the order **to the satisfaction** of your client. As there are often different interpretations in this case, Smart offers to act as a mediator in close communication with you and to reach an agreement with your client that satisfies all sides. This can be advantageous for you, because Smart has a lot of experience in mediating disputes and can be seen as a stronger counterpart. If there is an agreement with your client to pay only part of the invoice, the payment default guarantee only applies to this partial amount. If you do not agree with the settlement, you can call an independent committee consisting of other Smart members.

- You have only **partially** executed the order. In this case, the payment default guarantee only applies to the part that was carried out and invoiced.
- The order could not be executed due to **force majeure** (for example, COVID-19). If there is an individual contractual arrangement with your client regarding order cancellations due to force majeure (for example, a cancellation payment), the payment default guarantee only applies to the contractually regulated cancellation payment.
- If you do not allow Smart to send your client a payment reminder or payment request, the guarantee will not apply.

### **Frame contract**

If you have a **confirmed and signed frame contract** with a client in the European Union, the following applies:

You **estimate** the planned units or hours you will work for the client per month and choose an appropriate employment category. A **minimum estimate** of the units or hours must be included in the signed frame contract so that a realistic employment category can be chosen.

If the estimate does not come in as expected (if you work more or fewer units or hours per month), your employment category will be upgraded or downgraded so that your budget is balanced.

The payment default guarantee only applies to the invoiced units or hours.

### **Clients outside the European Union or Unsigned order forms or frame contracts or Payments to Smart via a credit note without a signed order form and invoice**

In these cases, your employment with Smart cannot start or be extended until your client has paid invoices or credits amounting to the **first or next month's salary** in your chosen employment category.

The payment default guarantee doesn't apply in these cases.

## Cash Deposits

If you receive a cash payment from your client, you have the following possibilities to deposit this payment into your Smart budget:

Option a) Cash deposit for a **single order**, and you know your **client's invoicing address**.

Step 1: fill out an order form and send it to us via e-mail, containing all usual information on your client and the order (amount, detailed description, period, location).

Step 2: Smart will create and issue an **invoice** that you can forward to your client or keep for your own records.

Step 3: when you receive Smart's invoice, transfer the amount to Smart's bank account and insert the **invoice number** in the field 'reason for payment' (*Verwendungszweck*).

*or*

Option b) **collective settlement**, for example: city tours, payments from workshop participants, busking, etc.

Step 1: manually fill out the template '*Bar-Einzahlung*' and send it to us in the mail to SMartDe eG, Mehringplatz 8, 10969 Berlin. This document must be filled out manually and signed by you. In addition, please send the template to us via e-mail.

Step 2: transfer the amount to Smart's bank account and insert your **Smart membership number** and '*Bar-Einzahlung*' + the calendar month in the field 'reason for payment' (*Verwendungszweck*).

**Depositing cash at the Smart office isn't possible!**

Also note that all cash payments are considered as gross amounts (incl. VAT), meaning that, in most cases, VAT must be deducted. If, for example, you transfer 119 Euro, Smart must deduct either 19% or 7% VAT (depending on the type of service).

If the service is VAT-rated at 19%, the net sum in this example would be:  
119 Euro minus 19% (19 Euro) = 100 Euro

Based on this net amount, the 9% Smart fee is deducted (9 Euro), and you'd receive 91 Euro in your Smart budget.

## FAQ – Invoicing

### **Who is responsible for sending invoices? How does this work?**

Smart sends invoices via e-mail. Please make sure to include an e-mail address in the field **contact person**.

### **I want to see the invoice and be cc:ed when Smart sends the invoice to my client.**

Please include a note and your e-mail address in the field description of the order and let us know when e-mailing the order form.

### **My client doesn't need an invoice.**

Smart still must create an invoice.

### **Is it possible to send invoices in another language?**

Invoicing is possible in German and English.

### **Is it possible to change the invoice layout?**

No, we use a standard layout template.

### **Can I check the status of the invoices?**

Yes, in the **budget overview** available on the [Mein Smart](#) platform.

### **Do I need to fill out an order form so that Smart can send an invoice?**

Yes. However, if you regularly conduct the same activities for the same client, **one signed order form** ('frame contract') is enough for a specific time period and a specific activity.

### **Do I need to fill out an order form if I work through an online platform?**

Yes.

### **Do you need the order form as an original copy?**

No, a copy, scan, or photograph is enough.

### **Are digital signatures valid?**

Yes.

### **Is the order form a contract?**

Yes. The order form is the basis that Smart can send an invoice to your client. It's also possible to add a separate additional contract containing further details. Contract partner has to be SMartDe eG, represented by \*you\*, Mehringplatz 8, 10969 Berlin. You'll sign this contract as a representative of the cooperative. Before signing any additional contracts, please send a copy to us along with the order form.

### **I'm a VAT-exempt *Kleinunternehmer\*in* – why does Smart issue invoices with VAT?**

Because Smart is subject to VAT and must issue invoices with VAT.

### **Which value-added tax (VAT) rate is applicable?**

Smart is subject to VAT. If the regular VAT rate (19%) or the reduced VAT rate (7%) applies is defined by German [VAT legislation](#).

Services rated at the reduced VAT rate (7%) are, for example:

- Sales of copyrights (authors' rights, licensing...)
- Tickets for theaters, concerts, and museums
- Performances by artists that are like theater and concert performances ([§ 12 Abs. 2 Nr. 7a UStG](#))

For specific teaching activities, Smart can invoice without VAT.

For more information regarding processing your activities via the Smart Bildungswerk, please check the information in the section “Smart Bildungswerk”.

If you process your activities via the cooperative (eG), your activities must meet the following criteria:

1. The VAT-exemption only applies to Smart members who conduct teaching activities and who are employed by the cooperative.
2. The teaching activities must be **‘real’ teaching activities** that correspond to the school's or institution's function, i.e., regular, for a specific period, according to a curriculum or syllabus.
3. A corresponding **certificate of the educational institution** must be provided if it isn't a public university or a public general-education or vocational school (for example, *Gymnasium, Realschule, Berufsschule*), including:

- Description and address of the educational institution
- Name and address of the contracting partner (SMartDe eG and the name of the employed member)
- Description of the class, course, or seminar that the Smart member teaches
- Duration/period of the class/course/seminar
- A copy of the confirmation certificate issued **by the local authority** confirming that the class/course/seminar is VAT-exempt according to § 4 Nr. 21 Buchstabe a Doppelbuchstabe bb UStG (the specific clause in German VAT legislation, see [https://www.gesetze-im-internet.de/ustg\\_1980/\\_4.html](https://www.gesetze-im-internet.de/ustg_1980/_4.html))

## International clients

If your client is a **business** located in a **European Union** country that has an **international VAT ID number**, the invoice will be issued without VAT according to the **reverse charge** principle. If your client doesn't have or doesn't provide Smart with an international VAT ID number, it is assumed that the client isn't a business but a private consumer, and the invoice will have to include German VAT.

If the client is a business located **outside of the European Union**, the invoice will be sent without German VAT. In this case, an international VAT ID number isn't required.

If the client is a **private consumer abroad**, we must check if Smart can issue the invoice. Note that some services to private consumers abroad cannot be issued through Smart. For example, this is the case for teaching and artistic activities **if they're delivered or received abroad**.

## Professional liability insurance during your activities

As an employed Smart member, you are insured by Smart during your professional activities. The condition for the insurance coverage is the **completed and signed order form**. Any other activities aren't subject to insurance protection.

We recommend that you purchase your own professional liability insurance for self-employed activities that you conduct **outside of Smart**.

Our insurance package includes two types of insurance:

- **Professional liability insurance** in the case of damage caused by you (if you destroy things or injure someone). This is a tailor-made insurance policy by our partner *Schwandt. Versicherungsmakler KG* and the ERGO Insurance Group. With only a few exceptions, it covers all professional groups. The liability insurance coverage applies worldwide – except for the USA and Canada (and its territories). Property damages are also covered such as additional costs, losses, or reduced income of clients.
- If you have an accident on the way to or from the assignment or during the assignment (**a work accident**), public accident insurance is paid through the professional association *Berufsgenossenschaft VBG*.

The **accident insurance** covers:

- Accidents while performing work and on business trips (also abroad – please note that you must always inform Smart when you go abroad for work)
- Accidents on the direct way to work, back home and on necessary detours
- Accidents in the home office during the performance of work-related tasks
- Occupational diseases

In the event of an accident, you should not seek further treatment from your GP after the initial treatment but by specialist, a so-called "**Durchgangsarzt**" (accident insurance consultant). Report the accident to Smart immediately so that we can report it to the Employer's Liability Insurance Association ("Berufsgenossenschaft"). Please describe to us exactly what happened, when and where did the accident take place and if anyone else was involved. If you are unable to work for more than three days due to an accident at work or an occupational disease, both the doctor and your employer (Smart) must report it to the Employer's Liability Insurance Association. Please contact Smart as soon as possible in this case.

From the day on which a doctor determines that you are unable to work because of an accident at work or occupational disease, your wages will be paid from your Smart budget for six weeks. At the end of the six weeks, you will receive a so-called "injury benefit" instead of your salary (80% of your regular gross salary, minus social security contributions). Injury benefits are paid by the Employer's Liability Insurance Association (*Berufsgenossenschaft*) and have no influence on your Smart budget.

The Employer's Liability Insurance Association also covers the costs of rehabilitation measures such as crutches, a wheelchair, a modified car, reorganization of the workplace or the flat, etc. If reintegration into the previous occupation is not possible, it will help you find a new job or pay for retraining.

In the case of damage or accident, please contact us immediately and describe the following points:

- Who caused the damage?
- When and where did the damage occur (exact address, date, and time)?
- Who was damaged?
- What damage has occurred?
- Was the damage reported to the police? (Always report in the case of theft, always in the case of personal injury)
- Are there any witnesses to the damage?
- Is the damage documented with pictures?

The cooperative has **no event liability insurance or other insurance for events**. If you organise an event yourself, you must also take care of the necessary insurance.

If you have any questions, please do not hesitate to contact us.

For insurance questions, such as your own professional liability or event insurance, you can contact our partner Schwandt. Versicherungsmakler KG and his team: <https://www.schwandt-makler.de>, schwandt@schwandtmakler.de, Tel. 030-22311200.

### **Professional association (*Berufsgenossenschaft*) membership**

Smart is part of the professional association **Berufsgenossenschaft VBG** ([www.vbg.de](http://www.vbg.de)) as a mixed group: all professional groups that are mentioned in the cooperative's charter (*Satzung*) are included.

If your specific professional activity is connected to mandatory membership in another professional association, please let us know.

## Reimbursement of Expenses

Expenses can only be reimbursed if you have enough **available budget**. Available budget is the budget that was already paid by your clients, and which isn't planned to cover your employment costs. In your budget overview, you can find this information for each month in the line "Available Budget for Expense Reimbursement".

You'll have to wait until the invoices have been paid by your client before reimbursing your expenses. This is because Smart's payment guarantee (that allows you to use planned income based on confirmed order forms) **only applies to your salary, not to your expenses**.

For any expenses, please use [the reimbursement form](#) to communicate your expenses and upload the respective receipts/invoices to us.

We'll check if all the details are correct and refund your expenses every week on Thursday. In order to receive a reimbursement on Thursday, you need to submit the request on the Thursday **in the week before**, at noon the latest.

The input tax (VAT) included in your expenses is refunded on the same day.

Note that employees of the **Bildungswerk** aren't entitled to an input tax (VAT) refund since the Bildungswerk invoices services which are VAT-exempt.

The following rules must be followed:

- All costs must be **related to a project invoiced through Smart**.
- Smart can only refund **German input tax**.
- Smart only refunds invoices that **you already paid** and doesn't pay them directly to the invoicing party. **Exception:** Fees for co-workers (self-employed contractors) connected to projects processed by Smart can be invoiced directly to Smart. For direct invoicing, please select the option "I'd like to pay invoices of my coworkers directly from my budget" in the [online form](#), fill in the fields and upload the invoice of your co-worker to the form.
- We only accept receipts dated **after you joined the cooperative**. If you are employed by Smart, you can only submit receipts for expenses that I **during your employment period**.
- Receipts in paper form are **not** accepted. Please submit receipts as **pdf files only** using the upload function in the reimbursement form. Important: please only use **one file** per expense/receipt.
- Invoices must contain **Smart's address**: SmartDe eG, Mehringplatz 8, 10969 Berlin. Exception: receipts up to 250 Euro net don't have to contain the Smart name but mustn't contain any other invoice recipient.
- **Assets** such as purchases in the area of technology, IT, tools, vehicles (including bicycles), furniture as well as intangible assets such as licenses (including software licences), patents, trademark or publishing rights over 250 Euros net **can only be reimbursed according to a prior agreement** with the Smart team
- For project-related **entertainment expenses** (*Bewirtungskosten*), 100% of the net amount and the full input tax (VAT) can be refunded. At least two people must have had a meal (drinks only isn't enough). To reimburse entertainment expenses, we require a completed entertainment expenses receipt with the names of the people you entertained signed by you. You can get the form at the restaurant (ask for a *Bewirtungskostenbeleg*). You can also find a template on the [Mein Smart](#) platform. Tips are not refundable.

### What are possible expenses?

- Work clothes (protective clothes or uniforms for professional use)
- Business hospitality/entertainment expenses (“Bewirtung”)
- COVID-19 tests if they are related to your employment by Smart
- Office supplies, copies, printouts
- Specialist books, professional magazines
- Professional training (if related to the activity carried out through Smart)
- Contracted services related to your activity. Option 1) You pay the invoice of the contractor directly and hand it in as an expense, 2) Fees for co-workers (self-employed contractors) can be invoiced directly to Smart. For direct invoicing, please select the option “I’d like to pay invoices of my coworkers directly from my budget” in the [online form](#), fill in the fields and upload the invoice of your co-worker to the form.
- Material costs
- Rent for workspace, co-working space, rehearsal room (no shared private/professional spaces or home offices). We require receipts for the bank transfers as well as the rental contract.
- Postage
- Transportation costs including fuel (rental cars)
- Pre-paid cards (mobile phone)
- Catering for the participants of project-related events
- Advertising (flyers, posters, social media)
- Insurance for project-related activities

### What cannot be reimbursed?

- Expenses not related to orders processed by Smart
- Shared private/professional spaces or home offices
- Subscriptions
- Bookkeeping costs
- Only according to a prior agreement with the Smart team: assets such as purchases in the area of technology, IT, tools, vehicles (including bicycles), furniture as well as intangible assets such as licenses (including software licences), patents, trademark or publishing rights over 250 Euros net

If you do not find your expenses on this list, please ask us via email ([berlin@smart.coop](mailto:berlin@smart.coop)) if your expenses can be reimbursed.

## Travel Expenses

Travel expenses reimbursements must be submitted through the [travel expenses form](#).

**The reason for your trip must be related to a professional activity invoiced through Smart.**

Costs for **subscriptions** such as public transport season tickets (or BahnCard, etc.) and public transport tickets used in your own city of residence **cannot be reimbursed**.

**Receipts** for your travel expenses can only be submitted **online as pdf files through the [travel expenses form](#)**. Please only use one file per receipt.

In this form, you will also be able to apply for the reimbursement of **per diems** (*Verpflegungsmehraufwandspauschale*). These are lump sums to cover meal expenses one has during a business trip.

There are specific rules and rates for travel within the country and international trips, set by the German government every year.

As an employee, you can receive **28 Euro** for every **24 hours** away from your city of residence for trips **within Germany** spanning more than **one day**, and **14 Euro** for the day of **departure** and **arrival**. The per diems are reduced if your accommodation includes meals.

If the trip is **outside of Germany**, the amount will vary according to the country. You can find a full list [here](#).

# Smart Bildungswerk



Smart Bildungswerk is a non-profit limited liability company (gGmbH) based in Bremen. The Bildungswerk is a wholly-owned subsidiary of the SmartDe cooperative (eG).

The Bildungswerk is relevant for Smart members who are **teachers, coaches or trainers and offer courses, seminars, workshops, or lessons.**

Activities that are settled via centralised insurance systems, such as medical and non-medical healing (“Heilpraktiker\*in”) activities, are excluded.

To be able to provide services through the Bildungswerk, you must submit a **teaching certificate or curriculum vitae** to prove that you have been trained for the course or lecture provided through the Bildungswerk, that you have professional experience or that you have specialist expertise or professional knowledge.

Employment by the Bildungswerk can be advantageous for you if you work primarily with private clients or companies that are not entitled to deduct input tax, such as associations, as **the invoicing can be done without VAT.**

However, please note that your activities must take place **in Germany** (physical events) or be received in Germany (online events). Invoices to customers in (EU) countries abroad can only be issued if they are companies and have an international VAT ID number.

If you are employed by the Bildungswerk, you can also work with business clients such as schools or universities.

The advisors can clarify with you in an individual consultation whether employment by the cooperative or the Bildungswerk is more suitable for you.

## Requirements

Courses, lectures, or workshops with private individuals: invoices can be issued without VAT if the following conditions are met:

- It is an **educational service**, i.e., the transfer of general skills and knowledge that are used for professional purposes.
- **Not a leisure activity** such as events where the participants only have a general and private interest in the course content, where the focus is on entertainment or enhancing personal well-being (e.g., yoga, fitness, hobby courses)
- **No counselling** such as advice and decision-making aids for the solution of concrete economic, legal, personal, or technical questions

If you want to use the Bildungswerk, your courses, teaching units, lectures, seminars **must also be labelled as a service by the Smart Bildungswerk.** This means:

For teaching assignments or similar events at **institutions and companies**, you must ask whether these institutions or companies have their own valid VAT exemption (according to § 4 No. 21 letter a double letter bb UstG). This exemption must correspond to your service and must be presented to Smart Bildungswerk.

In addition, the company must issue a confirmation to Smart Bildungswerk gGmbH.

**Attention:** VAT-exempt clients must issue this confirmation to the Smart Bildungswerk (not addressed to the Smart member).

According to the guidelines of the tax authorities (Umsatzsteueranwendungserlass), the confirmation should contain the following information:

- Name and address of the educational institution
- Name and address of Smart Bildungswerk gGmbH, Schildstraße 21, 28203 Bremen, Germany
- Name of the subject, course or training course taught by the Smart member
- Teaching period
- Confirmation of the existence of a certificate in accordance with § 4 No. 21 letter a double letter bb UstG for the area of teaching designated above.

Sample certificate:

A sample confirmation could read:

“We hereby confirm,  
the (name and address of the educational institution],  
that the

Smart Bildungswerk gGmbH  
Name of member  
Schildstr. 21  
28203 Bremen

will be active in our institution to teach the subject

(e.g. English, English for beginners ...)

in the period xx.xx.xxxx to xx.xx.xxxx

and we confirm that we hold a certificate pursuant to § 4 No. 21 letter a) double letter bb) for this teaching area for the period stated.”

If the institution or company does not have its own exemption according to § 4 No. 21 UstG, the contract is concluded with the Smart Bildungswerk as co-organiser (this must be clarified with the teaching institution for which you are working).

In the case of **self-organised events**, the participants must be informed that they are attending a course by the Smart Bildungswerk. This is possible, for example, through a certificate of participation with the Bildungswerk logo, Bildungswerk stickers that you put on your flyers, a Bildungswerk door sign that you hang up, or the inclusion of the Bildungswerk logo on your website. The Bildungswerk can provide you with extensive material for this purpose.

### **Processing orders**

The orders of the Bildungswerk are processed via special Bildungswerk order forms and participation forms.

### **Invoicing business customers**

Invoices are processed using the Bildungswerk order form.

### **Invoicing courses with private individuals**

You can choose between two options

- b) Transfer of the collected course fees by yourself

In the case of courses organised by yourself, the course fees are settled as follows:

- You collect the course fees (in cash or by bank transfer) from your course participants

- At the end of the month, you transfer the course fees of all participants to the Smart Bildungswerk bank account.
- The purpose of the transfer should include: Your name and membership number as well as the name of the course.
- At the same time, you send us the participation forms by e-mail (we do not need the participants' signatures).

If the participants need a **receipt**, you can ask us for a sample and prepare the receipt yourself.

If you want the participants to receive a **certificate of participation**, you can use the template provided by Smart.

#### b) Invoice to the participants

If the Smart Bildungswerk is to issue invoices to the individual participants and transfer them to the bank account of the Bildungswerk itself,

- we need the signed participation forms and enter the corresponding amount in your budget overview.
- Please note that we need the first and last name, billing address and email address of the participants.
- We will send an invoice to your participants.
- Participants must transfer the participation fee to the Bildungswerk account **AFTER** receiving the invoice.
- They must state the invoice number in the purpose of the transfer.

#### Website

The Smart Bildungswerk has its own website: <https://bildungswerk-smart.de/#start>

As an employee of the Bildungswerk, you can present yourself and your courses on the website in your own profile!

In the long term, a platform will be developed that will automatically process course bookings.

#### Employment

Please inform us of any changes via [the Bildungswerk employment form](#).

#### Sick pay (*Krankengeld*)

Employees of the Bildungswerk pay the so-called levy 1 (between one and three per cent depending on the health insurance fund) to the health insurance funds through their employer's contribution and are therefore entitled to continued payment of wages in the form of sick pay from the **first week of incapacity for work** in the event of illness. Wages are therefore paid by the health insurance fund from the first week, whereas in the case of employment through the cooperative (eG) they are only paid from the seventh week of illness. If you are unable to work due to illness as an employee of the Bildungswerk and are therefore unable to carry out assignments, you should send us a scan of the medical certificate (for the employer) by e-mail.

#### Child sickness benefit (*Kinderkrankengeld*)

If your child is ill, please send us and the health insurance company the sick note. For this period, the wage will be taken over by the health insurance company and then paid directly to you (see employment contract § 6): (3) Claims according to § 616 BGB (German Civil Code) for continued payment of remuneration in case of temporary prevention are excluded).

#### Parallel employment at the cooperative (eG) and the Bildungswerk

You can be employed by both the cooperative and the Bildungswerk. Please be aware that if you have two parallel jobs that are subject to social security contributions, one job will fall into tax class 6.

A more reasonable combination would be employment subject to social security contributions with one entity and a mini job with the other. Note, however, that it is **not possible** to transfer money between the eG and the Bildungswerk. For example, if a service is invoiced through the Bildungswerk, payment can only be made through employment by the Bildungswerk.

## Working abroad – posting with the A1 form

If you:

- **temporarily work** in another **European Union country**, in the **United Kingdom, Switzerland** or in one of the EEA countries **Iceland, Norway** or **Liechtenstein**,
- your project is **invoiced through Smart** and
- you're **employed by Smart**

it is mandatory that Smart **posts you**.

This also applies to **working remotely from abroad**, such as 'workation' stays.

Smart must apply for the A1 certificate **10 days before your trip** to confirm the posting. It's possible that the A1 certificate is checked abroad.

When you're posted by Smart, you receive the **A1 form** from us which confirms that you're insured in Germany and that you can't be subject to any additional social security contributions by the country that you temporarily work.

If you regularly work in another country, it is also possible to issue an A1 form with a longer validity, but only for the **duration of your Smart employment contract**.

To receive the A1 form, please send an email to [berlin@smart.coop](mailto:berlin@smart.coop) with the following information:

- Exact duration of the temporary work stays abroad
- Location of the temporary work stay (address, country)
- Type of the activity abroad

Our payroll office will make sure that the A1 form is issued.

Note that posting and the issuance of an A1 form **isn't possible** for:

- **Non-EU citizens** who temporarily work in Switzerland, Denmark, the United Kingdom and in the EEA countries Iceland, Norway, and Liechtenstein
- **Citizens of Iceland, Norway and Liechtenstein** who temporarily work in Switzerland
- **Swiss citizens** who temporarily work in the EEA countries Iceland, Norway, and Liechtenstein

If you temporarily work in a country **outside** of the EU, Switzerland, or the EEA countries, we need to check if that country has signed a **social security agreement** with Germany. If this is the case, Smart can post you to that country as well, avoiding double social security contributions. Get in touch with us.

## The Mein Smart Portal

In the Mein Smart portal, you can find an **up-to-date overview** of your **Smart budget**.  
The address is: <http://mein.smart-eg.de>.

After becoming a Smart member, you'll automatically receive an activation link. Let us know via e-mail if you have any problems logging in.

In your account, you can find:

- **Social security confirmation certificate** (*Meldebescheinigung zur Sozialversicherung*),
- Your **monthly pay slips** (*Entgeltabrechnung*),
- Your **yearly salary/income tax certificate** (*Lohnsteuernachweis*)
- Signed **employment contracts**

The monthly pay slips are uploaded within the first ten days of the next calendar month.

## Working with Smart as a collective or group

You can also use Smart to invoice projects as a collective or group. That way, you don't have to create your own legal entity (such as an association or a partnership).

If you're interested, please send us an e-mail.

## Leaving the cooperative

There is a **difference** between **terminating an employment contract** at Smart and **formally leaving the cooperative**. If you terminate or do not renew your employment contract, it does not mean that you must leave the cooperative. It is possible to continue to be a formal member of the cooperative without being employed. Signing a new employment contract as a member is possible at any time.

In order to formally leave the cooperative, please send us an e-mail to [berlin@smart.coop](mailto:berlin@smart.coop) with the following information:

- Your first and last name
- Your Smart membership number
- The declaration “I hereby cancel my cooperative membership”
- Current date
- Your current address
- Smart’s address: SmartDe eG, Mehringplatz 8, 10969 Berlin
- Optional: reason for leaving the cooperative

If you leave the cooperative, your cooperative share can be bought back by the cooperative, according to how much they’re worth at the end of a business year – most likely, not the full 50 Euro (in 2020, a share was worth approximately 40 Euro).

The decisive factor regarding the date of leaving the cooperative is the **date of your formal notice of cancellation**. Once you send us the notice of cancellation, the cancellation period kicks in (12 months until the end of the business year).

You can cancel your **entire membership** or (if you have more than one share) sell **individual shares**.

In the notice of cancellation, you must let us know if you cancel your **entire membership** (all shares) or **individual shares**.

If you only own **one share**, you can only cancel your entire membership.

The reimbursement of the shares can take up to **three years**.

If Smart receives your notice of cancellation in the period **between January 1<sup>st</sup>, 2022 and December 31<sup>st</sup>, 2022**, you’d formally leave the cooperative by **December 31<sup>st</sup>, 2023**.

The shares would be refunded **after the 2024 General Assembly**. (The General Assembly always must take place at the end of June).

# Your Employment Contract

Being a Smart member does not mean that you are automatically employed by Smart. You must actively inform the Smart team when and on what terms your employment is to begin, by completing the [employment form](#) and submitting order forms. Your employment is only confirmed when you have received the employment contract from us by e-mail and then return this signed contract to us by e-mail.

Every contract/project invoiced through Smart is subject to the **Smart contribution of 9%**, deducted from the net invoiced amount.

The Smart fee is re-invested into **improving and developing the cooperative's services** as well as for the **payment guarantee**.

If your project isn't invoiced through Smart, there are no costs.

If you're employed through Smart, Smart will deduct **social security contributions** and **income tax (Lohnsteuer)** from your income. Both the employer's and the employee's share are paid by the Smart member.

You can decide how much of your income you'd like to invest into your monthly employment contract based on [employment categories](#).

The deductions are as follows:

## Social security contributions:

- Public health insurance (14.6% plus *Zusatzbeitrag*)
- Long-term care/nursing insurance (3.05/3.4%, with/without children),
- Pension/retirement insurance (18.6%),
- Unemployment insurance (2.4%),
- Additional employer costs/*Umlagen* (around 0.5-3.5%)

**Income tax:** progressive, depending on the gross income ([you can find a calculator here](#)).

An employment contract can start on the **1<sup>st</sup> of each month**.

If you want to start a **new employment contract or modify an existing one**, please fill out this form: <https://form.jotformeu.com/201664093886363>

It's only possible to **extend** an employment contract if you have enough budget.

If you'd like to **change the duration** or the **salary category** of your employment contract, you have to fill out the form – it doesn't happen automatically.

Any **changes to your employment contract** that shall come into effect in the next calendar month have to be communicated with us until the 20<sup>th</sup> of the preceding calendar month. For example, if you'd like to change your February salary, you'll need to let us know by January 20<sup>th</sup>.

## Terminating an employment contract

If you want to terminate your contract (e.g. because there is no budget or you have another job), a **formal notice** of termination is required. The original signed notice of termination can be sent to us by post plus e-mail or only by e-mail with a digital signature. The date of termination must be before the desired termination date.

The notice must include the following information:

- Current date (at least two weeks before the end of the planned contract end)
- Declaration "I hereby want to terminate my employment contract by *date*" (date = the last day of the last employment month)
- Your current address, first and last name, Smart membership number
- Smart's address: SmartDe eG, Mehringplatz 8, 10969 Berlin (if you're employed via the Bildungswerk: Smart Bildungswerk gGmbH, Schildstr. 21, 28203 Bremen)
- Your signature (digital or original)

**Example:** the employment contract runs until March 31<sup>st</sup>. The employment contract is to be terminated in February. The notice of termination must be submitted two weeks before February 1<sup>st</sup>.

After your employment contract with Smart ends, you must make sure that you contact your health insurance provider to secure continued insurance coverage. If you have any questions, please contact us.

## The Budget Overview

For each month, you have a budget overview. This document includes all **incoming** and **outgoing payments** related to your activities with Smart.

The payments can appear in four different colours:

<b>Black</b>	<b>Paid incoming or outgoing payments</b>
<b>Green</b>	<b>Planned payment</b>
<b>Red</b>	<b>Invoice sent to your client that's not paid yet</b>
<b>Blue</b>	<b>Planned invoice to your client without a signed order form</b>

The other fields include the following information:

**Mitglied (member):** your name

**Mitgliedsnummer (membership number):** your Smart membership number

**Stand (date):** date of the last update

### **Übertrag Vorjahr/Vormonat (Amount carried over from the previous year/month)**

Your remaining budget from the previous year or calendar month.

### **Nettogehalt (net salary)**

Your net salary which you'll receive at the end of that month. You'll find the amount in the column *Ausgang* (outgoing payment).

### **Sozialabgaben + Lohnsteuer (social security contributions + income tax)**

The contributions for health, pension, long-term care and unemployment insurance and income tax that Smart pays to the respective insurance providers and the tax office. You'll find the amount in the column *Ausgang* (outgoing payment).

### **Einnahmen (income)**

In the column *Detail*, you'll find the name of your client.

The **income marked in green** refers to invoices that are confirmed through a signed order form but haven't been sent to your client yet. Smart will send the invoice on the date that you selected in the order form (see column *Datum*).

The **income marked in red** refers to invoices that have already been sent to your client but haven't been paid yet. In the column *Dokument*, you'll find the corresponding invoice number.

The **income marked in black** refers to invoices that have already been paid by your client.

The **income marked in blue** refers to planned invoices that haven't been confirmed by your client, meaning that Smart hasn't received a signed order form. In this case, you'll be able to use this income once it's been paid by your client.

### **Auslagenerstattung (reimbursement of expenses)**

In the column *Dokument*, you'll find an expenses number. In the column *Ausgang*, you'll find the total amount of the expense (including VAT) as one amount. Only the net amount is directly deducted from your budget, but the entire amount (including VAT) will be wired to you. For your information only, the input tax (VAT) is added in a separate line, *Vorsteuerrückzahlung* (input tax refund).

The **entries marked in green** mean that the reimbursement is planned and will take place on the date mentioned. As soon as Smart transfers the reimbursement, the colour changes to **black**.

#### **Vorsteuerrückzahlung (input tax refund)**

The line *Vorsteuerrückzahlung* always refers to a reimbursement of an expense. Smart can add refunds of the VAT included in your expenses to your budget (exception: if the orders invoiced through Smart were VAT-exempt – this applies to employees of the Bildungswerk).

**Entries marked in green** mean that the input tax refund is planned and will be available to you on the respective date. As soon as Smart transfers the gross amount of the expense, the colour changes to **black**.

#### **RK – Reisekosten (travel expenses)**

In the column *Dokument*, you'll see a travel expense number, either labelled as "RK – Per Diems" (per diem allowance according to the regulated amounts) or "RK – Reisekosten" if you submitted receipts of the travel expenses that you already paid to Smart.

In the column *Ausgang*, you'll see the respective amount of the travel costs (per diems or expenses including VAT) deducted from your budget.

The **entries marked in green** mean that the reimbursement is planned and will be transferred on the respective date. As soon as Smart transfers the amount, the colour changes to **black**.

#### **Budgettransfer – budget transfer: outgoing payment**

If you hire other Smart members that you'd like to pay out of your budget, you can transfer them money out of your budget free of charge, and free of VAT. You'll find this outgoing payment labelled with **Budgettransfer**. For the person that receives the payment, there is no additional Smart fee.

#### **Budgettransfer – budget transfer: incoming payment**

If you were hired by other Smart members, you can find their payments labelled as **Budgettransfer**. An incoming budget transfer is free of charge, without any additional Smart fee or VAT.

#### **Good to know!**

If you move to Germany and have been a Smart member in another country, you have the possibility to transfer your Smart budget from the other country to Smart Germany free of any additional Smart fee.

Example:

Budgetübersicht / Budget Overview													
Mitglied		Maxine Mustersmart											
Mitgliedsnummer		0666											
Stand		21.01.20											
Januar													
Nr	Datum	Bezeichnung	Detail	Dokument	Brutto	UST	UST-Betrag	Netto	Smart-Gebühr	Eingang	Ausgang	aktuelles Budget	
1	01.01.20	Übertrag Vorjahr				0	€ 0,00	€ 0,00	€ 0,00	€ 500,00	€ 0,00	€ 500,00	
2	28.01.20	Netto Gehalt				0	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 1.000,00	-€ 500,00	
3	28.01.20	Sozialabgaben + Lohnsteuer				0	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 581,00	-€ 1.081,00	
4	30.01.20	Einnahmen	Sprachschule ABC		€ 500,00	0	€ 0,00	€ 500,00	€ 35,00	€ 465,00	€ 0,00	-€ 616,00	
5	20.01.20	Einnahmen	Sprachkurs für Schüler ABC	AR-1235-0666	€ 400,00	19	€ 63,87	€ 336,13	€ 23,53	€ 312,60	€ 0,00	-€ 303,40	
6	10.01.20	Einnahmen	Sprachschule EDF	AR-1234-0666	€ 1.500,00	0	€ 0,00	€ 1.500,00	€ 105,00	€ 1.395,00	€ 0,00	€ 1.091,60	
7	25.01.20	Einnahmen	Theater GHI		€ 100,00	7	€ 6,54	€ 93,46	€ 6,54	€ 86,92	€ 0,00	€ 1.178,52	
8	24.01.20	Auslagererstattung	Theaterverleih JKL	AE-2020_01		0	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 236,38	€ 942,14	
9	24.01.20	Vorsteuerrückzahlung	Theaterverleih JKL	AE-2020_01		0	€ 0,00	€ 0,00	€ 0,00	€ 37,74	€ 0,00	€ 979,88	
10	09.01.20	RK - Reisekosten	Budapest, 07.-09.01.2020	RK-2020_01		0	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 200,00	€ 779,88	
11	09.01.20	RK - Per Diem	Budapest, 07.-09.01.2020	RK-2020_02		0	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 60,00	€ 719,88	
12	30.01.20	Budgettransfer	Aus Projekt 0666-A2 von 0071			0	€ 0,00	€ 0,00	€ 0,00	€ 0,00	€ 100,00	€ 619,88	
<b>SUMMEN</b>					2.500,00 €		70,41 €	2.429,59 €	170,07 €	2.797,26 €	€ 2.177,38	<b>€ 619,88</b>	
									<b>Fehlendes Budget / Missing budget:</b>				
									Aufträge mit 19% UST/Projects with 19% VAT: 0				
									Aufträge mit 7% UST/Projects with 7% VAT: 0				
									Aufträge 0% UST/Projects with 0% VAT: 0				

**Line 1 Übertrag Vorjahr (amount carried from the previous year):** The member still has 500 Euro remaining in her budget from December 2019 which is **carried over** to the next month.

**Line 2 Netto Gehalt (net salary):** The member decided to receive a salary based on the employment category 12 (1700 Euro before deducting the Smart contribution).

This corresponds to:

- An employee's gross salary of 1581 Euro (total costs for the employment contract including all social security contributions, taxes, and the net salary) and
- An employer's gross salary of 1305 Euro (the amount in the employment contract)
- A net salary of 1000 Euro

The social security contributions and taxes amount to around 581 Euro.

This is a **planned** payment and will be transferred at the end of that month (usually on the 28<sup>th</sup>).

**Line 3 Sozialabgaben + Lohnsteuer (social security contributions and income tax):**

Based on the employee's gross salary of 1305 Euro, 581 Euro social security contributions (employer's and employee's share of contributions to health, pension, long-term care, unemployment insurances) and income tax are deducted and **will be automatically transferred** to the respective insurance providers and the tax office by Smart at the end of the month.

**Line 4 Einnahmen – income: planned invoice:** it is **planned to submit an invoice** for the contract with „Sprachschule ABC“ which Smart will send at the chosen date (January 30<sup>th</sup>).

**Line 5 Einnahmen – income: invoice sent:** for the contract “Sprachkurs für Schüler ABC”, an invoice was sent on January 20<sup>th</sup>, and Smart currently **waits for the payment**.

**Line 6 Einnahmen – payment received:** for the contract with „Sprachschule EDF“, Smart sent an invoice on January 10<sup>th</sup> which was **already paid**.

**Line 7 Einnahmen – planned invoice without Smart's payment guarantee:** for the contract with “Theater GHI”, it is planned to submit an invoice. However, **there's no signed order form**. That means that if the client doesn't pay, Smart's payment guarantee doesn't come into effect. In addition, it's not possible to use this payment for a salary or the reimbursement of expenses or travel costs until the client has paid. This is also always the case if the client is located outside of the European Union.

**Lines 8 + 9 Auslagererstattung / Vorsteuerrückzahlung (reimbursement of expenses / input tax refund):** the member has professional expenses related to a project invoiced through Smart totaling 236.38 Euro (gross). **It is planned** to refund the total amount (236.38 Euro) out of the budget (line 8, free of social security contributions and income tax). **It is planned** to refund the input tax/VAT (37.74 Euro) included in the gross amount (line 9).

**Line 10**            **RK – Reisekosten (travel costs):** for a project-related trip to Budapest, travel costs of 200 Euro **were already reimbursed** out of the budget.

**Line 11** **RK – Per Diems:** for the project-related trip to Budapest, per diems **were already reimbursed** out of your budget.

**Line 12**            **Budget transfer: it is planned** to transfer 100 Euro from another Smart member (number 0071) for a service related to the project with the internal number 0666-A2 to the budget. In this case, the Smart fee isn't deducted.

## The Monthly Pay Slip

If you're employed by Smart, you receive a monthly pay slip, generated automatically, that includes all relevant information on your employment contract. In German, this document is called *Entgelt- or Lohnabrechnung* (salary statement). You can find the document in the Mein Smart portal.

The line **Gehalt** (salary) contains the employer's gross salary amount. Note that this isn't the amount that you 'invest' in your salary because you also need to pay the employer's share of the social security contributions out of your budget (total employment costs, employer's gross salary). Information on the employer's share isn't included in the monthly pay slip.

The line **Steuer** (tax) contains information on the income (salary tax) and church tax deducted from your salary.

The line **Sozialversicherung** (social insurance) contains the employee's share of the contributions for health, long-term care, pension and unemployment insurance.

The specific share of the contributions is itemized in the box in the lower left-hand corner:

LSt = Lohnsteuer (salary tax, income tax)

SoliZ = Solidaritätszuschlag (solidarity surcharge)

KiSt = Kirchensteuer (church tax)

Kammer = Kammerbeitrag (nur für bestimmte Berufsgruppen) (contribution for a professional society, only for specific professional groups and Smart Bildungswerk employees)

SV = Sozialversicherung (social security contributions)

SV-Brutto = the amount used to calculate the social security contributions

KV = health insurance contribution + individual provider's surcharge

RV = pension insurance contribution

AV = unemployment insurance contribution

PV = long-term care insurance contributions (insured persons with children: 3.05%, insured persons without children:  $3.05 + 0.35 = 3.4\%$ )

In the box, you can find the employee's share (50%). If you're employed by Smart, you also must pay the employer's share (the other 50%) out of your budget. This isn't listed in the monthly pay slip.

The line **Nettolohn** contains the net salary amount that Smart transfers to your account at the end of each month.

The monthly pay slip also contains your social security number (*Sozialversicherungsnummer, SV-Nr.*) and your tax identification number (*Steuer-Identifikationsnummer, Steuer-ID*) – both numbers can be found in the box in the upper left-hand corner.

## FAQ – Employment Contract

### **What are the requirements for a member to obtain a Smart employment contract with access to public health insurance?**

- Registered residence in Germany
- Contracts with clients that can be invoiced by Smart
- At least €630 average net monthly income from clients
- A standard minimum Smart employment contract period is four months
- To obtain health insurance, the Smart contract must represent the majority of the member's income
- Non-EU nationals must have a valid residence permit (*Aufenthaltserlaubnis*) that allows employment (“Beschäftigung gestattet” or “Erwerbstätigkeit gestattet”)

### **How does it work for my clients?**

In the first step, we suggest you send an e-mail to your clients informing them that Smart is working on your behalf. Smart makes sure the invoices are correctly prepared. Before Smart can invoice your client, you must prepare an order form that includes details on your contract, signed by you and your client. Please note that Smart must include value-added tax (VAT) on most invoices.

### **What happens if I don't have any new orders?**

In order to comply with your employment contract, you need to make sure that you have enough income invoiced through Smart. This means that you must submit your order forms on time. If you have difficulties, please get in touch with us. Together, we'll try to find a solution that's best for you, your client and for the cooperative.

### **I have clients in other countries. How does that work?**

Smart can send invoices worldwide and has an international value-added tax (VAT) number. For business clients in countries that have a reverse-charge agreement with Germany, it may be possible to exclude VAT.

### **I'm already a Smart member in another country. Can I transfer my budget from my Smart account to my Smart budget in Germany?**

Yes, this is possible, without any additional fees.

### **Does Smart offer health insurance?**

No, Smart is not a health insurer. But you can obtain health insurance from any public health insurance provider through a Smart employment contract. You can choose your preferred insurer.

### **Can Smart complete my tax return?**

No, Smart does not offer accounting or tax advice. For members on employment contracts, Smart automatically deducts income tax and pays it to the Finanzamt. If all your income is processed by Smart, it may not be necessary to submit a tax return. We still recommend submitting a tax return anyway to claim some expenses (for example, through an online service like Smartsteuer, Wundertax, etc.).

### **What is the agreement between Smart and my clients?**

Before Smart can send an invoice, you must prepare an “order form”, signed by you and your client. It includes the client details, project name and activity period, and confirmation that Smart will handle the payments.

# The Smart Community

## The General Assembly

Being a cooperative member means to have a vote at the **General Assembly** which takes place at least once a year. The voting principle is **one member = one vote**, no matter how many shares a member purchased.

The General Assembly votes on:

- **Distribution of profit and loss:** if the cooperative generates profits, the General Assembly votes on how it shall be used – the cooperative suggests areas in which the profits shall be invested in, such as improving services for its members (Smart doesn't pay dividends its members);
- **Approval of the activities of the Executive Board and the Supervisory Board**
- **Electing the Supervisory Board:** the Supervisory Board has a control function and advises the Executive Board and the CEOs

## Events

Smart regularly organizes **Community Events** with different formats such as talks, workshops and presentations. If you have an idea or if you'd like present something, get in touch with us at [berlin@smart.coop](mailto:berlin@smart.coop).

## Using Smart's Space

Currently, no physical spaces can be used due to the pandemic.

However, Smart offers members the use of the video conferencing tool [ColloCall](#) (Big Blue Button) free of charge. Please write us an email if you are interested.

## Mailing Lists

Members can sign up for internal mailing lists on the following topics:

- Events ([events@lists.smart-eg.de](mailto:events@lists.smart-eg.de)): announcements and invitations to events
- Jobs ([jobs@lists.smart-eg.de](mailto:jobs@lists.smart-eg.de)): job requests and job offers
- Miscellaneous ([misc@lists.smart-eg.de](mailto:misc@lists.smart-eg.de)): everything else

You can sign up using this form:

<https://form.jotform.com/220121931961347>

## Sharing Events

**Smart isn't an agency and doesn't help its member find work** – but it's possible to network within the Smart Community at events, via our mailing lists and through our private Facebook group.

**Are you already a member of Smart's [private Facebook group](#)?** In the group, you can share your events and requests. If you created a Facebook event, you can send us the link to the event so that we can add it.

If you're tweeting about your activities, we can share your post ([@smartdecoop](#)).

You can also send us links to your events and activities via e-mail to [berlin@smart.coop](mailto:berlin@smart.coop) so that we can include them in our quarterly newsletter in the sections "By members, for members".

In general, we cannot create or post original content for members on our social media channels – we mostly use it to share information and events by the cooperative only.

## The touring artists help desk



Smart is also in charge of the [touring artists](#) help desk which is also open for non-Smart-members, free of charge. The help desk advises **artists and art institutions** on administrative regulations for cross-border and international projects (for example, health insurance for temporary work stays abroad, invoicing internationally, transport/customs, visa/residence...), with a focus on Germany (to/from Germany).

You can request a free consultation via e-mail at [beratung@touring-artists.info](mailto:beratung@touring-artists.info).

The touring artists help desk is a collaboration project with the International Association of Art (**Internationale Gesellschaft für Bildende Künste, IGBK**), the German Dance Association (**Dachverband Tanz**) and the International Theatre Institute (**Internationales Theaterinstitut, ITI**), initiated and supported by the Federal Government's Commissioner for Culture and the Media (**Beauftragte der Bundesregierung für Kultur und Medien**).