

Guide for taxpayers

1. Who is allowed to transfer 1% of paid personal income tax?

Private persons obliged to pay tax after assessable income; those who pay their income tax in full to APEH (Office of Tax and Financial Supervision); or those permitted by APEH to delay payment of tax instalments.

2. What should a taxpayer intending to use the 1% possibility do?

a., If you are a taxpayer who does his/her own tax return, you should make a declaration

- in a letter attached to the tax return package sent to APEH, or
- on the tax return sheet itself,

the declaration deadline is 20 May 2009.

b., If your tax return is submitted as your employer's reckoning, you make a declaration in a letter addressed to APEH and given to your employer – the declaration deadline is 10 May 2009.

c., If you are an individual entrepreneur (i.e. you do your own your own tax return), you should make a declaration in a letter attached to your tax return package sent to APEH – the declaration deadline is 25 February 2009.

d., If you choose the simplified tax return process made by APEH, you should send your 1% declaration together with the papers required by APEH for this process – the declaration deadline is 16 February 2009.

In all above cases you are allowed to send your declaration in a separate letter addressed directly to APEH until the final declaration deadline this year, which is 20 May 2009.

Beside making the declaration, the taxpayer has no other duties - neither tax reckoning nor transferring money - to do.

3. What should the taxpayer's declaration contain?

The declaration should contain the tax number of the recipient organisation. (The declaration may also contain the name of the organisation, but the listing of the name is not required by APEH which identifies organisations by tax number, not by name.).

The declaration should contain only one organisation's tax number - not excluding the possibility of the additional declaration for religious organisations which is not a subject to this guide.

4. What should be the method of declaration?

The declaration should be enclosed in a regular postage envelope. The declaration (the tax number) should be on a sheet of paper the size of the envelope (forms are not required). Your personal data - name, address (not compulsory), tax-identity number - should be written on the envelope. If you are not submitting the envelope personally, you should sign the envelope across the sealed flap.

5. What kind of non-profit or non-governmental organisations can receive 1% amounts?

The following non-profit organisations can receive 1% amounts:

- Voluntary associations (excluding political parties, employers' or employee's unions) registered by the court at least 2 years before (that is registered by 1 January 2005) the designating declaration is made, performing public benefit activities according to its statutes, and performing such activities effectively and continuously from 1 January 2005.
- Foundations registered by the court at least 2 years before (that is registered by 1 January 2007) the designating declaration is made, and performing public benefit activities according to its foundation deeds, and performing such activities effectively and continuously from 1 January 2007 (see point 6).

Additional information:

<http://www.nonprofit.hu/english/egyszazalek/taxpayers.html>