

Information for students regarding self-employed work

Many students work while they study, usually to earn some money by taking a job that is compatible with their studies. You should pay attention though: Interesting jobs for students often are advertised as self-employed, e.g. freelance, work and you have to consider several issues in this regard. For that reason, we compiled the most important general details on the subject in the following - without being necessarily exhaustive.

PLEASE NOTE! Information for international students with residence permit for studying: Before you start self-employed work, please visit the social counselling service, because such work may affect your residence permit adversely

How do I know that I work self-employed and not in an employment relationship?

- The company says, "Please bill us for the service."
- You are given a fee agreement and not an employment contract.
- You do not receive a wage slip at the end of the month.
- When they hire you, the company does not ask about your health insurance and taxpayer identification number.

What is the difference between employment and self-employment?

In general, there are employment relationships, like e.g. 603-Euro jobs (also called mini jobs) or student traineeships, which mean that you are employed and your employer is responsible for registering you with the social insurance, notifying the tax authorities, and other insurances via the employer. When you accept self-employed work, e.g. as a freelancer, you are responsible for all that by yourself

Why do companies prefer to award freelance contracts to students instead of employing them?

The companies do not bear non-wage labor costs and therefore must not pay social security taxes. They do not have to observe any protection against dismissal or similar regulations and do not have to continue payments when you are sick.

What do I have to observe? What are the differences?

Issue	Employment relationships	Self-employed work
Labor law	applies	Does not apply, but civil law applies
Responsibility for registration with social insurance and tax authorities	Employer	Your exclusive responsibility
Superior	Yes, you have a boss (employer)	No, you are your own boss and have customers/clients.
You are	Employee	Contractor/service provider
Working hours	Determined by employer	(Usually) determined by yourself
Place of work	Determined by employer	(Usually) determined by yourself
Compulsory health insurance	Responsibility lies with employer and yourself (because of the student status)	Your own responsibility
Pension insurance	Employer's responsibility	Your own responsibility ¹ Caution: High costs may incur even years after the work
Unemployment insurance	Employer's responsibility No unemployment insurance in 603-Euro jobs or as student trainee	Your own responsibility Insurance may be possible upon application
Obligation to notify the social insurance to the relevant authorities	Employer	Your own responsibility
Taxes	Employer pays taxes automatically and registers, changes the registration or de-registers.	You are responsible for accounting, invoicing, and registration with tax authorities
Entrepreneurial risk	Employer	Your own responsibility

Accident insurance	Via the employer	Your have to produce a separate insurance for your work
Employment contract	Yes	No, fee agreement, service contract or similar
Several customers/client	No, an employer	Yes

CAUTION: If you have only one customer/client, who determines place, time and content of the work, this may be a case of false self-employment. Get advice by the social counselling service!

¹ Self-employed persons are only required to pay into the statutory pension insurance scheme for very specific activities, and only if the minimum income threshold is exceeded (as of 2026: €603). These activities include, for example, educators, craftspeople, midwives, and teachers. Artists and publicists who are insured through the artists' social security fund are also compulsorily insured under the statutory pension insurance scheme. Students should obtain information about this from the German Pension Insurance Fund.

What do I have to do to work self-employed while I study?

STEP BY STEP TO BECOME SELF-EMPLOYED

Preparation / information	<ul style="list-style-type: none"> • Counselling on how to set up your own business • Develop a concept • Find the appropriate corporate form
Local tax office	<ul style="list-style-type: none"> • Register the self-employed work with the local tax office at your place of residence • Apply for a tax ID number • NOTE: This is another number than the taxpayer identification number for employees
Trade office/regulatory authorities	Register, if you work self-employed in trade and industry. This is not required for freelancers.
Health insurance and compulsory long-term care insurance	It is necessary to get information before you start the job. Obtain information in writing about the expected health and long-term care insurance costs. For this purpose, specify the working hours per week and the working period as well as the payment. The decision is made on a by-case basis,

	which not only depends on the weekly working hours, but also on revenues. When classified as full-time self-employed, very high health insurance costs will incur!
Pension insurance	Make an appointment with the Rentenversicherung Bund for individual counselling and apply for an exemption from the pension insurance contributions, if necessary. If you do not make use of the counselling service, subsequent contributions to the pension insurance may incur up to 30 years later.
Notify employer about the additional self-employment	Before you start the self-employed work, please check whether your employment contract includes a clause concerning "other/additional emploment".
Procure insurances	Accident insurance, professional or business liability insurance. If you already have private contracts, ask your insurance company, whether the job is insured or additional costs incur.
Calculate the fees	Calculate all ancillary expenses sufficiently. As you have to pay for everything by yourself, the fees must be considerably higher than the salary in an employment relationship. Allow for the preparatory and post processing works
Tax return and taxes	You are obligated to submit a tax return based on the invoices and at least a monthly profit and loss account as well as other documents, if applicable. We recommend consulting experts in this regard, like e.g. the Lohnsteuerhilfeverein or tax consultants.

What is freelance work?

When you work as a freelancer on a fee basis, e.g. tutor/ess, it is sufficient to register with the tax office, as you do not work in trade and industry. Please bear in mind, however, that you have to take care of social contributions and taxes (pension insurance, health insurance, income tax) by yourself and that considerable subsequent payments may incur in case of default

~~~~> **Self-employment while on leave of absence and studying part-time**

CAUTION: When you are on leave of absence or study part-time and accept self-employed work on a large scale and invoice such work, then you may be classified as full-time self-employed.

It is assumed that you work - and not study - most of the time - which is an assumption under social law that you cannot influence whatsoever! The consequence may be high health and long-term care insurance and other costs.

~~~~> **What can I do if I did not know all this?**

You should obtain advice as quickly as possible! You can agree an appointment with the social counselling service or visit during the normal opening hours

Consulting services



~~~~> **Contact**

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~~~~> **Your advantages**

- ✓ Detailed advice on your individual situation
- ✓ Support in your decision-making process
- ✓ Free consultation service
- ✓ Anonymous consultation on request
- ✓ We are bound by confidentiality.