

Checklist

Social security contributions for artists in the context of cross-border activities

Under the Artists' Social Security Act (KSVG), self-employed artists/publicists can insure themselves in the same way as employees with regard to pension, health and long-term care insurance. The artist pays approximately half of the insurance contributions, while the other half is financed by a federal subsidy and by the artists' social security contributions (KSA) paid by the companies availing of artistic and journalistic services (users).

Companies that regularly use services provided by self-employed artists/publicists for a fee are obliged to pay social security contributions for artists (KSA). This applies to all typical users, such as publishers, theatres, galleries, advertising agencies, CD producers, broadcasting companies, etc. However, other companies may also be liable to pay royalties if they carry out advertising or public relations work for their own company or if, under what is known as the general clause (Generalklausel), artistic or journalistic works are used for the company's purposes on a more than occasional basis. This is deemed to be the case as soon as fees totalling more than 450 euros net are paid per year (threshold). See also the information under 'Who pays artists' social security contributions' below.

CROSS-BORDER ACTIVITIES

The territory with regard to artists' social security contributions (KSA) is Germany:

- KSA contributions are not due on fees paid to artists/publicists who provide services abroad that are utilized exclusively abroad and not in Germany.
- KSA contributions are also payable on fees for foreign self-employed artists/publicists who render services in Germany where the client or a collaboration partner is headquartered within the territory covered by the Artists' Social Security Act (KSVG).

Events abroad

German organisers are not required to pay contributions if they pay (German/foreign) artists/publicists for services rendered abroad – for example, guest performances or concerts – that will not be exploited in Germany.

If a concert organised by a German promoter is broadcast live abroad (on television, via livestream on an Internet platform) and can also be viewed in Germany, social security contributions must be paid on the related fees.

Fees for rehearsals abroad

If rehearsals take place abroad for which fees are paid, these fees are subject to social security contributions because it is assumed that the related performance will subsequently be exploited in Germany.

Fees for artistic performances from abroad

KSA contributions are payable on fees paid to self-employed artists/publicists who reside or work permanently abroad and whose services are exploited in Germany, e.g. design services, works of art, recordings in a recording studio if the recording will later be marketed in Germany, etc.

Fees for foreign artists/publicists

Fees paid by German-based companies to foreign self-employed artists/publicists for services rendered in Germany are subject to artists' social security contributions. This is not affected by the artist's/publicist's personal obligation to obtain insurance.

The KSK will check whether the activity can be considered self-employment under German law. The status of the artist as stated on the A1 certificate is not binding for the levying of the artists' social security contributions.

KSK information brochure: [Abgabepflicht bei der Beauftragung ausländischer Künstler \(Obligation to pay social security contributions when commissioning foreign artists\)](#)

Foreign event organisers' obligation to contribute

Foreign organisers that pay fees for services rendered in Germany are generally not required to pay contributions. Nevertheless, KSA contributions are still payable in most cases! This is because if a foreign organiser that is not liable for contributions collaborates with an organiser/company in Germany and the foreign organiser contracts (foreign) artists and pays them for activities in Germany (e.g., concerts or guest theatre performances), these fees are subject to KSA contributions. The German company must report and pay the respective contributions.

Example:

A Spanish concert agency has contracted Spanish and Portuguese musicians for a series of concerts and pays the independent musicians for their performances.

The agency concludes a contract for a concert in Cologne with a Cologne venue that regularly organises guest events.

In this case, the Cologne organiser is obliged to report the fees paid to the KSK.

The Artists' Social Security Act thus stipulates that a German-based company that is liable for contributions must cover any KSA contributions payable on transactions with foreign companies that are not liable for contributions if it derives an economic benefit or advantage from the artistic effort involved.

This also means that the foreign collaboration partner must disclose his/her fee payments so that the German partner can file an accurate report. If the fee payments are not known to the German company, flat-rate percentages are applied to income from ticket sales, etc.

Information on this can be found in the 'Verträge mit ausländischen Produktionsgesellschaften' (Contracts with foreign production companies) section of the '[Abgabepflicht von Veranstaltern](#)' (Organisers' obligation to pay social security contributions) brochure published by the KSK.

Artists collecting money from the audience

A musician from abroad performs at a bar and then collects money from the audience (passing the hat). In this case, the bar owner, as the organiser, is liable to pay social security contributions, since it is presumed that he/she has benefitted from the performance.

KSK information brochures

The KSK provides a whole series of information brochures and checklists regarding the KSA on its website. Among other things, it offers specific information different user groups (theatres, art associations, cities and municipalities, other companies, etc.).

[KSK information brochures](#)

Information brochure: [Abgabepflicht bei der Beauftragung ausländischer Künstler \(Obligation to pay social security contributions when commissioning foreign artists\)](#)

BACKGROUND: ARTISTS' SOCIAL SECURITY CONTRIBUTIONS

Administrating organisation

The Artists' Social Security Act is administrated by the artists' social security fund in Wilhelmshaven. This body registers the artists/publicists liable for mandatory insurance with the competent funding agencies (German pension fund, statutory health insurance funds, etc.) and passes on the insurance premiums on their behalf. It also collects the contributions of those insured and the artists' social security contributions paid by those availing of the services of the artists concerned.

KSK: [General information and procedure](#)

Who pays artists' social security contributions?

Companies that regularly use services provided by self-employed artists/publicists for a fee are obliged to pay social security contributions for artists (KSA). This applies regardless of their legal form. An obligation to pay social security contributions applies to

- typical users, regardless of the amount of the fees paid,
- self-promoters and companies that are liable to pay contributions under the general clause (Generalklausel) as soon as fees totalling more than 450 euros net per year are paid (threshold).

This is not affected by the commissioned artist's/publicist's personal obligation to obtain insurance.

The contribution rate is adjusted annually. For 2023, it is 5% of the fee amount. In addition to the fees paid, users pay 5% of the total to the KSK; the KSA contributions may not be deducted from the fee.

KSK: [FAQs for companies and users](#)

Which fees are subject to contributions?

Payments to self-employed artists/publicists are subject to social security contributions, but not salaries that artists receive as part of their employment. Contributions are due on payments to sole proprietors and companies under civil law (GbRs), but not, for example payments to associations (e.V.) or limited liability companies (GmbHs) where these act in their own names and are not recognizably representatives of self-employed artists.

Which activities are considered artistic or journalistic services is not conclusively defined. A catalogue provided by the KSK gives an [overview of some artistic/publicity activities covered by the KSVG](#) – individual cases must be discussed with the KSK, e.g. payments to DJs or translators.

Ancillary services for which a self-employed person is paid may be subject to social security contributions, e.g. telephone and material expenses, royalty payments, etc.

Exceptions to this include separately stated VAT, tax-free expense allowances (e.g. travel expenses) and payments to collecting societies, etc.; these are not subject to social security contributions.

[KSK information on the assessment basis](#); KSK: [FAQ for companies and users](#)

Reporting process

Companies that regularly use services provided by self-employed artists and publicists for a fee must report to the KSK of their own accord. In the case of new registrants, the KSK first checks whether there is an obligation to pay contributions. A company that is liable for contributions must report the total amount paid during the year to the KSK by 31 March of the following year using the reporting form provided and will then receive a payment request.

The KSK issues estimates for companies that fail to comply with their reporting obligations; payments must then be made on the basis of these estimates.

KSK information brochures

The KSK provides a whole series of information brochures and checklists regarding the KSA on its website. Among other things, it offers specific information for different user groups (theatres, art associations, cities and municipalities, other companies, etc.).

[KSK information brochures](#)

Information on reporting procedures > [Link](#)

Reporting forms, templates > [Link](#)