Important Aspects for Your Self-Employment in Germany

The checklist gives you an overview of the requirements for self-employment in Germany.

You already have:
A residence permit:
- to study (§ 16 (3) Residence Act)
- to work, e.g. after graduation (§ 16 (4) Residence Act)
Note: After completion of studies you have 18 months for planning and implementing your self-employment.

You need:
A residence permit:
- to carry out your self-employed activity (§ 21 (2a) Residence Act)
- for foreigners who want to be self-employed as freelancers (§ 21 (5) Residence Act)
- for students, the residence permit will be extended (§ 21 (6) Residence Act)

Requirements of the foreigners authority, which you must fulfill to receive a residence permit for a self-employed commercial activity:
- You have a valid passport from your home country.
- You can finance your livelihood and that of your support-entitled family dependents with the planned activity (graduates).
- No reason for deportation, such as a criminal conviction, exists.
- You have created a business plan (see reverse) and your curriculum vitae (professional experience and qualifications).
- Documentation of health insurance.
- If your goal is a freelance activity you need the following additional documentation:
  - if applicable, references
  - if applicable, a permit for practicing the profession (e.g. for architects, doctors and other regulated professions)

If your goal is a freelance activity you need the following additional documentation:
- Capital, references
- Capital, prospect for projecting the profession (e.g. for artisans, doctors and other regulated professions)

Note: The foreigners authority can require further individual evidence.

WAIT FOR THE REPLY FROM THE FOREIGNERS AUTHORITY

When you have received a positive response from the foreigners authority,
- for a self-employed commercial activity you must register your business (Trade Licensing Office).
  Note: The registration fee is between 30 and 40 Euros.
- for a freelance activity you need a tax number (Tax Office). For this you must register with the Tax Office.
  Note: By four weeks (at the latest) after beginning your activity you must register with the Tax Office.

For further information we recommend the following links:
www.netzwerk-iq.de
www.existenzgruendung-iq.de
www.wir-gruenden-in-deutschland.de
www.existenzgruender.de
www.bmwi-unternehmensportal.de
How is self-employment defined in Germany?

As a self-employed person you are professionally active as a freewillower or as an individual or joint owner of a company. Also as a self-employed person you are free to choose your work times, work location, style of work, workplace and you are not subject to directives, e.g. you are your own boss.

Which requirements must you meet in order to be self-employed?

As a student from a non-EU country you have many opportunities to support your studies by means of self-employment. For example, as a software developer, language instructor, service provider or as a self-employed restaurateur. This opportunity exists under foreign-residency law due to a change in the residential provisions to your residence permit under § 21 (2) of the German Residence Act (AufenthG). However, the foreigners’ authority must give special approval to your self-employment activity. Your work may not be so extensive that it precludes the duration of your studies and it must meet the requirements for self-employment. The law does not specify time limits. Please make sure that your professional activity does not prevent you from having more than 20 hours per week since otherwise you could lose your student status with your health insurer.

In order to be entitled to the foreigners’ authority, as a self-employed you need a business registration (the “Trade-Office” or “Gewerbebetrieb”) as a freewillower, a tax number (from the Tax-Office or “Verbraucher”).

Which conditions apply for you as a university graduate from a non-EU country for the commencement of a self-employed activity?

When you have successfully completed your studies at a state-supported or private university, you are entitled to stay in Germany under certain conditions.

Possible options are:

- You possess a residence permit under § 18 or § 20 of the German Residence Act (AufenthG) as a researcher or student, then you may be issued a residence permit to to practice a self-employed activity according to § 21 (2a) of the German Residence Act (AufenthG). In this case you must meet the following conditions:
  - Your self-employed activity must have a recognizable connection with the skills and knowledge acquired during your education at the institution of higher learning, used indirectly or in part. in other words, activities which require an academic education.
  - The livelihood for you and your maintenance-enabled family members must be assured. It may require your local foreigners’ authority, as the minimal livelihood costs vary regionally.

If you do not wish to start a self-employed activity immediately after completion of your studies, you may apply for an 18-month residence permit under § 16 or § 20 of the German Residence Act (AufenthG) as a researcher or student. For students, you are allowed to engage in a self-employed activity during this period. The application process is the same as for a residence permit to work. The self-employed activity must have a clear connection with the studies. It may be based on already existing competences. The application can be made during your studies but must be submitted within six months of obtaining your degree. For students, the application process is the same as for a residence permit to work. The self-employed activity must have a clear connection with the studies. It may be based on already existing competences. The application can be made during your studies but must be submitted within six months of obtaining your degree.

"During my studies I teamed up with two fel low students in order to set up a small start-up company. The idea after graduation: to make sure that the busi ness start-up is successful. The only problem: we lack the necessary skills. This confronts us with big challenges and raises many questions. Which contact persons and which authorities do we have to get in touch with? How do we create a business plan? To answer these and other questions, we decided to attend a seminar offered by the foreigners’ authority. That made me wonder: why not try again?

I studied biology in Germany and wanted to become self-employed. It only happened because I never gave up. I spoke with the foreigners’ authority and other agencies and again and again – in the end the advocacy and support of my Professor was decisive in obtaining the residence status I needed. And when this was running the company “CoGAP” – successfully. We flavor deployed Germany with 700 partners throughout Germany.”

Ilona Block, Aserbaidschan, Gründerin

"I think it’s a real shame that all the textile mills in East-Westphalia have disappeared. That made me wonder: why not try again? I found a fashion label right there, I became self-employed with "Elke Greven" after completing my studies and in 2012 received an award from the "Gründercampus", the Entrepreneurial Campus of Lower Saxony. That shows that not only the designs work, but the economics behind them too." Steffen Kramp, Certified Biologist

Note: Information about the legal framework as well as contact persons and addresses are subject to changes. Please verify the most recent information before following any suggestions.

Develop your own business idea and create your own business plan. The advice specialists offer will give you additional help.

Your Start-up in Germany

The foreigners’ authority grants a positive position statement to your business plan:

- if you possess a residence permit for a company under § 21 (2a) of the German Residence Act (AufenthG).
- if you are a self-employed person under § 21 (2a) of the German Residence Act (AufenthG).

Wait for a reply from the foreigners’ authority.

Positive Reply

- For a company, register your business in the Trade Register in accordance with § 21 (2a) of the German Residence Act (AufenthG)

Negative Reply

- For a company: register your business in the Trade Register in accordance with § 21 (2a) of the German Residence Act (AufenthG)

- For a self-employed person: register your business in accordance with § 21 (2a) of the German Residence Act (AufenthG).

Your Start-up in Germany

You should consider the following aspects among others in your business plan:

- Describe your competencies and entrepreneurial qualities: What motivates you to become self-employed?
- Describe your idea (product/service): how, when, and how will you sell your products/services?
- Breakeven analysis
- Business plan
- Your Start-up in Germany

You still have ideas and need your business plan? The visitors and the foreigners’ authority will give you additional help.

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