

Processing of application

A complete application for current year must be received by March 31st each year.
The result is displayed on the final tax assessment note on May 31st for current year.
The application can not be processed until all requested supporting documents have been submitted.

Income Years _____

EEA Child benefits

For children who do not have a permanent residence in Iceland and are supported by a citizen of the EEA, member states of the instrument of constitution of EFTA, or of the Faroe Islands

A Information on applicant

Name		Icelandic ID number
Postal address in Iceland		Postal code and city
Postal address in the child's country of residence.	Postal code and city	Foreign ID No.
Name of spouse	Icelandic ID number	Foreign ID No.
Applicant's email		<input type="checkbox"/> Applicant grants permission to use his email for communication and further information gathering
Icelandic bank account		

B Names of children under the age of 18 who are supported by the applicant

Name of child	Date of birth
Name of child	Date of birth
Name of child	Date of birth
Name of child	Date of birth

C Child benefits paid in the child's country of residence

Income year	Child benefits in foreign currency	Currency
Income year	Child benefits in foreign currency	Currency
Income year	Child benefits in foreign currency	Currency

D Marital status

Married/cohabitation Single parent

E Spouse's income in foreign currency

Income year	Total income in foreign currency	Currency	<input type="checkbox"/> Spouse without income
Income year	Total income in foreign currency	Currency	<input type="checkbox"/> Spouse without income
Income year	Total income in foreign currency	Currency	<input type="checkbox"/> Spouse without income

The following documents must be submitted together with the application:

Married/cohabitation

1. Birth certificates for the child/children (see E-411 on back page).
2. A certificate confirming the applicant's marital status at the end of the income year that the application relates to. If the applicant is unmarried but cohabiting, a residence certificate may be submitted stating that the parents are registered at the same address abroad.
3. Income certificate or a certified copy of the spouse's foreign tax return at the end of the income year that the application relates to.
4. A certificate confirming civil child benefits paid in the child's country of residence.
5. If a child is born in Iceland and/or has an Icelandic ID number, a residence certificate for the child may be submitted instead of a birth certificate.
6. If both parents live in Iceland and the child/children live abroad with extended family, a certificate of who the child/children lives with and receipts for transfers of applicant's funds that demonstrates that the applicants are the child's/children's supporter.

Single parent

1. Birth certificates for the child/children (see E-411 on back page).
2. A certificate confirming the applicant's marital status at the end of the income year that the application relates to.
3. Confirmation of custody/custody agreement.
4. A certificate confirming civil child benefits paid in the child's country of residence.
5. A certificate confirming where the child/children reside and with whom.
6. Receipts for transfers of applicant's funds that demonstrates that the applicant is the child's/children's supporter.

.....
Date

.....
Signature

Information

General information

In Iceland, child benefits are determined for every child under the age of 18 years to the child's supporter. Full benefits are determined for the year of birth of a child, but no benefits are determined for the year in which a child reaches the age of 18. The child benefits are paid to the child's supporter, i.e. the person with whom the child is living and is dependent upon at the end of the previous income year. The person that pays child support is not regarded the child's supporter in this context.

Child benefits are determined during the tax assessment following the relevant income year. The amount calculated is paid in two payments, the first on June 1st, and the second on October 1st. It is possible to apply for advance payments, to be paid on 1st of February and 1st of May.

Advance payments

If advance payments of child benefits are requested, the relevant documents must have been received by February 28th. The advance payments amount to 50% of the estimated child benefits for the year and are paid in two equal payments, on February 1st and May 1st. This is a provisional payment. In the final tax assessment in the end of May, the advance payments are deducted from the calculated child benefits and the balance is paid out on June 1st and October 1st. If an overpayment has occurred, the overpaid child benefits must be repaid on June 1st.

EEA Child benefits

Citizens from states within the European Economic Area (EEA), a member state of the EFTA or the Faroe Islands who have come to Iceland to work and have a dependent child who is not a resident in Iceland can be entitled to child benefits in Iceland. However, the right to child benefits only exists if the child's supporter is liable to income tax in Iceland, in accordance with Article 1 of the Icelandic Income Act no. 90/2003, or if he is insured on the basis of Articles 12. or 13. of Act. no 100/2007, on Social Security.

Determination of child benefits

The determination of child benefits is based on information about the applicant's family and income, both in Iceland and in the child's country of residence. Child benefits paid in the child's country of residence are deducted from the payment of child benefits in Iceland. The difference is paid to the parent who lives in Iceland.

Pensioners residing abroad

Persons residing in another state in the European Economic Area who receive payments from the Icelandic social security system or Icelandic pension funds may be entitled to EEA child benefits from Iceland. Those parties apply for EEA child benefit annually using form RSK 3.20. The same supporting documents as mentioned above must be submitted.

Processing times for applications

If a complete application has been received:

- February 28th, - processed at the end of March.
- March 31st, - processed at the end of May.
- August 31st, - processed at the end of November.
- After August 31st, - applications are normally processed within three to six months.

E-411

It is also possible to provide detailed information about the applicant's family and any received child benefits in the native country on the form E-411. Part B of the E-411 form must be completed by the competent authority in the country of residence of the family members.

From Act no. 90/2003

With every child under the age of 18 years old in the income year, domiciled in Iceland and dependent on persons liable to pay taxes in accordance with Article 1, the Treasury is to pay child benefits to the child's supporter. A child's supporter is the person that the child is living with and the child is dependent upon at the end of the income year. The person that pays alimony with a child is not regarded a child's supporter in this context. Married couples that are taxed in accordance with Article 62 are both regarded as supporters and the child benefit is split equally between them. The same applies to persons in cohabitation that at the end of the income year meet the conditions of paragraph 3 of Article 62, even if they have not requested to be taxed according to that Article. By the same token, those persons that maintain a household with their child shall be viewed as providers under this provision, although the conditions for registration of cohabitation are not fulfilled. In such circumstances, child benefits shall be determined in the same manner as for a married couple. In instances where only one partner in a marriage is taxable in Iceland in accordance with Article 1, that partner is to receive full child benefits for the married couple's children that are domiciled in Iceland according to the provisions that apply for married couples, provided that at hand is the relevant information about the income of both, along with information about child benefits or similar payments because of the same children that have been paid in another country.

For a child that in the income year has obtained its domicile in Iceland, child benefits are only to be paid pro rata to its time of residence in Iceland in that year. Thus the amount of child benefits and reduction due to income in accordance with paragraph 4, shall be decided in proportion to the time of residence.

...

The child benefits are reduced by the amount a child's supporter has received in child benefits or similar benefits from abroad because of the child in the same income year.

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Despite the provisions of paragraph 1 of part A of Article 68, child benefits can be decided for children that are not domiciled in Iceland, but dependent on a citizen in the European Economic Area, citizen of a founding state of the European Free Trade Association or of the Faroe Islands, provided that the child's supporter is liable to pay taxes in Iceland in accordance with Article 1 of this Act or is insured on the basis of Articles 12, 13 or 14 of the Social Security Act 100/2007. Conditions for issuing child benefits according to this paragraph are that the children are resident in any of the countries of the European Economic Area, in a founding state of the European Free Trade Association or in the Faroe Islands and that sufficient documentation is submitted from a competent administrative authority in the country where the children are domiciled.

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Child benefits are to be issued on the basis of a tax return when assessing taxes, as noted in Chapter X (10). Child benefits which are determined less than ISK 5.000 per provider based on the tax return are cancelled.

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The decision of the Tax Administration regarding the advance payment of child benefits shall be the final decision in the case at the administrative level.