Youth Policy Seminar under the Hungarian Chairmanship of the Council of Europe's Committee of Ministers

Youth Policy Seminar 27-29 OCTOBER 202



RESTART
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Being Young in Hungary Today

Ms. Zsófia Rácz, Deputy State Secretary for Youth (Hungary)



DEPUTY STATE SECRETARY FOR YOUTH AFFAIRS

> **28 October 2021** Budapest Hotel Mercure Budapest Castle Hill



The Deputy State Secretariat for Youth in Hungary



Miniszterelnökség Családokért Felelős Tárca Nélküli Miniszter

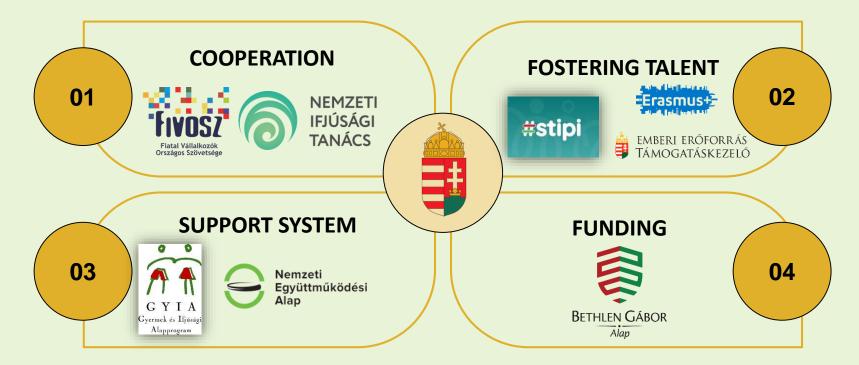






The Hungarian civil society sphere and the field of youth

According to data presented by the Hungarian Central Statistical Office, there are approximately 60.000 active civil organisations in Hungary.





Hungarian Youth Study 2020



- In Hungary, every four years a study called "Hungarian Youth Study" is conducted revealing the current state of the youth.
- Since 2000, researchers have used the same methodology, surveying 12,000 participants aged between 15-29 years.
- Since 2016, Hungarians from surrounding countries are also involved in the study.
- The Study aims to raise awareness of young people among local decisionmakers.



Achievements - Good practices

Reimbursement of the Hungarian Highway Code preparation course and exam fee

Reimbursement of the first successful language exam fee

Digital Welfare Programme Hungarian Student Loan System



Volunteering and the field of youth

- The importance of **promoting volunteering**
- The community-building power of volunteering
- Volunteering is a way to ensure prosperity





The Year of Volunteering in Hungary 2021





Fostering Talent



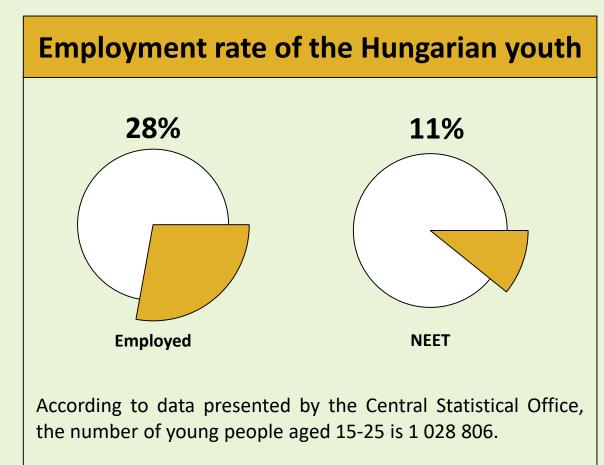




- National Talent Program
- Bonis Bona Prize
- National Young Talent Scholarship
- Stipendium Peregrinum – STIPI



Government bill to exempt Hungarians under the age of 25 from paying personal income tax



Challenges that young people face

- Disadvantageous position when entering the labour market due to the **lack of experience.**
- Not being able to attend university due to financial problems.
- Reaching **financial independence** is extremely difficult.

The government aims to...

- support young labour market entrants by improving salary conditions.
- assist young people in the progress of reaching financial independence and creating/re-creating their self-identity.
- further improve the financial conditions of family formation.

From the 1st of January 2022, those under the age of 25 will receive a complete personal income tax (PIT) exemption.



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Government bill to exempt Hungarians under the age of 25 from paying personal income tax

Similar to the personal income tax (PIT) exemption of mothers of four or more children in Hungary, the benefit will be introduced as a reduction in the taxpayer's tax base.

The government **will set the income limit** for a personal income tax exemption for Hungarians under 25 **at the gross average wage**: **1 163 Euros** (HUF 403.600). This amount **is expected to rise** in the following years.

The proposal aims to allow the application of the tax relief with the **least** administrative burden possible.

Around **280,000 Hungarian employees under the age of 25 could be potentially affected** by the tax exemption. On an average basis, this means that the **amount of money that a young Hungarian could save monthly is 116 Euros** (HUF 40,400).

This also means that those earning at the level of an average salary **can take an extra 1440 Euros** (HUF 500.000) **home, yearly.**

More than 1,000,000 people could be potentially affected by the tax exemption along with its positive effects: acting as an incentive for young people to enter the labour market, encourage them to work more, and enable savings.



Cooperation and consultation with youth organisations during the drafting period









"Almost everything that is great has been done by youth" - Benjamin Disraeli



Thank you for your attention!



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