



## Glossary

In our glossary, you can find a list of important terms related to work and life in Germany.

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### Income replacement benefits

*German: Entgeltersatzleistungen*

Income replacement benefits (Entgeltersatzleistungen, Lohnersatzleistungen) are financial aid paid in lieu of normal pay from work. They include child benefit, unemployment benefit and illness benefit. They are tax-free, but are subject to what is known as the “progression proviso” (Progressionsvorbehalt). This means that the benefits themselves are not taxed, but they are taken into account to calculate your tax rate.

Theme: [Health & Social Welfare](#)

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