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**Tax & Accounting  
Services**



**Tax relief for mothers with two or three  
children**

On February 22, 2025, in his annual speech, the Prime Minister of Hungary announced a number of planned changes to taxation, including **the introduction of tax relief for mothers with two or three children.**

According to the Official Hungarian Journal (Magyar Közlöny) No. 55, published on May 12, 2025, personal income tax relief for mothers of three children will be introduced this year, while the exemption for mothers of two children will be introduced gradually over four years.

### **Eligibility for tax exemption**

According to plans the eligibility conditions for tax exemption will be similar to those for income tax exemption of mothers raising four or more children. Therefore, eligibility for the allowance will commence on the first day of the month in which the mother qualifies as a mother raising two or more children.

Under Section 29/D of the Personal Income Tax Act, mothers raising two or three children will be eligible if, as biological or adoptive parents, they

- a) are entitled to family allowance, or
- b) are no longer entitled to family allowance, but were entitled to it for at least 12 years, or
- c) are no longer entitled to family allowance due to the death of a child.

### **How long is the mother entitled to personal income tax exemption?**

The benefit ceases if the woman in question no longer qualifies as a mother raising two or three children. For example, in the case of two children, if the parents divorce and one of the children, for whom the mother was entitled to family allowance for less than 12 years, is not accommodated with the mother, therefore her entitlement to family allowance ceases, she is removed from the list of beneficiaries. If the mother has been entitled to family allowance for more than 12 years after the child's birth, the benefit will continue.

The exemption does not cease if the entitlement to family allowance ceases due to the death of the child, as in this case it is considered to have existed for at least 12 years.

### **What types of income are eligible for tax exemption?**

On Kossuth Radio's Sunday News (Vasárnapi Hírek) program, Minister of Culture and Innovation Balázs Hankó announced that personal income tax exemption will apply to mothers' wages, while all other income will be taxed as usual.

## **When will it be introduced?**

Tax exemption for mothers with three children will be introduced in a single step from October 2025, while income tax exemption for mothers with two children will be introduced gradually from January 2026, according to the following schedule:

- From January 1, 2026, for those under 40
- From January 1, 2027, for those between 40 and 50
- From January 1, 2028, for those between 50 and 60
- From January 1, 2029, mothers over 60 will be eligible.

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## **Contact us for more information:**

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