

SUMMARY

ECJ 16 April 2026, C|642/24 (European Commission - v - the Federal Republic of Germany)

European Commission - v - the Federal Republic of Germany (German case)

Summary

Articles 45 TFEU and 4, 7, and 67 of Regulation (EC) No 883/2004, as well as Article 7(2) of Regulation (EU) No 492/2011, preclude national legislation under which a family benefit is indexed according to the Member State of residence of the worker's children, resulting in lower amounts being granted where the children reside in certain other Member States, since such a mechanism infringes the principle of equal treatment and the prohibition of residence-based reductions of social security benefits.

Questions

Must Articles 7 and 67 of Regulation No 883/2004 be interpreted as meaning that a Member State may adjust the amount of a family benefit according to differences in the cost of living in the Member State of residence of the worker's children?

Must Article 45 TFEU, Article 4 of Regulation No 883/2004 and Article 7(2) of Regulation No 492/2011 be interpreted as precluding national legislation under which family benefits are reduced for workers whose children reside in another Member State, on the basis of an indexation mechanism linked to the cost of living?

Ruling

Articles 7 and 67 of Regulation No 883/2004 must be interpreted as precluding national

legislation under which the amount of a family benefit is reduced where the worker's children reside in another Member State, since those provisions require that such benefits be granted without reduction based on residence and ensure strict equivalence in the amounts paid irrespective of where the family members reside.

Article 45 TFEU, Article 4 of Regulation No 883/2004, and Article 7(2) of Regulation No 492/2011 preclude legislation under which family benefits are reduced for workers whose children reside in another Member State on the basis of an indexation mechanism, since an indexation mechanism based on the Member State of residence of the children constitutes indirect discrimination on grounds of nationality, which is not objectively justified where the benefit is granted on a flat-rate basis and is not linked to the actual cost of maintaining the children.

Creator: European Court of Justice (ECJ)

Verdict at: 2026-04-16

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