



**EUROPEAN COMMISSION**  
DIRECTORATE-GENERAL  
TAXATION AND CUSTOMS UNION  
Indirect Taxation and Tax administration  
**VAT and other turnover taxes**

TAXUD/1032/07-EN Part 23

**VAT in the European Community**

**APPLICATION IN THE MEMBER STATES,  
FACTS FOR USE BY  
ADMINISTRATIONS/TRADERS,  
INFORMATION NETWORKS, ETC.**

**Note**

**This document collates a range of basic information on the application of VAT arrangements in the Member States which has been obtained from the tax authorities concerned.**

**The sole purpose of distributing details of national provisions is to create a work tool. In no way does this document reflect the views of the Commission of the European Communities. Nor does it signify approval of the relevant legislation.**

# GERMANY

## TABLE OF CONTENTS

|                                                                                          |    |
|------------------------------------------------------------------------------------------|----|
| GENERAL INFORMATION .....                                                                | 3  |
| VAT REGISTRATION OF FOREIGN TRADERS .....                                                | 3  |
| THRESHOLDS .....                                                                         | 5  |
| APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS<br>NOT ESTABLISHED IN THE EU ..... | 6  |
| APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS<br>ESTABLISHED IN THE EU .....     | 8  |
| INVOICING .....                                                                          | 9  |
| RULES ABOUT INVOICING .....                                                              | 9  |
| ISSUANCE OF INVOICES .....                                                               | 9  |
| CONTENT OF INVOICES .....                                                                | 10 |
| ELECTRONIC INVOICING .....                                                               | 11 |
| STORAGE OF INVOICES .....                                                                | 12 |
| SIMPLIFIED INVOICES .....                                                                | 13 |
| PERIODIC VAT RETURNS .....                                                               | 14 |
| RECAPITULATIVE STATEMENTS .....                                                          | 15 |
| ELECTRONIC RETURNS .....                                                                 | 16 |
| ADMINISTRATIVE REQUIREMENTS .....                                                        | 17 |
| RIGHT OF DEDUCTION .....                                                                 | 18 |

## GENERAL INFORMATION

### **1. IF A FOREIGN TRADER WANTS TO OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM, WHOM SHOULD HE CONTACT? (ADDRESS, TELEPHONE, FAX, EMAIL)**

Bundesministerium der Finanzen  
Referat Bürgerangelegenheiten  
11016 Berlin  
Fax: (030) 2242-3765  
E-mail: buergerangelegenheiten@bmf.bund.de

### **2. WHAT IS THE ADDRESS OF THE NATIONAL TAX ADMINISTRATION WEBSITE? WHICH CATEGORIES OF INFORMATION ON VAT IS AVAILABLE ON THAT WEBSITE (GENERAL INFORMATION, LEGISLATION, CONTACT POINTS, FORMS, ETC.)? AND IN WHICH LANGUAGE(S)?**

General information on Germany's VAT regulations can be consulted on the website of the *Bundesministerium der Finanzen* ([www.bundesfinanzministerium.de](http://www.bundesfinanzministerium.de)). More detailed information and a number of forms are available on the website of the *Bundeszentralamt für Steuern* ([www.bzst.bund.de](http://www.bzst.bund.de)). The information is available in German only.

### **3. WHERE IS IT POSSIBLE TO FIND NATIONAL VAT LEGISLATION AND REGULATIONS? IN WHICH LANGUAGE(S) ARE THEY AVAILABLE?**

German VAT regulations are laid down in the Turnover Tax Act (UStG), the Turnover Tax Implementing Regulation (UStDV) and the Turnover Tax Guidelines (UStR). They are available only in German.

## VAT REGISTRATION OF FOREIGN TRADERS

### **4. WHAT ARE THE CIRCUMSTANCES GOVERNING THE NEED TO BE REGISTERED FOR VAT?**

Anyone supplying goods or services or making intra-Community acquisitions in the Federal Republic of Germany must be registered for VAT purposes and must declare their turnover for tax purposes.

**5. WHAT ARE THE SITUATIONS WHERE REGISTRATION IS UNNECESSARY BECAUSE THE RECIPIENT OF THE GOODS OR SERVICES IS LIABLE FOR THE TAX? IN SUCH SITUATION, IS IT POSSIBLE TO REGISTER ON A VOLUNTARY BASIS?**

Where traders who are not established in Germany provide taxable work supplies or services (excluding passenger transport services, which are subject to a separate transport tax; passenger transport by taxi or cross-border passenger transport by air), the recipients are liable for VAT if they are traders or legal persons governed by public law; where traders who are not established in Germany supply gas and electricity to a trader, the latter is liable for payment of the tax. Recipients have to calculate the tax on the consideration (net amount) and declare it to their local tax office. In such cases, the supplying trader does not have to register for VAT purposes if he engages solely in such transactions.

**6. WHOM SHOULD A FOREIGN TRADER CONTACT TO REGISTER FOR VAT? (DETAILS OF THE DEPARTMENT, INCLUDING ADDRESS, TELEPHONE AND FAX, E-MAIL...)**

Details of the VAT offices responsible for foreign traders can be found on the website of the *Bundeszentralamt für Steuern* ([http://www.bzst.bund.de/003\\_menuue\\_links/004\\_umsatzsteuer/043\\_ust\\_in\\_und\\_ausland/index.html](http://www.bzst.bund.de/003_menuue_links/004_umsatzsteuer/043_ust_in_und_ausland/index.html)). Traders operating from one of the Member States listed must apply to the relevant local tax offices listed, to which individual States are assigned. Traders not operating from one of the Member States listed, but from another State, must apply to the *Finanzamt Berlin Neukölln* (address: Thiemannstraße 1, D-12059 Berlin). Foreign traders with an establishment in Germany must apply to their establishment's local tax office. This local tax office can be found on line at the Bundeszentralamt für Steuern (<http://bffweb1.bff-online.de/cgi-bin/bzst/gemfai.exe>) by entering the name of the locality and post code.

**7. PLEASE DESCRIBE THE DETAILED PROCEDURES (INCLUDING NECESSARY DOCUMENTS) FOR ISSUING VAT IDENTIFICATION NUMBERS, SPECIFICALLY FOR FOREIGN TRADERS**

Traders wishing to do business or becoming liable for VAT in Germany for the first time must apply to the relevant tax office. They will be sent a form in which they must enter their personal data and all information relating to their business. This duly completed and signed form should be returned to the tax office and traders will be issued with a VAT number by post.

VAT numbers (in Germany: USt-IdNr.) can be applied for on line ([www.formulare-bmf.de/ffw/form/display.do?\\$context=0](http://www.formulare-bmf.de/ffw/form/display.do?$context=0)).

VAT numbers can also be issued on written application to the Bundeszentralamt für Steuern, 66738 Saarlouis (Fax: 06831 456120).

Applications, for which there is no standard form, must include:

- the applicant's name and address,
- the number under which he is registered for VAT purposes with the relevant German tax office,
- the tax office competent for VAT.

Such applications can also be submitted to the local tax office where traders are registered. No distinction is made between traders established in Germany and those established elsewhere. There is no minimum period for VAT registration. Special rules apply for small traders and flat-rate farmers.

In the case of small traders, the VAT payable on turnover is waived where total turnover in the previous calendar year did not exceed EUR 17 500 and is unlikely to exceed EUR 50 000 in the current calendar year. This rule applies only to traders established in Germany.

The special rules applying to flat-rate farmers do not depend on turnover thresholds.

## **THRESHOLDS**

### **8. WHICH THRESHOLD DO YOU OPERATE AS REGARDS INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 34 OF THE VAT DIRECTIVE (2006/112/EC)?**

[http://ec.europa.eu/taxation\\_customs/resources/documents/taxation/vat/traders/vat\\_community/vat\\_in\\_EC\\_annexI.pdf](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/traders/vat_community/vat_in_EC_annexI.pdf)

### **9. WHICH THRESHOLD DO YOU OPERATE AS REGARDS ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT PERSONS UNDER ARTICLE 3(2) OF THE VAT DIRECTIVE (2006/112/EC)?**

[http://ec.europa.eu/taxation\\_customs/resources/documents/taxation/vat/traders/vat\\_community/vat\\_in\\_EC\\_annexI.pdf](http://ec.europa.eu/taxation_customs/resources/documents/taxation/vat/traders/vat_community/vat_in_EC_annexI.pdf)

## **APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS NOT ESTABLISHED IN THE EU**

### **10. WHAT ARE THE SITUATIONS IN WHICH THE APPOINTMENT OF A TAX REPRESENTATIVE IS OBLIGATORY?**

The use of a tax representative is not compulsory. A tax representative is required only where the person represented in Germany solely effects non-taxable transactions and cannot deduct input tax. Such persons may not have their domicile, offices, management or branches in Germany or in the areas referred to in Article 1(3) of the Turnover Tax Act.

Tax representatives are used in particular in the case of:

- exempted imports which are immediately followed by an intra-Community supply,
- exempted cross-border transport of goods, where a trader does not receive supplies or other services on which input tax can be deducted.

### **11. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?**

The rules governing the appointment of a tax representative are laid down in Articles 22a to 22e of the Turnover Tax Act.

Only the following may be tax representatives:

- members of the tax and legal advisory professions,
- forwarding agents assisting with inward customs clearance or the charging of excise duty on intra-Community goods,
- other commercial operators assisting with inward customs clearance.

In principle, such forwarding agents and other commercial operators may act as tax representatives only if they are established in the Federal Republic of Germany and are not small traders within the meaning of Article 19 of the Turnover Tax Act.

### **12. WHAT ARE THE RIGHTS AND OBLIGATIONS OF TAX REPRESENTATIVES?**

Tax representatives have to comply with the VAT obligations of all the foreign traders they represent, as if they were their own, with their local tax offices under a special tax number. Tax representatives have the same rights as the traders they represent and may, for example, make the relevant applications in Germany.

The following procedure has to be observed:

Persons appointed as tax representatives must be given power of attorney by the persons they represent before any exempt transactions are effected. If such power of attorney is drawn up in a language other than German, a certified translation may be requested by the tax authorities in justified cases.

Tax representatives must apply for a separate tax number and a separate VAT identification number. The separate tax number will be issued by the tax representatives' tax offices. The VAT identification number will be issued by the Bundeszentralamt für Steuern on application. This number covers all the foreign traders they represent.

Tax representatives must comply with general accounting obligations. A separate account of the consideration agreed for exempt transactions must be kept for each person represented. The names and addresses of persons represented must also be clearly identifiable in the account.

Tax representatives must submit VAT returns for each calendar year under the separate tax number. These must include all tax assessment bases relating to all the persons represented. Individual lists are not necessary. The deadlines for submission of the returns are laid down in the general tax provisions. Tax representatives must submit recapitulative statements to the Bundeszentralamt für Steuern by the tenth day following the end of each quarter. These recapitulative statements must contain the assessment bases for all persons represented.

Invoices for the transactions undertaken by the person represented may be issued by the person represented or by the tax representative, if such a representative has been appointed. In either case, invoices must contain the following additional information:

- reference to the fact that a tax representative has been appointed;
- name and address of the tax representative,
- the VAT identification number assigned to the tax representative for these purposes.

No tax representative may be appointed where the person represented effects both exempt transactions and taxable transactions in Germany. This also applies if the person represented provides taxable work supplies or other services on which the recipient must pay VAT. No tax representative may be appointed if, within the same period, the person represented has made an authorised application for repayment of input tax or has effected intra-Community acquisitions under intra-Community triangular transactions which are taxable. This also applies where the person represented effects taxable supplies in Germany under intra-Community triangular transactions on which the final customer has to pay VAT.

The period of a tax representative's appointment ends when the person represented withdraws power of attorney from the tax representative or the relevant tax office refuses the appointment of the tax representative. This also applies when the person represented initially appointed a tax representative but subsequently effects taxable transactions in Germany within the assessment period or is allowed to deduct the input tax charged.

When the period of a tax representative's appointment ends, tax representatives and foreign traders must proceed as follows:

Tax representatives must inform the tax office when they cease to represent one of the persons they represent. Transactions undertaken up to the end of this period must be recorded by tax representatives in the VAT returns for the calendar year and included in the recapitulative statement for the relevant period. Tax representatives must comply with the general accounting and declaration obligations applying from the time they were appointed until the time they cease to act as tax representatives. When the appointment of a tax representative ends, foreign traders must register under their own tax number and, where necessary, apply for their own VAT identification number.

**13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER COUNTRY TO DESIGNATE A TAX REPRESENTATIVE IN YOUR TERRITORY?**

Since it is not compulsory to appoint a tax representative, no action can be taken as no regulations have been infringed.

**14. IS IT NECESSARY TO SET UP A BANK GUARANTEE?**

A bank guarantee is not required in Germany as tax representatives can represent only traders who in principle do not have any payment obligations with, or refund claims against, the tax authorities.

**APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS ESTABLISHED IN THE EU**

**15. IS IT POSSIBLE TO APPOINT A TAX REPRESENTATIVE OR A TAX AGENT?**

No distinction is made between traders established in other Member States of the European Union and traders established in a non-EU country for the purposes of appointing tax representatives.

**16. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?**

See answer to question 11.



**17. WHAT ARE THE RIGHTS AND OBLIGATIONS OF A TAX REPRESENTATIVE?**

See answer to question 12.

**18. ARE THERE SITUATIONS WHERE IT IS OBLIGATORY TO SET UP A BANK GUARANTEE?**

See answer to question 14.

## **INVOICING**

### **RULES ON INVOICING**

**19. WHERE CAN THE RELEVANT RULES (LAWS, REGULATIONS, INSTRUCTIONS, GUIDELINES...) BE FOUND?**

Turnover tax obligations in relation to invoicing are laid down in Articles 14 to 14b of the Turnover Tax Act, Articles 31 to 34 of the Turnover Tax Implementing Regulation and sections 183 to 190b of the Turnover Tax Guidelines.

### **ISSUANCE OF INVOICES**

**20. CASES WHERE AN INVOICE NEEDS TO BE ISSUED?**

Under Article 22(3)(a), third subparagraph, of the Sixth VAT Directive, the trader, in accordance with Article 14(2), first sentence, point 1, of the Turnover Tax Act is always required to issue an invoice on effecting a taxable work supply or other supply in connection with immovable property, i.e. including supplies to non-traders.

No provision is made for exemption from the obligation to issue invoices in the cases listed in Article 22(3)(a) of the Sixth VAT Directive.

**21. WHAT ARE THE RULES ON CORRECTIVE INVOICES (CREDIT / DEBIT NOTES)?**

Under Article 31(5) of the Turnover Tax Implementing Regulation, an invoice may be corrected where

- it does not contain all the information required under Article 14(4) or Article 14a of the Turnover Tax Act or
- information in the invoice is incorrect.

Missing or corrected information must be provided in the form of a document referring specifically and clearly to the invoice. The same requirements concerning the form and content of the invoice as in Article 14 of the Turnover Tax Act also apply.

**22. WHAT IS THE TIME LIMIT FOR ISSUING INVOICES?**

Under the present invoicing obligation, the trader supplying the goods or services is required to issue an invoice within six months of effecting the supply.

**23. WHAT ARE THE RULES FOR SUMMARY INVOICING?**

In the case of long-term contracts, the information contained in the contract in accordance with Articles 14(4) and 14a of the Turnover Tax Act is sufficient. It is not necessary to include all the information in addition in the receipt.

**24. WHAT ARE THE CONDITIONS IMPOSED ON SELF-BILLING?**

An invoice may be issued by the recipient referred to in Article 14(2), first sentence, point 2, of the Turnover Tax Act provided that this has been previously agreed. A credit note ceases to have the effect of an invoice if the recipient of the credit note does not accept the document provided.

**25. IS THERE ANY SPECIFIC RULE IN RELATION TO OUTSOURCING OF INVOICES TO A PERSON WHO IS ESTABLISHED OUTSIDE THE EU?**

No.

## **CONTENT OF INVOICES**

**26. UNDER WHAT CONDITIONS MUST THE VAT NUMBER OF THE CUSTOMER BE GIVEN ON THE TAX INVOICE?**

The circumstances under which the recipient's VAT identification number must also be given are laid down in Article 14a of the Turnover Tax Act. The recipient's VAT identification number must be given where the trader effects another supply within the meaning of Article 3a(2)(3)(c), second sentence, and 4, second sentence, or Article 3b(3), second sentence, (4), (5), second sentence, and 6, second sentence, of the Turnover Tax Act in Germany (Article 14a(1) of the Turnover Tax Act). It must also be given if the trader carries out an intra-Community supply (Article 14a(3) of the Turnover Tax Act).

If an invoice covers a supply within the meaning of Article 25b(2) of the Turnover Tax Act, the recipient's VAT identification number must be given in the invoice (Article 14a(7) of the Turnover Tax Act).

**27. IS THERE ANY OTHER SPECIFIC RULE IN RELATION TO THE CONTENT OF THE INVOICE?**

The information to be given in the invoice is set out in Article 14(4) of the Turnover Tax Act. Additional requirements also have to be observed in the issuing of invoices in particular cases (Article 14a of the Turnover Tax Act). In the case of invoices for transactions subject to different rates of VAT, Article 32 of the Turnover Tax Implementing Regulation also applies. Special rules apply to invoices for small amounts and transport tickets (Articles 33 and 34 of the Turnover Tax Implementing Regulation).

## **ELECTRONIC INVOICING**

**28. AS REGARDS INVOICES SENT WITH ADVANCED ELECTRONIC SIGNATURES, IS IT OBLIGATORY TO USE QUALIFIED CERTIFICATED AND SECURE-SIGNATURE-CREATION DEVICES? IF SO, PLEASE GIVE DETAILS.**

Pursuant to Article 14(3)(1) of the Turnover Tax Act, the authenticity of the origin and the integrity of the content must be ensured, as a minimum, by a qualified electronic signature in accordance with the Signature Act of 16 May 2001, where invoices are sent electronically.

**29. AS REGARDS INVOICES SENT BY ELECTRONIC DATA INTERCHANGE, IS AN ADDITIONAL SUMMARY DOCUMENT ON PAPER OBLIGATORY? IF SO, PLEASE GIVE DETAILS ABOUT ITS CONTENT AND PROCEDURE.**

Pursuant to Article 14(3)(2) of the Turnover Tax Act, a summary invoice in paper form must also be sent when invoices are sent by electronic data interchange. The summary invoice may be sent electronically if it contains, as a minimum, a qualified electronic signature in accordance with the Signature Act.

**30. DO YOU ALLOW INVOICES ISSUED PURSUANT TO ARTICLE 233(1)(B), SECOND SUBPARAGRAPH, OF THE VAT DIRECTIVE ("BY USING ANY OTHER ELECTRONIC MEANS")? IF SO, UNDER WHICH CONDITIONS AND FORMALITIES?**

An invoice may be sent electronically from one standard fax to another. The condition for recognition for the purposes of the deduction of input tax is that both the person issuing the invoice and the recipient retain a copy of the invoice in paper form. If the invoice is printed out on thermopaper, storage in the form of a paper copy is necessary.

In accordance with Article 14(3)(1) of the Turnover Tax Act, a qualified electronic signature or a qualified electronic signature accredited by the supplier is required where invoices are sent by e-mail. The same applies for the following forms of transmission: standard fax to computer/fax server, computer fax/fax server to standard fax, computer fax/fax server to computer fax/fax server.

Transport tickets may be issued on-line, as long as it is ensured that the ticket can only be issued where the amount has been debited from a customer or credit card account. The recipient must also keep a paper copy of the ticket.

**31. ANY OTHER SPECIFIC RULE IN RELATION TO ELECTRONIC INVOICING?**

No.

## **STORAGE OF INVOICES**

**32. WHAT ARE THE RULES ON THE PLACE OF STORAGE OF INVOICES?**

Traders established in Germany must keep invoices in Germany or in the areas referred to in Article 1(3) of the Turnover Tax Act. If invoices are stored electronically and the relevant files can be consulted online, downloaded and used, traders may store the invoices in the rest of the Community territory, Büsingen and the island of Helgoland.

Traders who are not established in Germany must indicate where invoices are stored in Community territory, in one of the areas listed in Article 1(3) of the Turnover Tax Act, Büsingen or the island of Helgoland.

**33. IS PRIOR NOTIFICATION OF INVOICES STORED IN ANOTHER COUNTRY AN OBLIGATION? IF SO, PLEASE SPECIFY.**

If German traders do not store invoices in Germany or in one of the areas listed in Article 1(3) of the Turnover Tax Act, they must inform the tax authorities where the invoices are stored (Article 14b(2), third sentence, of the Turnover Tax Act).

**34. WHAT IS THE OBLIGATORY STORAGE PERIOD FOR INVOICES?**

Invoices must be kept for ten years.

### **35. WHAT ARE THE SPECIFIC RULES ON STORAGE FORM AND POSSIBLE CONVERSIONS?**

If invoices are sent electronically, traders must keep not only the invoice but also proof of the authenticity and integrity of the data (e.g. qualified electronic signature) even where such proof is no longer valid under other provisions.

Under certain circumstances, invoices may be stored on visual media (e.g. microfilm) or on other data media (e.g. magnetic band, diskette, CD-Rom) (see Article 147(2) of the Tax Code).

The procedure used for storing invoices must comply with the principles of proper bookkeeping and in particular the requirements laid down in the BMF notice of 1 February 1984 (BStBl I, p. 155) and the attached principles governing microfilm and the principles of electronic bookkeeping systems (GoBS) (Annex to the BMF notice of 7 November 1995 - BStBl I, p. 738). In principle, if these conditions are met, the originals of the invoices may be destroyed.

### **36. IS THERE ANY OTHER SPECIFIC RULE IN RELATION TO INVOICE STORAGE?**

No.

## **SIMPLIFIED INVOICES**

### **37. WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 238 OF THE VAT DIRECTIVE (2006/112/EC)? AND WHAT ARE THE SPECIFIC RULES?**

In the case of invoices for small amounts and transport tickets treated as invoices, the following simplified provisions apply.

In the case of invoices for amounts of no more than EUR 150 (from 1 January 2007), only the following information is required under Article 33 of the Turnover Tax Act:

- the full name and address of the supplier,
- the date of issue,
- the quantity and nature of the goods supplied or the extent and nature of the services rendered; and
- the consideration and the amount of VAT payable and the rate of VAT to be applied or, where VAT is exempted, an indication to this effect.

Transport tickets which are treated as invoices must contain the following information:

- the full name and address of the undertaking carrying out the transport service (Article 31(2) of the Turnover Tax Implementing Regulation applies mutatis mutandis),
- the date of issue,
- the consideration and amount of VAT payable in total and
- the rate of VAT to be applied where the transport service is not subject to the reduced rate according to Article 12(2)(10) of the Turnover Tax Act or where Article 26(3) of the Turnover Tax Act applies, a reference to the fact that an international air transport operation is involved.

## **PERIODIC VAT RETURNS**

### **38. UNDER WHAT CIRCUMSTANCES IS A TRADER OBLIGED TO SUBMIT A VAT RETURN?**

In principle, all taxable persons registered as traders are obliged to submit provisional periodic VAT returns in which they themselves calculate the interim payments they have to make and an annual VAT return.

### **39. AT WHAT INTERVALS ARE VAT RETURNS AND ASSOCIATED PAYMENTS TO BE MADE?**

By the tenth day following the end of each period covered by the provisional return, traders have to file a provisional return electronically using an official form in accordance with the Tax Data Transmission Regulation, in which they are required to calculate the tax themselves (interim payment) for the period covered by the provisional return. On application, the tax office may waive electronic transmission to avoid undue hardship. The interim payment is due on the tenth day following the end of the period covered by the provisional return. This is usually a calendar quarter. If the amount of VAT for the previous calendar year exceeds EUR 6 136, the period covered by the provisional return is a calendar month. If the amount of VAT for the previous calendar year does not exceed EUR 512, the tax office can exempt traders from the obligation to submit a provisional return. If there is a surplus in their favour of more than EUR 6 136 for the previous calendar year, traders may, subject to certain time limits, choose the calendar month rather than the calendar quarter as the period covered by the provisional return.

When traders commence trading, they are required to submit monthly provisional returns in the current and subsequent calendar year. Only once they have been trading for two calendar years do the rules described above apply.

In addition to making provisional returns, a trader must submit an annual VAT return for the whole calendar year using a standard form. This must be submitted by 31 May of the following year. If the tax due on the basis of this return exceeds the interim payments or no provisional returns were made, the balance due must be paid within one month following submission of the return to the tax office. Any refund approved will be paid by the tax office.

**40. DOES A SPECIAL REGIME AS REGARDS PERIODIC VAT RETURNS EXIST FOR SMALLER TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS? IF SO, PLEASE DESCRIBE THEM.**

Small traders who do not opt for the application of VAT and flat-rate farmers do not have to submit VAT returns (provisional returns and annual VAT return).

**41. DO YOU OPERATE SIMPLIFIED CALCULATIONS OF TAX LIABILITY? IF SO, WHAT ARE THE QUALIFYING CRITERIA, TO WHOM DO THEY APPLY AND WHAT IS THE NATURE OF THE SIMPLIFICATION?**

On application, the tax office may allow traders,

- whose total turnover in the previous calendar year did not exceed EUR 250 000, or
  - who are exempt from the obligation to keep records and to draw up annual stock inventories, or
  - whose turnover derives from activities as members of the liberal professions,
- to calculate the tax on the basis of the consideration received rather than that agreed.

If the exemption from the obligation to keep records and draw up annual stock inventories is confined to individual operations of a trader and if total turnover in the previous year exceeds EUR 250 000, authorisation to calculate the tax on the basis of the agreed consideration must be confined to those operations. If the trader changes the method of calculating VAT, transactions must not be taxed twice or fail to be taxed.

## **RECAPITULATIVE STATEMENTS**

**42. AT WHAT INTERVALS ARE RECAPITULATIVE STATEMENTS TO BE SUBMITTED?**

As a general rule, recapitulative statements have to be submitted for each calendar quarter by the tenth day following the end of the calendar quarter in which the trader effected intra-Community supplies of goods.

Where the tax office releases traders from the obligation to submit provisional VAT returns and to make interim payments, the recapitulative statement may be submitted for a calendar year provided that:

- (1) the amount of their supplies of goods and services in the previous calendar year did not exceed EUR 200 000 and is unlikely to exceed this amount in the current calendar year,
- (2) the amount of their intra-Community supplies of goods in the previous calendar year did not exceed EUR 15 000 and is unlikely to exceed this amount in the current calendar year and
- (3) the supplies of goods referred to in point 2 do not concern supplies of new vehicles to customers with VAT numbers.

The recapitulative statement is to be submitted only in respect of the calendar year in which the trader effected intra-Community supplies of goods.

**43. IS ANY ADDITIONAL INFORMATION REQUIRED OTHER THAN THAT SET OUT IN CHAPTER 6 (RECAPITULATIVE STATEMENTS) OF TITLE XI OF THE VAT DIRECTIVE (2006/112/EC)?**

No.

**44. DO YOU OPERATE SIMPLIFIED PROCEDURES AS REGARDS RECAPITULATIVE STATEMENTS AS PROVIDED FOR IN ARTICLE 269 OF THE VAT DIRECTIVE (2006/112/EC)? IF SO, WHAT ARE THE RELATED THRESHOLDS FOR APPLYING SUCH PROCEDURES?**

Yes, the thresholds are EUR 200 000 and EUR 15 000 (see answer to question 42).

## **ELECTRONIC RETURNS**

**45. IS IT POSSIBLE TO SUBMIT VAT RETURNS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT RETURNS ELECTRONICALLY?**

Provisional VAT returns are in principle to be submitted electronically. Annual statements may also be submitted electronically.

The Tax Data Transmission Regulation (StDÜV) forms the legal basis for electronic submission of provisional VAT returns.

The procedure for the electronic submission of VAT returns, known as “ELSTER”, is described in detail on the website <https://www.elster.de/index.php>.



ELSTER forms for provisional VAT returns and annual returns can be downloaded.

**46. IS IT POSSIBLE TO SUBMIT RECAPITULATIVE STATEMENTS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT STATEMENTS ELECTRONICALLY?**

Recapitulative statements can be submitted electronically. The Tax Data Transmission Regulation (StDÜV) forms the legal basis for electronic submission of recapitulative statements.

The trader must make a “declaration of participation” for the electronic submission of recapitulative statements. This is to be submitted to the *Bundeszentralamt für Steuern*. After submitting the declaration of participation, the trader receives a registration number by post from the *Bundeszentralamt für Steuern*. The registration number is to be indicated on the form when submitting the recapitulative statements electronically.

No additional hardware is required for the electronic submission of recapitulative statements. However, the following software – which is available free of charge – must be installed on the system:

- Java Runtime Environment, version 1.4.2.,
- Adobe/Acrobat Reader Version 5.05 or higher,
- ElsterOnlineManager\_Light (EOM).

## **ADMINISTRATIVE REQUIREMENTS**

**47. DO YOU OPERATE A FLAT-RATE SCHEME? IF SO, TO WHOM DOES THE SCHEME APPLY?**

There are flat-rate schemes for farmers and foresters.

**48. DO YOU OPERATE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS OTHER THAN THOSE ALREADY MENTIONED? IF SO, PLEASE GIVE A DESCRIPTION.**

Certain groups of traders whose turnover in the previous calendar year did not exceed EUR 61 356 may calculate input tax deductions on a flat-rate basis according to a certain percentage of their turnover (average rates). However, if this method is used, the amount of VAT must not differ significantly from the amount which would have resulted if the method had not been used.

**49. IN WHICH LANGUAGE(S) ARE FORMS (PERIODIC VAT RETURNS AND RECAPITULATIVE STATEMENTS) AVAILABLE OR TRANSLATED INTO?**

The forms are available only in German.

**RIGHT OF DEDUCTION**

**50. FOR WHICH CATEGORIES OF GOODS AND SERVICES IS THERE NO RIGHT OF DEDUCTION?**

Input tax relating to entertainment expenditure which cannot be deducted for income tax purposes or which relates to private household costs cannot be deducted. The same also applies to removal costs resulting from a change of residence.

**51. ARE THERE CATEGORIES OF GOODS AND SERVICES IN WHICH THERE IS A PARTIAL RIGHT OF DEDUCTION? IF SO, WHAT IS THE PERCENTAGE?**

No information has been given by the Member State.

## **ANNEX 1: THRESHOLDS**

[http://europa.eu.int/comm/taxation\\_customs/taxation/vat/traders/vat\\_community/index\\_en.htm#annexI](http://europa.eu.int/comm/taxation_customs/taxation/vat/traders/vat_community/index_en.htm#annexI)

## **ANNEX 2: VAT IDENTIFICATION NUMBERS**

[http://ec.europa.eu/taxation\\_customs/taxation/vat/traders/vat\\_community/index\\_en.htm#annexII](http://ec.europa.eu/taxation_customs/taxation/vat/traders/vat_community/index_en.htm#annexII)

## **ANNEX 3: ABBREVIATIONS**

[http://ec.europa.eu/taxation\\_customs/taxation/vat/traders/vat\\_community/index\\_en.htm#annexIII](http://ec.europa.eu/taxation_customs/taxation/vat/traders/vat_community/index_en.htm#annexIII)