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DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
TAX POLICY
VAT and other turnover taxes

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TAXUD/C/3/ID

VAT in the European Community

**APPLICATION IN THE MEMBER
AND ACCESSION 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 and Accession States which has been obtained from the tax authorities concerned. The information provided by the Accession States is provisional, based on the anticipated application of VAT arrangements once Community legislation has been transposed.

The exchange rates used for the Accession Countries are those for the 1st October 2003, taken from the Official Journal of the European Union.

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

GERMANY

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GENERAL INFORMATION

- 1. WHERE CAN FOREIGN TRADERS OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM (ADDRESS, TELEPHONE NUMBER, FAX NUMBER, E-MAIL)?**

Bundesministerium der Finanzen
Referat Presse und Information
11016 Berlin
Fax No: (0 30) 22 42 - 32 60

- 2. WHAT IS THE GERMAN TAX AUTHORITIES' WEBSITE ADDRESS? WHAT TYPE OF INFORMATION ON VAT CAN BE CONSULTED ON THIS WEBSITE (GENERAL INFORMATION, LEGISLATION, CONTACT PERSONS, FORMS, ETC.)? IN WHAT LANGUAGES?**

General information on Germany's VAT rules can be consulted on the website of the *Bundesministerium der Finanzen* (www.bundesfinanzministerium.de). More detailed information and a number of forms are available on the website of the *Bundesamt für Finanzen* (www.bff-online.de). The information is available in German only.

- 3. WHERE ARE NATIONAL VAT RULES LAID DOWN? IN WHAT LANGUAGES ARE THEY AVAILABLE?**

German VAT rules are laid down in the 1999 Turnover Tax Law (UStG), the 1999 Turnover Tax Implementing Regulation (UStDV) and the 2000 Turnover Tax Guidelines (UStR). They are available only in German.

VAT REGISTRATION OF FOREIGN TRADERS

- 4. WHAT ARE THE CONDITIONS FOR VAT REGISTRATION?**

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

- 5. WHEN DO TRADERS NOT HAVE TO BE REGISTERED FOR VAT PURPOSES BECAUSE THE VAT IS PAYABLE BY THE RECIPIENT OF THE GOODS OR SERVICES? CAN FOREIGN TRADERS VOLUNTARILY REGISTER FOR VAT IN SUCH CASES?**

Where traders who are not established in Germany effect taxable supplies or services (excluding passenger transport services which are subject to a separate transport tax), the recipients of the goods or services are liable for VAT if they are traders or legal persons governed by public law. In such cases recipients have to calculate the tax on the

consideration (net amount) and declare it to their local tax office. The trader providing the goods or services does not have to register for VAT purposes. Traders can voluntarily register for VAT in the Federal Republic of Germany if they wish to do so.

6. WHERE MUST FOREIGN TRADERS APPLY IF THEY WISH TO REGISTER FOR VAT PURPOSES (NAME OF AUTHORITY, ADDRESS, TELEPHONE AND FAX NUMBERS AND E-MAIL)?

Details of the VAT offices responsible for foreign traders can be found on the website of the Bundesamt für Finanzen (<http://www.bff-online.de/ust/ustv/ustzust.html>). Traders operating from one of the Member States listed must apply to the relevant local tax offices indicated. Traders not operating from one of the Member States listed must apply to the *Berlin Finanzamt Neukölln-Nord* (address: Sonnenallee 223, 12059 Berlin). Foreign traders with subsidiaries in Germany must apply to their subsidiaries' local tax offices. Information can be accessed on line at the Bundesamt für Finanzen (<http://195.37.191.41/cgi-bin/gemfai.exe>) by entering the name of the locality and postal code.

7. WHAT ARE THE PROCEDURES USED TO ISSUE VAT IDENTIFICATION NUMBERS (AND WHAT DOCUMENTS ARE REQUIRED) 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. The duly completed and signed form should be returned to the tax office and traders will be issued a VAT number by post.

VAT numbers (in Germany: USt-IdNr.) are issued on written application to the Bundesamt für Finanzen (address: Industriestraße 6, D - 66738 Saarlouis).

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

- applicants' name and address;
- the number under which they are registered for VAT purposes with the relevant German tax office;
- the address of that tax office.

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. Small traders are exempted and special rules apply to flat-rate farmers.

The exemption for small traders is based on turnover thresholds. VAT is waived where total turnover in the previous calendar year did not exceed €17 500 and is unlikely to exceed €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. WHAT THRESHOLDS APPLY IN GERMANY TO INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 28B(B)(2) OF THE SIXTH VAT DIRECTIVE?

€100 000

9. WHAT THRESHOLDS APPLY IN GERMANY TO ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT/TAXABLE PERSONS UNDER THE SECOND SUBPARAGRAPH OF ARTICLE 28A(1)(A) OF THE SIXTH VAT DIRECTIVE?

€12 500

APPOINTMENT OF A TAX REPRESENTATIVE BY TRADERS FROM NON-EU STATES

10. WHEN DOES A TAX REPRESENTATIVE HAVE TO BE APPOINTED?

The use of a tax representative is not compulsory. A tax representative is used only where the person represented in Germany effects only 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 Law.

Tax representatives are used 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 RULES 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 Law.

Only the following may be tax representatives:

- members of the tax and tax advisory professions;
- forwarding agents assisting with inward customs clearance;
- other commercial undertakings assisting with inward customs clearance.

Such forwarding agents and other commercial undertakings may only act as tax representatives if they are established in the Federal Republic of Germany.

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, dealing with their local tax offices under a special VAT 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 USt-IdNr (VAT) number. The separate tax number will be issued by the tax representatives' tax offices. The USt-IdNr number will be issued by the Bundesamt für Finanzen on application. This number covers all the foreign traders they represent.

Tax representatives must comply with the 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 turnover tax declarations for each calendar year under the separate tax number. These must include all the tax assessment bases relating to all the persons represented. Individual lists are not necessary. The deadlines for submission of these declarations are laid down in the general tax provisions. Tax representatives must submit recapitulative statements to the Bundesamt für Finanzen 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 this 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 USt-IdNr. (VAT) number assigned to the tax representative.

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 supplies taxable works 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 under intra-Community triangular transactions on which the final customer has to pay VAT.

The period of a tax representative's appointment ends where 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 where the person represented

initially appoints a tax representative but effects taxable transactions in Germany or is allowed to deduct the input tax charged within the assessment period.

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 first appointed to 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 or apply for their own USt-IdNr. (VAT) number.

13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER MEMBER STATE TO APPOINT A TAX REPRESENTATIVE IN YOUR COUNTRY?

Since it is not compulsory to appoint a tax representative no action can be taken as no rules have been broken.

14. IS A BANK GUARANTEE REQUIRED?

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

**APPOINTMENT OF A TAX REPRESENTATIVE BY TRADERS
FROM OTHER EU MEMBER STATES**

15. CAN EU NATIONALS APPOINT A TAX REPRESENTATIVE?

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 RULES GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

See answer to question 11.

17. WHAT ARE THE RIGHT AND OBLIGATIONS OF TAX REPRESENTATIVES?

See answer to question 12.

18. WHEN IS A BANK GUARANTEE REQUIRED?

See answer to question 14.

INVOICING

19. RULES ABOUT INVOICING

a) Where can the relevant rules (Laws, regulations, instructions, guidelines...) be found?

Turnover tax obligations in relation to the issuing of invoices are laid down in Articles 14 to 14b of the Turnover Tax Law and Articles 31 to 34 of the Turnover Tax Implementing Regulation.

b) In case the office referred to in the first part of the vademecum is not competent to provide information on national invoicing rules, please indicate the name, address, telephone number and email address of the competent office.

No change.

20. ISSUANCE OF INVOICES

a) Cases where an invoice needs to be issued:

Is an invoice to be issued only in cases referred to in Article 22 paragraph 3 point a) (supplies made by taxable persons to other taxable persons or non-taxable legal persons, distance sales and sales of new means of transport and payments on account) or also in other cases? If so, in which cases and under which specific rules?

Invoices do not have to be issued except in the circumstances referred to in Article 22(3)(a) of the Sixth Directive.

Is there an exemption from the obligation to issue invoices in specific situations (such as exempt or zero-rated supplies)?

There is no exemption from the obligation to issue invoices in the cases listed in Article 22(3)(a) of the Sixth Directive.

b) What are the rules on corrective invoices (credit / debit notes)?

Under Article 31(5) of the Turnover Tax Law 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 Law; or
- the 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 requirements concerning the form and content of the invoice laid down in Article 14 of the Turnover Tax Law also apply.

c) What is the time limit for issuing invoices?

There are no specific time limits for invoicing.

d) 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 Law is sufficient. It is not necessary to include all the information in the evidence of payment.

e) What are the conditions imposed on self-billing?

An invoice may be issued by the recipient referred to in Article 14(2)(2) of the Turnover Tax Law provided 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.

f) Is there any specific rule in relation to outsourcing of invoices to a person who is established outside the EU?

No.

21. CONTENT OF INVOICES

a) Is the VAT number of the customer to be mentioned in all cases or only in relation to intra-Community supplies of goods and situations in which the customer is the person liable to pay the VAT on the supply of the goods or the services (supplies referred to in the 4th indent of Article 22 paragraph 3 point b)?

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

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

b) Is there any specific rule concerning the number which needs to be mentioned (VAT or tax number)? If so, please specify the rules.

Under Article 14(4)(1)(2) of the Turnover Tax Law, the invoice must mention the tax number issued to the trader by his tax office or the VAT identification number issued to him by the *Bundesamt für Finanzen*. If the trader is required under Article 14a of the Turnover Tax law to give the VAT number, this must also be included.

c) Any other specific rules 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 Law. Additional requirements also have to be observed in the issuing of invoices in particular cases (Article 14a of the Turnover Tax Law). In the case of invoices for transactions subject to different rates of VAT, Article 32 of the Turnover Tax Law Implementing Regulation also applies. Special rules apply to invoices for small amounts and transport tickets (Articles 33 and 34 of the Turnover Tax Law Implementing Regulation).

22. ELECTRONIC INVOICING

a) 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.

Under 14(3)(1) of the Turnover Tax Law the authenticity and integrity of data must be ensured, as a minimum, by a qualified electronic signature under the Signature Law of 16 May 2001 where invoices are sent electronically.

b) 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.

Under Article 14(3)(2) of the Turnover Tax Law 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 under the Signature Law.

c) Do you allow invoices issued pursuant to Article 22 paragraph 3 point c) 3rd subparagraph ("by using any other electronic means")? If so, under which conditions and formalities?

An invoice may be sent electronically from a standard fax to another standard fax.

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

d) Is prior notification to the tax administration before using electronic invoicing an obligation? If so, what are the specific rules?

No.

e) Any other specific rule in relation to electronic invoicing.

No.

23. STORAGE OF INVOICES

a) 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 Law. If invoices are stored electronically and the relevant files can be consulted on-line, downloaded and used, traders may store the invoices in the rest of the Community, 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 Law, Büsingen or the island of Helgoland.

b) 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(c) of the Turnover Tax Law, they must inform the tax authorities where the invoices are stored (Article 14b(2)(3) of the Turnover Tax Law).

c) What is the obligatory storage period for invoices?

Invoices must be kept for ten years.

d) 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 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 or 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 microfilms and electronic bookkeeping systems (GoBS) (Annex to BMF Notice of 7 November 1995 – BStBl I p.738). If these conditions are met the originals of the invoices may be destroyed.

e) Any other specific rule in relation to invoices storage.

No.

24. SIMPLIFIED INVOICES: WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 22 PARAGRAPH 9 POINT D) 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 €100 only the following information is required under Article 33 of the Turnover Tax Law Implementing Regulation:

- the full name and address of the supplier;
- the data of issue;
- the quantity and type of goods supplied or the nature and scope of the service effected; 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 Law Implementing Regulation applies *mutatis mutandis*);
- the date of issue;
- the consideration and amount of VAT payable (sum payable); and
- the rate of VAT to be applied where the transport service is not subject to a reduced rate under Article 12(2)(10) of the Turnover Tax Law or, where Article 26(3) of the Turnover Tax Law applies, a reference to the fact an international air transport operation is involved.

PERIODIC VAT RETURNS

25. WHEN DOES A TRADER HAVE TO SUBMIT A VAT RETURN?

As a general rule, all taxable persons registered as traders are obliged to submit provisional VAT returns in which they themselves calculate the advance payments they are to make, and an annual VAT return.

26. 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 submit a provisional return using an official form in which they are required to calculate the tax themselves (advance payment) for the period covered by the provisional return. The advance payment is due on the tenth day following the end of the period covered by the provisional return. This is usually a calendar month. If the amount of VAT for the preceding calendar year exceeds €6 136, the period covered by the provisional return is a calendar month. If the amount of VAT for the preceding calendar year does not exceed €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 €6 136 for the previous calendar year traders may, subject to certain time limits, chose the calendar month rather than the calendar quarter as the period covered by the provisional return.

When traders begin 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 advance payments made or no provisional returns have been made, the balance due must be paid within one month following submission of the return. Any refund approved will be paid by the tax office.

27. ARE THERE SPECIAL RULES FOR PERIODIC VAT RETURNS FOR SMALL TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS? IF SO, PLEASE GIVE DETAILS.

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

28. IS THERE A SIMPLIFIED METHOD OF CALCULATING TAX LIABILITY? IF SO, PLEASE INDICATE WHO CAN USE THESE SIMPLIFIED PROCEDURES AND UNDER WHAT CONDITIONS, AND THE NATURE OF THE SIMPLIFICATION.

On application a tax office may allow traders:

- whose total turnover in the previous calendar year did not exceed €125 000, or
- who are exempt from the obligation to keep records and to draw up annual stock inventories, or
- their 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 annual stock inventories is confined to a trader's individual operations and if total turnover in the previous year exceeds €125 000, 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

29. AT WHAT INTERVALS DO RECAPITULATIVE STATEMENTS HAVE 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 make advance 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 €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 €15 000 and is unlikely to exceed this amount in the current calendar year;
- (3) the supplies of goods referred to in point 2 do not concern deliveries 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.

30. DO YOU REQUIRE ANY OTHER INFORMATION IN ADDITION TO THAT REFERRED TO IN ARTICLE 22(6) OF THE SIXTH VAT DIRECTIVE?

No.

31. DO YOU OPERATE SIMPLIFIED PROCEDURES FOR THE RECAPITULATIVE STATEMENTS PROVIDED FOR IN ARTICLE 22(12) OF THE SIXTH VAT DIRECTIVE? IF SO, WHAT THRESHOLDS ARE APPLIED?

Yes. The thresholds are €200 000 and €15 000 (see answer to question 29).

ELECTRONIC INVOICING AND COMPLIANCE WITH REPORTING OBLIGATIONS BY ELECTRONIC MEANS

32. IS ELECTRONIC INVOICING AUTHORISED? IF SO, UNDER WHAT CONDITIONS? WHAT ADMINISTRATIVE PROCEDURES HAVE TO BE OBSERVED?

Electronic invoicing has been authorised since 1 January 2002. In addition to the statutory information required (see question 20) a qualified electronic signature with supplier accreditation according to Article 15(1) of the Signature Act must be provided. If all these conditions are satisfied, an electronic invoice will be treated as an invoice. This means that input tax can be deducted on the basis of electronic invoicing subject to these further conditions.

33. CAN VAT RETURNS BE SUBMITTED ELECTRONICALLY? IF SO, HOW, AND USING WHAT TECHNOLOGY? WHERE DOES THE RELEVANT APPLICATION HAVE TO BE MADE?

Provisional VAT returns and annual statements for the calendar year can be submitted electronically.

The Tax Declaration Electronic Submission Regulation (StADÜV) forms the legal basis for electronic submission of provisional VAT returns. Under this Regulation VAT returns can be submitted electronically (based on standardised protocols). Traders may use this procedure provided they satisfy the following conditions:

- the Internet interfaces are correctly used;
- traders must declare their intention to use the procedure if an electronic signature within the meaning of Article 87a(3)(2) of the Tax Code is not used.

Provided these conditions are satisfied and all the information required in the tax return is provided, electronic transmission of the declaration will be treated in the same way as an official form. In terms of deadlines, submission of data to the receiving body has the same effect as submission of a paper version to the tax authorities.

Traders must submit their declaration of their intention to use the procedure using the prescribed form to their local tax office.

Traders using the electronic procedures under the StADÜV may also submit their VAT returns on the official forms. An amended tax return can be submitted electronically or on the prescribed forms.

There is also an internal procedure for the submission of electronic VAT returns and for annual statements. This is called ELSTER and is described in detail on the www.elster.de website. VAT returns can also be submitted over the Internet via the ELSTER system.

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

34. CAN RECAPITULATIVE STATEMENTS BE SUBMITTED ELECTRONICALLY? IF SO, HOW, AND USING WHAT TECHNOLOGY? WHERE MUST THE RELEVANT APPLICATION BE MADE?

Recapitulative statements can be submitted electronically. The legal basis is the StDÜV. See answer to question 33.

ADMINISTRATIVE REQUIREMENTS

35. ARE FLAT-RATE SCHEMES OPERATED? IF SO, WHAT ARE THEY?

There are flat-rate schemes for farmers and foresters.

36. ARE THERE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS OTHER THAN THOSE ALREADY MENTIONED? IF SO, PLEASE GIVE DETAILS.

Certain groups of traders whose turnover in the previous calendar year did not exceed €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.

37. IN WHAT LANGUAGES ARE THE FORMS (PERIODIC VAT RETURN AND RECAPITULATIVE STATEMENT) AVAILABLE? ARE THEY TRANSLATED?

The forms are available only in German.

INPUT TAX DEDUCTION

38. ON WHAT CATEGORIES OF GOODS AND SERVICES CAN INPUT TAX BE DEDUCTED?

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.

39. FOR WHAT CATEGORIES OF GOODS AND SERVICES CAN ONLY A PERCENTAGE OF THE INPUT TAX BE DEDUCTED? WHAT IS THE PERCENTAGE?

ANNEX 1: THRESHOLDS

Member State	Threshold for application of the special scheme for acquisitions by taxable persons not entitled to deduct input tax and by non-taxable legal persons ¹		Threshold for application of the special scheme for distance selling ²		Exemption for small enterprises ³	
	National currency	Euro equivalent	National currency	Euro equivalent	National currency	Euro equivalent
Belgium	€11.200		€35.000		€5.580	
Czech Republic		10.000		35.000		35.000
Denmark	80.000 DKK	10.722	280.000 DKK	37.528	50.000 DKK	6.667
Germany	€12.500		€100.000		€16.620	
Estonia	160.000 EEK	10.226	550.000 EEK	35.151		16.000
Greece	€10.000		€35.000		€9.000 or €4.000	
Spain	€10.000		€35.000		None	
France	€10.000		€100.000		€76.300 or €27.000	
Ireland	€41.000		€35.000		€51.000 or €25.500	
Italy	€8.263		€27.889		None	None
Cyprus	6.000 CYP	10.226	20.000 CY Pounds	34.220		15.600
Latvia	7.000 LVL	10.778	24.000 LVL	36.952		17.200
Lithuania	35.000 LTL	10.138	125.000 LTL	36.207		29.000
Luxembourg	€10.000		€100.000		€10.000	
Hungary		10.000		35.000		35.000
Malta		10.000		35.000		37.000 ⁴ 24.300 ⁴ 14.600 ⁴

¹ See second subparagraph of Article 28(a)(1) of Directive 77/388/EEC, as amended.

² See Article 28b, (2) of Directive 77/388/EEC, as amended.

³ See Article 24(2) of Directive 77/388/EEC, as amended. This scheme is reserved for taxable persons established within the territory of the country.

⁴ €37 000 when the economic activity consists principally in the supply of goods, €24 300 when the economic activity consists principally in the supply of services with a low value added (high inputs), and €14 600 in other cases, namely service providers with a high value added (low inputs)

ANNEX 1: THRESHOLDS

Netherlands	€10.000		€100.000		None	None
Austria	€11.000		€100.000		€22.000	
Poland		10.000		35.000		10.000
Portugal	€8.978		€31.424		€9.976 or €12.470	
Slovenia		10.000		35.000		25.000
Slovak Republic		10.000		35.000		35.000
Finland	€10.000		€35.000		€8.500	
Sweden	90.000 SEK	10.071	320.000 SEK	35.809	None	None
United Kingdom	56.000 GBP	87.678	70.000 GBP	109.598	55 000 GBP	86.112

ANNEX 2: VAT IDENTIFICATION NUMBER

- BE** le numéro d'identification à la taxe sur la valeur ajoutée
BTW - identificatienummer
- CZ**
- DK** momsregistreringsnummer
- DE** Umsatzsteuer - Identifikationsnummer
- EE** käibemaksukohustuslasena registreerimise number
- EL** Αριθμός Φορολογικού Μητρώου ΦΠΑ
Arithmos Forologikou Mitroou FPA
- ES** el número de identificación a efectos del Impuesto sobre el Valor Añadido
- FR** le numéro d'identification à la taxe sur la valeur ajoutée
- IE** value added tax identification no.
- IT** il numero di registrazione IVA
- CY** Αριθμός Εγγραφής Φ.Π.Α.
Arithmos Egrafis FPA
- LV** pievienotās vērtības nodokļa (PVN) reģistrācijas numurs
- LT** PVM mokėtojo kodas
- LU** le numéro d'identification à la taxe sur la valeur ajoutée
- HU**
- MT** numru ta' l-identifikazzjoni tat-taxxa fuq il-valur miújud
value added tax identification number
- NL** BTW - identificatienummer
- AT** Umsatzsteuer - Identifikationsnummer
- PL**
- PT** o número de identificação para efeitos do imposto sobre o valor acrescentado

ANNEX 2: VAT IDENTIFICATION NUMBER

- SI** identifikacijska številka za DDV
- SK** identifikačné číslo pre daň (IČ DPH)
- FI** arvonlisäverorekisteröintinumero
Mervärdesskatteregistreringsnummer (momsregistreringsnummer)
- SE** Mervärdesskatteregistreringsnummer (momsregistreringsnummer)
- GB** value added tax (VAT) registration no.

ANNEX 3: ABBREVIATIONS

	COUNTRY	CURRENCY
BELGIUM	BE	EUR
CZECH REPUBLIC	CZ	CZK
DENMARK	DK	DKK
GERMANY	DE	EUR
ESTONIA	EE	EEK
GREECE	EL	EUR
SPAIN	ES	EUR
FRANCE	FR	EUR
IRELAND	IE	EUR
ITALY	IT	EUR
CYPRUS	CY	CYP
LATVIA	LV	LVL
LITHUANIA	LT	LTL
LUXEMBOURG	LU	EUR
HUNGARY	HU	HUF
MALTA	MT	MTL
NETHERLANDS	NL	EUR
AUSTRIA	AT	EUR
POLAND	PL	PLN
PORTUGAL	PT	EUR
SLOVENIA	SI	SIT
SLOVAK REPUBLIC	SK	SKK
FINLAND	FI	EUR
SWEDEN	SE	SEK
UNITED KINGDOM	GB	GBP