

GERMANY

Extract from the BMF letter, November 4th 2020

Unofficial translation

VOUCHER TREATMENT

The issuance of a voucher for a bindingly ordered item, for which a later exchange, cash payment, or transfer of the voucher to another seller (or buyer), is excluded and the issuance of which is connected with an acceptance obligation, is a deposit which is taxable at the end of the pre-notification period when the payment was received.

If paid before January 1st 2021, sales tax must initially be calculated at a tax rate of 16% or 5%.

If the item is delivered after December 31st 2020, a correction to 19% or 7% must be made at the time when the service is performed.

If it is already clear when the down payment is made that the delivery will only take place after December 31st 2020, the down payment can already be taxed at 19% for simplification.

If vouchers for restaurant services were issued before July 1st 2020, the tax remains as a single-purpose voucher at 19 %, even if they are redeemed in the period from July 1st 2020 to June 30th 2021 because, for treatment as a single-purpose voucher, the legal situation at the time of issue must be taken into account.

According to the Corona Tax Aid Act, limited application of the reduced tax rate for restaurant and catering services applies from July 1st 2020 until June 30th 2021, except for beverages.

Since the tax rate to be applied during this period cannot be clearly determined due to the different taxation of food and beverages, vouchers for catering and catering services issued during this period are basically multi-purpose vouchers. As the result, the taxation will be performed at the time when the actual service is provided, according to the applicable tax rate at that moment.

Vouchers for restaurant services issued in the period from July 1st 2020 until June 30th 2021 can only be treated as single-purpose vouchers if the vouchers are explicitly restricted to the purchase of food or drinks. Vouchers for restaurant and catering services including drinks are only valid again as single-purpose vouchers if they are issued for the period from July 1st 2021.

TAXATION OF SALES IN THE HOSPITALITY INDUSTRY

For accommodation and related services from June 30th 2020 until July 1st 2020, the sales tax rates of 5 and 16% applicable from July 1st 2020 are applicable.

For reasons of simplification, it is permitted that these tax rates also apply to hospitality services (e.g. the distribution of food and beverages for consumption on the spot, tobacco product deliveries, etc.) as well as accommodation and related services from December 31th 2020 January 1st 2021.

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