

Information on tax status registration for members of diplomatic missions or consular posts in the Federal Republic of Germany who possess or acquire German nationality or receive permanent resident status from the Federal Foreign Office

Changing your status from non-resident to permanent resident, or possessing or acquiring German nationality, has implications for your income tax obligations in the Federal Republic of Germany.

The Federal Foreign Office, Division 703, decides whether a member of a diplomatic mission or consular post in the Federal Republic of Germany is a permanent resident on the basis of the Vienna Convention on Diplomatic Relations of 18 April 1961 (VCDR) or the Vienna Convention on Consular Relations of 24 April 1963 (VCCR) and the relevant Protocol Directive of the Federal Foreign Office for the purposes of applying these Conventions.

If a member of a foreign diplomatic mission or a consular post in Germany is not a permanent resident within the meaning of these Conventions and does not have German nationality, then they have limited income tax liability and only their German income is subject to taxation here (section 1 (4) in conjunction with section 49 of the Income Tax Act – EStG). Their salary/wage from the sending State is tax-free (section 3 no. 29 of the EStG). Unlimited income tax liability within the meaning of section 1 (1) of the EStG does not apply even if the individuals in question have their residence (section 8 of the Fiscal Code – AO) or habitual abode (section 9 of the AO) in Germany, as they are not deemed to be resident in Germany under the Conventions.

If a member of a foreign diplomatic mission or a consular post in Germany is or becomes a permanent resident or German national, they become or remain subject to unlimited income tax liability from this time on (section 1 (1) of the EStG).

When such an individual changes their status from non-resident to permanently resident in Germany, or possesses or acquires German nationality, the competent local tax office must therefore be notified that this individual is now subject to unlimited tax liability, and their tax status must be registered with this tax office. There are **four steps** to this process:

First, you and your spouse or registered civil partner as well as any dependent family members must register with the residents registration office.

Second, you will automatically receive a taxpayer identification number after carrying out the first step above. Each individual's number will be communicated to them by the Federal Central Tax Office in a separate letter, sent to your private address. Further details can be found on the Federal Central Tax Office's website at

https://www.bzst.de/EN/Private_individuals/Tax_identification_number/tax_identification_number_node.html.

Third, you can find the local tax office that is responsible for you at

https://www.bzst.de/DE/Service/Behoerdenwegweiser/Finanzamtsuche/GemFa/finanzamt_suche_node.html.

Please note the following exception: **Land Hesse** has made the **Frankfurt am Main Tax Office** responsible for all preliminary examinations of tax-related matters in the special case of staff of foreign consulates (section 18 of the FÄZustV HE 2019).

Fourth, please contact the competent local tax office, using the ELSTER contact form if possible, to request registration of your tax status and, if applicable, that of your spouse or registered civil partner and dependent family members. Please **separately provide each person's** taxpayer identification number, German address, date of birth and marital status and the date on which they became subject to unlimited tax liability (date of establishment of permanent residence in Germany or acquisition of German nationality) by submitting **Annex PA7**. You should also state, separately for each person, expected sources of income (worldwide if applicable) and the expected amounts (e.g. gross pay for salaried employment, expected profit from commercial activities or freelance work). The tax office will use this information to examine whether upfront payments of income tax must be made. You can find the ELSTER contact form on the website of your tax office, among other places. You do not need to register in order to use the form.

As soon as the competent local tax office has received the above information, it will certify by way of the Federal Foreign Office form PA7 that your tax status and, if applicable, that of your spouse or registered civil partner and dependent family members has been registered.

For all further communication with the tax office, please use the online ELSTER portal (<https://www.elster.de/eportal/login/softpse>). After you have signed up to ELSTER, you can also use it to submit tax returns.