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Federal Central Tax Office

SUBJECT **Individual questions about the issuance of tax certificates and data transmission in accordance with sections 45b and 45c of the Income Tax Act**

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Following discussions with the highest revenue authorities of the *Länder*, the following requirements apply:

I. Assignment of serial numbers for tax certificates pursuant to section 45b (1) of the Income Tax Act

- 1 The paying agent disbursing the capital income must assign a serial number, generated using the officially prescribed form, to each certificate that must be issued in accordance with section 45a (2) sentence 1 no 2 of the Income Tax Act (*Einkommensteuergesetz*) and each data set that must be transmitted pursuant to section 45b (5) of the Income Tax Act. The serial number must be generated for each tax certificate and for each transmitted data set in the form of a Universally Unique Identifier (UUID) in accordance with the technical standard RFC 4122. To ensure uniqueness, each generated UUID may be allocated to a tax certificate or a transmitted data set only once. The obligation to allocate a serial number applies for the first time to certificates and data transmissions relating to capital income accruing after 31 December 2024. Tax certificates based on Template II of the Federal Finance Ministry circular of 23 May 2022 (Federal Tax Gazette I, p. 860) must not be assigned a serial number.

Each reporting entity may generate serial numbers in a decentralised way using a UUID and allocate them to the data set that must be transmitted in accordance with section 45b of the Income Tax Act. The UUID must be generated using UUID version 4 in accordance with RFC 4122. However, UUIDs generated using versions 3 and 5 are also acceptable.

The character string generated on the basis of RFC 4122 and used as a serial number must consist of 36 characters separated into five groups, of which 32 must be UUID hexadecimal characters (numbers 0 to 9 and letters A to F) and four must be hyphens (“-”) located at specific points.

Example of a generated serial number: f81d4fae-7dec-11d0-a765-00a0c91e6bf6

II. Content of the reportable data set pursuant to section 45b (2) of the Income Tax Act

Pursuant to section 45b (2) of the Income Tax Act, information must be transmitted for all capital income as per section 43 (1) sentence 1 no 1a and no 2 sentence 4 of the Income Tax Act, especially in the case of capital income from shares and participation certificates that are held in separate safe custody as per section 2 sentence 1 of the

Securities Deposit Act (*Depotgesetz*) or for which the income is paid out or credited upon presentation of the (dividend) coupons.

Capital income pursuant to section 20 (4a) sentence 2 and section 20 (3) of the Income Tax Act is not covered by sections 45b (2) and 45c of the Income Tax Act. Domestic income from shareholdings pursuant to section 6 (3) no 2 of the Investment Tax Act (*Investmentsteuergesetz*) is not covered by sections 45b (2) and 45c of the Income Tax Act.

1. Content of the reportable data set

- 2 As well as information about the capital income from the relevant securities holdings, the reportable information pursuant to section 45b (2) of the Income Tax Act also includes information about the circumstances surrounding the acquisition of the securities. A distinction can be made between information that is generally associated with the acquisition of securities (e.g. trade date, settlement date, number of securities acquired) and information that becomes relevant only if individual agreements are made in connection with the acquisition.

Such individual agreements relate to the acquisition of securities by way of a securities lending or repo transaction, for example. Transactions of this kind are not typically made by private individuals, meaning that this information is usually not required when issuing tax certificates to natural persons.

If a tax certificate is issued for a natural person and/or if data relating to dividend income is transmitted to the Federal Central Tax Office in accordance with section 45b (4) to (6) of the Income Tax Act, and if the certifying entity has no knowledge of any individual agreements and has no information indicating that the details on the tax certificate or the content of the report do not correspond to the securities transfer that actually occurred, then it is acceptable for the information specified below to be omitted from the tax certificate and/or for the information indicated to be in line with the specifications set out below:

1.1. Information pursuant to section 45b (2) no 5 of the Income Tax Act

It is acceptable for information relating to the number of securities transferred on the basis of a securities lending or repo transaction to be omitted, alongside information specifying whether a cum-dividend or ex-dividend delivery of shares was agreed at the time of acquisition and whether shares were delivered cum-dividend or ex-dividend. This does not apply to fiduciary accounts.

1.2. Information pursuant to section 45b (2) nos 6 and 7 of the Income Tax Act

It is acceptable for the trading day two days prior to the actual settlement date to be indicated as the trade date. Unless the certifying entity has information to the contrary, the actual settlement date may be indicated as the agreed settlement date.

1.3. Information pursuant to section 45b (2) no 8 of the Income Tax Act

The certifying entity may use the information about the intermediary custodians that has been reported along the chain of custody as the basis for the information indicated on the tax certificate and the reportable information, unless it has any information to the contrary about the custody structure.

If the information that must be indicated on the tax certificate pursuant to the legal and implementation provisions is not available, then no tax certificate may be issued. If no tax certificate is issued, it must be ensured that a report is made to the Federal Central Tax Office in accordance with section 45b (6) sentence 1 of the Income Tax Act.

Example 1

X, a natural person resident outside Germany, has ten shares of German company A-AG in a securities account at foreign bank B. Foreign bank B places the shares in custody with foreign bank C, which in turn places them in custody with foreign Bank D. Foreign bank D maintains the securities account at German bank E. On 1 April, there is a dividend distribution of €1 per share. The securities were booked into the securities account at German bank E on 10 January. Pursuant to section 45b (5) and (2) of the Income Tax Act, the data set must be reported to the Federal Central Tax Office as follows:

X's last name, first name, date of birth, address (section 93c (1) no 2 (c) of the Fiscal Code (Abgabenordnung))

Section 45b (2) sentence 1 of the Income Tax Act:

- 1. X's tax identification number pursuant to section 139b of the Fiscal Code (if not available: tax identifier from the country of residence)*
- 2. Gross income: €10; A-AG's ISIN*
- 3. Capital income tax: €2.50; solidarity surcharge: €0.14*
- 4. Tax rate applied: 25%*
- 5. Number of securities: 10*

6. Number of securities: 10; trade date: 8 January (two trading days prior to the booking-in date); actual settlement date: 10 January; agreed settlement date: 10 January
7. Does not apply because the shares have not been booked out
8. Company names, legal forms, addresses, Legal Entity Identifiers and securities account numbers of banks B, C, D
9. X's account and securities account number with bank B

Example 2

Special German Opportunities Ltd. (L) is entered into the C Islands partnership register on 2 March and maintains a securities account with foreign bank B. L acquires ten shares of A-AG, a German company, by way of securities lending (date of the general meeting: 29 March; dividend: €1). Agreed beginning of the securities lending period: 28 March; agreed delivery date of the shares: 30 March; actual delivery date: 2 April. Duration of securities lending period: until 3 April; securities booked out on 6 April; agreed delivery: 5 April. L is removed from the partnership register on 10 April.

Foreign bank B places the shares in custody with foreign bank C, which in turn places them in custody with foreign Bank D. Foreign bank D maintains the securities account at German bank E. Pursuant to section 45b (5) and (2) of the Income Tax Act, the data set must be reported to the Federal Central Tax Office as follows:

Legal form: limited; date of the act of establishment: 2 March; L's company name or name, address (section 93c (1) no 2 (d) of the Fiscal Code; section 45b (5) of the Income Tax Act)

Section 45b (2) sentence 1 of the Income Tax Act:

1. L's foreign tax identification number
2. Gross income: €10; A-AG's ISIN
3. Capital income tax: €2.50; solidarity surcharge: €0.14
4. Tax rate applied: 25%
5. Number of securities: 10; number of these securities acquired by way of securities lending: 10; agreed cum-dividend, delivered ex-dividend
6. Number of securities: 10; trade date: 28 March; actual settlement date: 2 April; agreed settlement date: 30 March
7. Number of securities: 10; trade date: 3 April; actual settlement date: 6 April; agreed settlement date: 5 April
8. Company names, legal forms, addresses, Legal Entity Identifiers and securities account numbers of banks B, C, D
9. L's account and securities account number with bank B

2. Section 45b (2) no 1 of the Income Tax Act

- 3 If, in cases of inheritance, the tax number of the joint heirs is unknown to the credit institution, the reportable data set must contain the deceased's tax identification

number pursuant to section 139b of the Fiscal Code, the deceased's name and the addendum "Nachlass" (estate); the heirs need not be specified by name. The same applies if the heir's identity is unknown to the credit institution.

3. Section 45b (2) no 3 of the Income Tax Act

4 The relevant amounts must be indicated:

- capital income tax withheld and remitted per securities class and payment date (day on which the securities income is credited) and
- supplemental taxes withheld and remitted, excluding church tax,
- before any exemption order has been taken into account,
- before any offsettable foreign withholding tax has been taken into account, and
- before the income has been offset against negative capital income in accordance with section 43a (3) sentence 2 of the Income Tax Act.

Example 1

Custodian bank A holds 100 shares in custody for securities account client B. There is a dividend distribution of €1 per share. Custodian bank A applies an offsettable loss of €100 when crediting the dividend.

Additional information to be indicated on the certificate pursuant to section 45b (2) of the Income Tax Act:

no 2: gross amount: €100

no 3: capital income tax: €25; solidarity surcharge: €1.37

Example 2

Custodian bank A holds 100 shares in custody for securities account client B. There is a dividend distribution of €1 per share. When crediting the dividend, custodian bank A can apply an exemption order of €100.

Additional information to be indicated on the certificate pursuant to section 45b (2) of the Income Tax Act:

no 2: gross amount: €100

no 3: capital income tax: €25; solidarity surcharge: €1.37

4. Section 45b (2) no 5 of the Income Tax Act

5 The number of securities that must be indicated is determined by the holding based on which the income was credited to the capital income creditor. As well as the total

holding, the number of securities within this total that are held on the basis of securities lending or repo transactions must be indicated separately. If securities lending, repo, purchase and sale transactions are carried out prior to the payment date, the holdings in the relevant securities account on the payment date must be assigned in the first instance to uncompleted lending or repo transactions. The obligation to indicate whether a cum-dividend or ex-dividend delivery of shares was agreed at the time of acquisition and whether shares were delivered cum-dividend or ex-dividend extends to the entire securities holding, including securities lending and repo transactions.

With regard to information relating to securities lending and repo transactions in the case of natural persons, please note the simplifications set out in margin no 2.

5. Agreement on cum-dividend or ex-dividend delivery of shares

- 6 The content of the report pursuant to section 45b (2) no 5 of the Income Tax Act is determined by the type of shares intended for delivery and the type of shares (cum- or ex-coupon) actually delivered. The delivery instructions transmitted to the custodian are the decisive factor here.

Cum-dividend shares are shares with a dividend coupon. An agreement on cum-dividend delivery of shares is deemed to exist if there is an obligation to deliver shares with a dividend coupon. This obligation is determined by the specifics of the sales contract. The delivery of shares, which must be considered separately from the sales contract, may involve cum-coupon or ex-coupon shares.

If shares are delivered to the acquirer no later than the day on which the central securities depository settles the dividend (usually the “record date”) and the basis of the delivery is a sales contract that was concluded no later than the day of the annual general meeting, then a cum-dividend delivery of shares is deemed to exist if the dividend that was credited on the basis of the delivered holding is paid out to the acquirer. If the recipient of a share receives a payment in execution of the dividend compensation process, an ex-dividend delivery must be assumed.

If holdings are excluded from the dividend compensation process (e.g. by way of agreement on an “ex flag”), an ex-dividend delivery must be assumed as well.

It is acceptable for information relating to the agreement and cum-dividend or ex-dividend delivery of shares to be omitted if the settlement date (the date on which the shares were actually booked into the account) precedes the due date of the capital income by more than 12 months.

6. Section 45b (2) no 6 of the Income Tax Act

- 7 The trade date, the agreed settlement date and the actual settlement date must be indicated separately.

The actual settlement date is the day on which the transfer was executed and the securities were booked from the seller's account into the buyer's account. The agreed settlement date is the day on which the transfer is due to be executed according to the contractual agreements made by the parties. This may differ from the actual settlement date.

In principle, bookings-in must be determined according to the FIFO sequence, taking bookings-out into account. If securities lending, repo, purchase and sale transactions are carried out prior to the payment date, the securities holding in the relevant securities account on the day preceding the dividend due date must be assigned in the first instance to uncompleted lending or repo transactions (see margin no 5). The trade date and the settlement date of the securities booked into the account must be indicated in the report. The holdings determined as at the payment date are also decisive when it comes to the assignment of disposals or transfers pursuant to section 45b (2) no 7 of the Income Tax Act. This applies both if the custodian itself is the counterparty to the transactions and if the transactions are executed on behalf of a third party and the custodian is not a contracting party to the transactions.

Example 1

100 shares are booked into a securities account in execution of a securities lending transaction. In addition, 100 shares are booked in on the basis of a purchase contract but are sold again after one day and prior to the dividend payment date. The remaining holding of 100 shares as at the payment date must be assigned to the uncompleted lending transaction. If the lending transaction is concluded and the shares are transferred back within the time period set out in section 45b (2) no 7 of the Income Tax Act, the return transfer must be assigned to the completed lending transaction and reported.

If the acquisition information is not available, no tax certificate may be issued.

If, in the case of a securities account transfer, the acquisition information cannot be copied over (in accordance with margin no 193 of the Federal Ministry of Finance circular of 19 May 2022 (Federal Tax Gazette I, p. 742)), the date of acquisition is the booking-in date. This applies accordingly if, in the case of a securities account transfer

within Germany, the acquisition information is not supplied because the account transfer was preceded by a securities account transfer from another country.

If shares in the distributing company are booked into the shareholder's securities account in place of a dividend payment, the date of acquisition is the booking-in date.

When securities are transferred back to the lender at the end of a securities lending arrangement, the following acquisition information must be indicated in the reportable data set for the capital income accruing to the lender after the end of the lending period: (a) the date on which the securities lending arrangement was agreed as the trade date, (b) the agreed end date of the securities lending arrangement as the agreed settlement date, and (c) the date on which the shares were booked back into the lender's account after the end of the lending arrangement as the actual settlement date.

In the case of securities acquisitions or securities transfers on the basis of lending or repo transactions, it is acceptable for "Altbestand" (existing portfolio) to be indicated if the settlement date (the date on which the securities were actually booked into the account) precedes the due date of the capital income by more than twelve months. In the case of securities lending transactions, this applies only if the borrowed securities were not replaced with other securities. If, during an uncompleted securities lending transaction, shares are booked in again after the lent shares have been booked out, the booked-in shares must be assigned in the first instance to the uncompleted lending transaction up to the amount of the lent shares, and the trade and settlement dates of the newly booked-in shares must be indicated.

Reporting of securities lending transactions is account-based.

Example 2

The following transactions are recorded in a securities account:

Purchase on 5 March 2008: 100 shares

Purchase on 26 May 2015: 100 shares

Purchase on 15 December 2023: 100 shares

Purchase on 8 September 2025: 100 shares

On 10 October 2025 (dividend due date), dividends for 400 shares are credited.

Reportable acquisition information:

It is acceptable for "Altbestand" (existing portfolio) to be indicated on a cumulative basis for the 300 shares acquired more than twelve months prior to 10 October 2025.

For the 100 shares acquired on 8 September 2025, the information pursuant to section 45b (2) no 6 of the Income Tax Act must be indicated and reported.

Example 3

On 15 January 2025, A agrees to lend out 1,000 shares of B-AG for a duration of two years, until 15 January 2027. A lends the shares to B on 16 January 2025. On 16 March 2026, A acquires 900 shares with a trade date of 16 March 2026, agreed settlement date of 18 March 2026 and actual settlement date of 18 March 2026. The date of the annual general meeting is 21 April 2026.

16 March 2026 must be reported as the trade date and 18 March 2026 as the actual and agreed settlement dates for the 900 shares, and it must be indicated that the transaction is a securities lending transaction. The agreement on 15 January 2025 to enter into a securities lending arrangement does not mean that the shares can be designated as “Altbestand” (existing portfolio). The actual trade and settlement dates of the shares acquired during the lending period are the decisive factor.

7. Securities held in custody by intermediary custodians

- 8 If the paying agent does not hold the shares in custody for the shareholder directly, further custodians are involved between the paying agent and the shareholder’s custodian bank. In individual cases, the shares may be held in custody by various custodians at the same level of the chain of custody. If the chain of custody has multiple levels, the paying agent cannot assign the acquired securities unambiguously according to the FIFO method. This must be taken into account when reporting the acquisition information.

In the case of chains of custody with multiple levels, instead of reporting the acquisition date of the shares held in custody according to the FIFO method, the bookings-in and bookings-out recorded by the custodian for the shareholder within a year prior to the due date of the capital income and the shares held in custody for the shareholder at the beginning of this period must be reported to the Federal Central Tax Office.

Example 1

Shareholder X has 200 shares of Y-AG in his securities account with foreign custodian bank B. Foreign custodian bank B places 100 of these shares in custody with intermediary custodian C and the remaining 100 with intermediary custodian D. Both intermediary custodians place the shares in custody with German paying agent A.

The dividend due date is 25 April. The shares were already in X’s portfolio on 25 April of the previous year. On 30 October of the previous year, X acquired 150 shares of Y-AG and disposed of these 150 shares again on 5 December of that year.

The shares were held in custody by intermediary custodian E. On the dividend date, E no longer held any of X's shares in custody.

The following information must be reported for the 200 shares of Y-AG held in custody by paying agent A:

Holding as at 25 April of the previous year: 200 shares

Booked into the account: 150 shares on 10 October

Booked out of the account: 150 shares on 5 December

Example 2

Foreign custodian bank B has placed 1,000 shares of X-AG in custody with German custodian A. Of this total holding, 500 shares are held for foreign custodian bank B's client C. As at 25 April of the previous year, C had a holding of 300 shares of X-AG. C purchased 600 shares on 30 October of the previous year and sold 400 shares on 5 December of the previous year. The holding of dividend-bearing shares for client C as at the dividend date (25 April) of the current year totals 500 shares of X-AG.

The following information must be reported for the 500 shares of X-AG held in custody by paying agent A:

Holding as at 25 April of the previous year: 300 shares

Booked into the account: 600 shares on 10 October

Booked out of the account: 400 shares on 5 December

If no report pursuant to section 45b (5) of the Income Tax Act is transmitted for the remaining holding of 500 shares placed in custody with German custodian A by custodian bank B, it must be ensured that a report pursuant to section 45b (6) sentence 1 of the Income Tax Act is made for these shares.

Example 3

Foreign custodian bank A holds 200 shares of Y-AG in custody for X. Of these 200 shares, 100 are held in custody by foreign intermediary custodian B and 100 are held in custody by foreign intermediary custodian C. B places the shares in custody with German custodian D, while C places the shares in custody with German custodian E. At the beginning of the relevant period (25 April of the previous year), the shares were already in X's portfolio. In addition, X purchased 100 shares on 30 October of the previous year and sold 100 shares on 5 December of that year.

The following information must be reported for the 100 shares of Y-AG held in custody by paying agent D and the 100 shares of Y-AG held in custody by paying agent E:

Holding as at 25 April of the previous year: 200 shares

Booked into the account: 100 shares on 10 October

Booked out of the account: 100 shares on 5 December

If a collective securities account that is maintained only for investment funds fulfils the requirements for the application of section 7 (1) of the Investment Tax Act, the acquisition dates must be determined according to the FIFO method.

8. Section 45b (2) no 7 of the Income Tax Act

- 9 The information about the disposal or return transfer of securities pursuant to section 45b (2) no 7 of the Income Tax Act must be transmitted if either the trade date or the booking-out date is within 45 days after the due date of the capital income. Section 108 (3) of the Fiscal Code must be taken into account when calculating the relevant period. In the case of a disposal or return transfer of securities based on a securities lending arrangement, transactions involving a securities transfer up to 45 days following the due date of the capital income must be indicated.

In the case of a transfer of shares, the period begins on the day after the annual general meeting and ends 45 days after the due date of the capital income (section 58 (4) sentences 2 and/or 3 of the Stock Corporation Act (*Aktiengesetz*)). If shares are disposed of or transferred back after the day of the annual general meeting but before the dividends are credited, the information about the disposal or return transfer of the securities must also be transmitted.

Example

On 15 March, two days before the date of the annual general meeting, A purchases 100 shares, which are booked into the securities account on the day of the annual general meeting (17 March). On the day after the annual general meeting (18 March), A sells the shares to B. The shares are booked out of A's securities account on the date of sale and credited to B's account on the same day. A is credited the net dividend by his custodian bank C. The relevant period begins on 18 March and ends on 4 May (provided that 4 May is not a Saturday, Sunday or bank holiday, pursuant to section 108 (3) of the Fiscal Code).

Pursuant to section 45b (2) no 6 of the Income Tax Act, C must indicate the following information:

Number of shares: 100; trade date: 15 March; actual settlement date: 17 March; agreed settlement date: 17 March

Pursuant to section 45b (2) no 7 of the Income Tax Act, C must indicate the following information:

Number of shares: 100; trade date: 18 March; actual settlement date: 18 March; agreed settlement date: 18 March

The information about the acquisition of the securities must be reported regardless of whether a disposal or transfer took place within the period set out in section 45b (2) no 7 of the Income Tax Act. If securities are disposed of or transferred on the basis of a securities lending or repo transaction within the period set out in section 45b (2) no 7 of the Income Tax Act, the information about the acquisition and return transfer must be reported.

If the securities are booked out within the period set out in section 45b (2) no 7 of the Income Tax Act and the underlying legal transaction or the agreed trade date or agreed settlement date are unknown, the booking-out date must be reported as the actual settlement date. In this case, it is acceptable for the actual settlement date to be reported as the trade date as well as the agreed settlement date.

9. Section 45b (2) no 8 of the Income Tax Act

10 Procedure for issuing a collective tax certificate

Pursuant to the Federal Ministry of Finance circular of 16 September 2013 (Federal Tax Gazette I, p. 1168), a collective tax certificate is not a certificate within the meaning of section 45a (2) of the Income Tax Act and does not create an entitlement to receive a direct credit of the indicated taxes or to apply for a refund for these taxes. Rather, the sole function of a collective tax certificate is to enable the German custodian in the chain of custody (the final custodian), who is permitted to refrain from the (second) individual withholding of taxes, to treat capital income from holdings covered by a collective tax certificate on its own behalf or on behalf of its securities account clients in the same way as would be the case if the securities were held in custody exclusively in Germany. In the case of capital income from shares belonging to a holding that is covered by a collective tax certificate, the final German paying agent is not permitted to issue a tax certificate for the taxes it withheld prior to the payment to another country. In such cases, only the German custodian is permitted to issue tax certificates. When a collective tax certificate is issued, no supplementary information pursuant to section 45b (2) of the Income Tax Act needs to be transmitted. If individual tax certificates are issued on the basis of a collective tax certificate, the information on the individual tax certificate must be transmitted to the Federal Central Tax Office. The fact that the certificate was issued on the basis of a collective tax certificate must be indicated in the reportable data set.

Example 1

Starting situation: in connection with a dividend distribution, the German custodian requests a collective tax certificate for the taxes that the German paying agent withheld before the dividend was disbursed to the intermediary custodian outside Germany. The German custodian issues an individual tax certificate for its securities account clients on the basis of the collective tax certificate.

The German custodian adds information about the dividend income credited to its clients in accordance with section 45b (2) of the Income Tax Act to the tax certificate and transmits the information to the Federal Central Tax Office in accordance with section 45b (4) to (6) of the Income Tax Act. "Sammel-Steuerbescheinigung" (collective tax certificate) is added to the data set. The final German paying agent is not permitted to issue (individual) tax certificates for capital income from shares belonging to a holding that is covered by a collective tax certificate. Accordingly, the paying agent is not required to submit a report pursuant to section 45b (4) to (6) of the Income Tax Act. The German paying agent (= the paying agent that issued the collective tax certificate) is not required to ensure that a report is submitted pursuant to section 45b of the Income Tax Act for the volume attributable to the collective tax certificate.

Example 2

Starting situation: the German custodian does not request a collective tax certificate from the German paying agent for the securities held with foreign intermediary custodians. The German custodian carries out a second withholding of taxes. The first withholding was carried out by the final German paying agent before the dividends were credited to the foreign intermediary custodian.

Taxes were withheld twice for the dividend payment (first by the final German paying agent and then by the shareholder's German custodian). Both the German custodian and the final German paying agent must ensure that a report is submitted pursuant to section 45b of the Income Tax Act. If the German custodian issues a tax certificate for the capital income credited to its client, it must ensure that a report is submitted pursuant to section 45b (4) of the Income Tax Act or, if section 45b (5) of the Income Tax Act applies, transmit a corresponding data set to the Federal Central Tax Office.

Unless it issued an individual tax certificate, the German paying agent must submit a report pursuant to section 45b (6) sentence 1 of the Income Tax Act for the taxes withheld before the dividend was disbursed to the foreign intermediary custodian. If, however, an individual tax certificate is requested for the end customer, a report

pursuant to either section 45b (4) or section 45b (5) of the Income Tax Act must be submitted for the taxes withheld by the German paying agent.

10. Section 45b (2) no 9 of the Income Tax Act

11 Fiduciary account

In the case of fiduciary relationships, assets are attributable to the beneficiary, as per section 39 (2) no 1 sentence 2 of the Fiscal Code. Accordingly, a tax certificate must be issued in the name of the beneficiary, even if the trustee is the holder of the securities account. In terms of the transmission obligations pursuant to section 45b (4) and (5) of the Income Tax Act, the information specified in section 45b (2) nos 1 to 8 of the Income Tax Act must be notified for the capital income creditor (= beneficiary), as must the account or securities account number and the personal data of the trustee pursuant to section 45b (2) no 1 of the Income Tax Act. If the tax certificate is issued in the trustee's name as per margin no 15 of the Federal Ministry of Finance circular of 23 May 2022 (Federal Tax Gazette I, p. 860), this too must be taken into account in the reportable data set, and the account holder must be specified, alongside the indication "Treuhandsdepot" (fiduciary account). An application for a refund of the capital income tax may be submitted only by the shareholder for tax purposes, not by the trustee. The shareholder for tax purposes must furnish proof of his or her entitlement to a refund.

This applies accordingly in the case of securities accounts held in usufruct, and the indication "Nießbrauchsdepot" (securities account held in usufruct) must be added to the reportable data set.

11. Reportable data set in the case of dividend income of special investment funds if the transparency option is applied

- 12 If a special investment fund avails itself of the transparency option pursuant to section 30 (1) of the Investment Tax Act, the domestic income from shareholdings within the meaning of section 6 (3) of the Investment Tax Act or other domestic income within the meaning of section 6 (5) of the Investment Tax Act that is subject to withholding tax on capital income is deemed to have accrued to the investors directly. Tax must be withheld as per section 31 (1) sentence 1 of the Investment Tax Act, taking into account the status of the investor in question. The party that withheld the tax must additionally include in the tax certificate for the special investment fund the information pursuant to section 31 (1) sentence 2 of the Investment Tax Act. For capital income accruing after 31 December 2024, a tax certificate must be issued for each investor in the special investment fund. The tax certificate must include a

separate serial number for each investor in the special investment fund. If the special investment fund generates capital income as per section 43 (1) sentence 1 no 1a and no 2 sentence 4 of the Income Tax Act, the following information pursuant to section 45a (2) of the Income Tax Act must be added to the tax certificate and transmitted to the Federal Central Tax Office as per section 45b (4) and (5) of the Income Tax Act:

I. (Information pursuant to section 31 (1) sentence 2 of the Investment Tax Act)

1. Name and address of the special investment fund as the payment recipient
2. Date of attribution of the capital income (pursuant to section 31 (1) sentence 2 of the Investment Tax Act)
3. Names and addresses of the investors in the special investment fund as capital income creditors
4. Total number of shareholdings in the special investment fund and number of shareholdings held by each investor on the date of attribution
5. Name and identification number pursuant to section 139b of the Fiscal Code or tax identifier issued by the country of residence or business identification number pursuant to section 139c of the Fiscal Code of the investor for whom the tax certificate is issued or the data set is amended

There is no need to indicate each investor's share of the capital income tax pursuant to section 31 (1) sentence 2 no 5 of the Investment Tax Act; this information is provided pursuant to section 45b (2) sentence 1 no 3 of the Income Tax Act.

II. (Information pursuant to section 45b (2) of the Income Tax Act regarding the share of the income attributable on a pro-rata basis to the investor for whom the tax certificate is issued)

1. Business identification number of the special investment fund pursuant to section 139c of the Fiscal Code or, if no business identification number has yet been assigned, tax number of the special investment fund
2. Gross amount of the capital income generated by the special investment fund that is attributable to the investor on a pro-rata basis per securities class and payment date, specifying the name and international securities identification number of the security
3. Amount of capital income tax attributable to the investor that was withheld and remitted per securities class and payment date (date on which the dividend accrued to the special investment fund) and amount of supplemental taxes withheld and remitted
4. Tax rate applied in each case

5. Number of securities attributable to the investor on a pro-rata basis per securities class and payment date and, of this number, the number of securities transferred on the basis of a securities lending or repo transaction, alongside information specifying whether a cum-dividend or ex-dividend delivery of shares was agreed at the time of acquisition and whether shares were delivered cum-dividend or ex-dividend
6. For securities acquisitions or securities transfers on the basis of lending or repo transactions, the respective trade date, agreed settlement date and actual settlement date as well as the respective number of securities
7. For securities disposals or return transfers on the basis of lending or repo transactions, insofar as the securities were disposed of or transferred back within 45 days after the due date of the capital income, the respective trade date, agreed settlement date and actual settlement date as well as the respective number of securities
8. Company names, legal forms, addresses and Legal Entity Identifiers of the respective German or foreign intermediary custodians that are consecutive links in the chain of custody and of the custodian bank that directly holds the securities in custody for the creditor of the capital income, specifying the respective account numbers of the securities accounts maintained by the intermediary custodians in which the shares are held in custody (if the securities are held in custody for foreign special investment funds by foreign custodians)
9. Account or securities account number of the special investment fund; if the securities are held in custody by a trustee on behalf of the capital income creditor, the trustee's account or securities account number as well as the information pursuant to no 1 must also be indicated for the trustee

Example

A, a special investment fund availing itself of the transparency option, has acquired from bank B 100 shares of C-AG in its securities account with the account number 12345, with 15 March as the trade date, 17 March as the settlement date and 17 March as the agreed settlement date. The date of the annual general meeting is 22 March. Investors D and E each have a shareholding in the investment fund. On 24 March, the investment fund is credited the net dividend totalling €73.63 (after deduction of capital income tax at a rate of 25% and solidarity surcharge at a rate of 5.5%).

1. (Information pursuant to section 31 (1) sentence 2 of the Investment Tax Act)

- 1. Name and address of the special investment fund as the payment recipient*
- 2. Date of attribution of the capital income (pursuant to section 31 (1) sentence 2 of the Investment Tax Act): 22 March*

3. *Names and addresses of D and E, the investors who are shareholders of the special investment fund*
4. *Total number of shareholdings in the special investment fund: 2*
Number of shareholdings held by each investor on the date of attribution:
D (1 shareholding) and E (1 shareholding)
5. *Name and identification number pursuant to section 139b of the Fiscal Code or tax identifier issued by the country of residence or business identification number pursuant to section 139c of the Fiscal Code for investor D*

II. (Information pursuant to section 45b (2) sentence 1 of the Income Tax Act)

1. *Business identification number of the special investment fund pursuant to section 139c of the Fiscal Code or, if no business identification number has yet been assigned, the tax number*
2. *€50; securities class, ISIN, payment date: 24 March*
3. *€12.50 capital income tax and €0.69 solidarity surcharge*
4. *25%*
5. *Number of securities per securities class and payment date: 50; agreed delivery cum-dividend, delivery cum-dividend*
6. *Trade date: 15 March; agreed settlement date: 17 March; actual settlement date: 17 March; number of securities: 50*
7. *Securities account number: 12345*

III. Section 45b (3) of the Income Tax Act

1. General information on section 45b (3) of the Income Tax Act

- 13 The tax certificate for the withheld capital income tax on the dividend payments from shares held in custody as cover assets for depositary receipts may be issued only by the entity that withheld and remitted the capital income tax on the dividend payments from the shares. This is the German custodian of the shares being held in custody as cover assets for the issued depositary receipts. The tax certificate provided by the German custodian to the holder of the depositary receipt via the chain of custody at the request of the holder's custodian bank must contain the information set out in section 45b (3) sentences 1 and 2 of the Income Tax Act.

If a German custodian bank for depositary receipts for domestic shares held in custody in Germany withholds taxes a second time on the dividends received via the chain of custody and credited to its securities account client, the taxes withheld must also be reported pursuant to section 45b (4) or (5) of the Income Tax Act. It is acceptable if

the tax certificate issued for the second deduction of withholding tax does not include the additional information pursuant to section 45b (3) sentence 2 of the Income Tax Act.

It is acceptable for the issuer of the tax certificates to transmit the information required pursuant to section 45b (3) sentence 2 nos 1 to 3 of the Income Tax Act to a central reporting office where it can be accessed by the custodian of the shares being held in custody as cover assets for the issued depositary receipts .

2. Section 45b (3) sentence 3 of the Income Tax Act

- 14 It is acceptable for the credit institution to issue, before the first dividend payment date for the shares held in custody, a written declaration pursuant to section 45b (3) sentence 3 of the Income Tax Act for all shares or individual classes of security held in custody by another institution for which a tax certificate is to be issued. The declaration applies to all dividend payments in the calendar year covered by the declaration until it is revoked. It must be reissued on an annual basis. It is acceptable for the declaration pursuant to section 45b (3) sentence 3 of the Income Tax Act to be transmitted electronically.

The credit institution must declare, in respect of the shares held by the custodian for which tax certificate are to be issued, that (a) it did not issue any depositary receipts and (b) the shares held in custody are not, to its knowledge, being used by a third party as cover assets for depositary receipts. The declaration must include the name and address of the credit institution as well as the name and function of the person making the declaration on behalf of the credit institution.

If all or some of the shares are used as cover assets for depositary receipts, the custodian must be notified about the number of securities being used as cover assets. Insofar as the deposited shares are used as cover assets for depositary receipts, the tax certificates must be issued in accordance with section 45b (3) sentences 1 and 2 of the Income Tax Act.

3. Section 45b (3) sentence 4 of the Income Tax Act

- 15 It is acceptable for the issuer of the depositary receipt to transmit the written declaration to a central reporting office, where it can be accessed by the German custodians.

IV. Data transmission procedure pursuant to section 45b (4) to (6) of the Income Tax Act and section 45c (1) and (2) of the Income Tax Act

- 16 Data is transmitted via a “mass data interface” for all types of reporting in accordance with sections 45b and 45c of the Income Tax Act. Reporting entities and any service providers must use their own specific registration number when transmitting the data. If the data is transmitted via a service provider, the reporting entity does not have to apply for its own access/certificate to transmit the data. If the reporting entity or service provider already has a registration number for the special control procedure for exemption orders (*Freistellungsaufträgekontrollverfahren*, FSAK), this registration number must also be used for notifications pursuant to 45b (4) to (6) of the Income Tax Act.

Every reporting entity may transmit the data grouped by business area using its company-specific registration number. The Federal Central Tax Office does not issue reporting entities with separate registration numbers for each business area.

It is sufficient for reporting entities to inform the holders of the securities accounts that they have transmitted the data pursuant to section 45b (4) to (6) of the Income Tax Act. It is also possible to inform the account holders that the data must be transmitted, in principle, as per section 45b (4) to (6) of the Income Tax Act before actually transmitting the data. If a securities account holder is issued with a tax certificate, it is acceptable to include this information on the tax certificate.

If a certificate based on Template I in the Federal Finance Ministry Circular of 23 May 2022 (Federal Tax Gazette I, p. 860) must be issued to the capital income creditor, the capital income tax specified on this certificate and the supplemental taxes owed thereon must be reported to the Federal Central Tax Office as per section 45b (4) sentence 3 of the Income Tax Act. The reporting obligation pursuant to section 45b (4) sentence 3 of the Income Tax Act applies regardless of whether or not losses are actually offset.

V. Correcting inaccurate reports

- 17 If a data report contains errors, the inaccurate data set must be corrected (correction report). The correction report must include a reference to the UUID of the inaccurate

(initial) report and the entire corrected data set. The corrected data set must contain the corrected data as well as the original data that did not need to be corrected.

A cancellation report should be submitted instead of a correction report only if the data set should not have been transmitted in the first place.

A correction report must be transmitted if the securities' acquisition information needs to be changed following the initial transmission of the reportable data set. An amended certificate does not need to be issued in this case.

It is acceptable for a monthly correction report to be transmitted on a consolidated basis.

VI. Procedure for issuing replacement certificates / supplementary certificates

1. Procedure for issuing replacement certificates

18 Section 45a (5) and (6) governs two separate procedures. The first applies when issuing a replacement certificate if the original certificate is lost or destroyed (section 45a (5) of the Income Tax Act) and the second relates to the correction of an inaccurate certificate (section 45a (6) of the Income Tax Act). The two situations must be viewed separately when it comes to specifying the serial number. When issuing a replacement certificate, the original certificate must be referenced so that the replacement certificate can be identified in the system under the same serial number as the original certificate. The data set is given the report category "Ersatz"(replacement).

When issuing an amended tax certificate pursuant to section 45a (6) of the Income Tax Act, the certificate must be issued with a new serial number. The corrected data set must be reported using the newly assigned serial number with reference to the UUID of the initial report and the entire corrected data set.

2. Procedure for issuing supplementary certificates

19 When issuing a supplementary certificate (see the Federal Finance Ministry circular of 23 May 2022 (Federal Tax Gazette I, p. 860, margin no 6), the certificate must be

assigned a new serial number. The data set must be reported using the newly assigned serial number. The certificate must be marked as a supplementary certificate.

VII. Reporting the tax identifier pursuant to section 45b (5) of the Income Tax Act

- 20 The tax identification number pursuant to section 139b of the Fiscal Code of a creditor with limited tax liability, if it is known, must be stated when transmitting the data. In this case, it is not necessary to transmit the identifier assigned by the country of residence. However, in the absence of a tax identification number pursuant to section 139b of the Fiscal Code, the reportable data set should include the tax identifier assigned by the country of residence pursuant to section 45b (5) of the Income Tax Act. The paying agent is obliged to carry out a plausibility check on the tax identification number provided by the securities account holder. For this purpose it is acceptable to use the procedure for checking the plausibility of an identification number set out in the Standard for Automatic Exchange of Financial Account Information in Tax Matters.

VIII. Changes between limited and unlimited tax liability over the course of a year

- 21 A distinction must be made between periods of limited tax liability and periods of unlimited tax liability when issuing tax certificates. The procedure for issuing a tax certificate and the associated procedure for reporting to the revenue administration depends on whether the income was received in a period of limited or unlimited tax liability (report pursuant to section 45b (5) of the Income Tax Act for the period of limited tax liability; report pursuant to section 45b (4) of the Income Tax Act for the period of unlimited tax liability). The tax certificates (in the case of unlimited tax liability) / reportable data sets (in the case of limited tax liability) must each be assigned their own serial number and reported to the Federal Central Tax Office.

IX. Report pursuant to section 45b (4) sentence 3 of the Income Tax Act

- 22 The capital income tax withheld for the securities account client and indicated on the officially prescribed form must be reported alongside the supplemental taxes pursuant to section 45b (4) sentence 3 of the Income Tax Act. The reporting obligation pursuant to section 45b (2) of the Income Tax Act remains unaffected and exists alongside the reporting obligation pursuant to section 45b (4) sentence 3 of the Income Tax Act.

Example

*Capital income after loss offsetting: €10,000, which includes dividend income of €100
Information in the annual tax certificate in accordance with Template I:*

Capital income: €10,000

Capital income tax = €2,500

Solidarity surcharge = €137.50

Information pursuant to section 45b (4) sentence 3 of the Income Tax Act:

Capital income tax: €2,500

Solidarity surcharge: €137.50

Indication of the dividend amount pursuant to section 45b (2) of the Income Tax Act:

Section 45b (2) no 2 of the Income Tax Act: €100

Section 45b (2) no 3 of the Income Tax Act: €25 capital income tax, €1.37 solidarity surcharge

X. Transmission of data pursuant to section 45b (6) sentence 1 of the Income Tax Act

- 23 If the paying agent has withheld capital income tax at a rate of 25% on the capital income it disbursed in accordance with section 43a (1) sentence 1 no 1 of the Income Tax Act and has not issued a tax certificate or transmitted data in accordance with section 45b (5) of the Income Tax Act, it must be ensured that data relating to the capital income is transmitted in accordance with 45b (6) sentence 1 of the Income Tax Act.

Example

Bank C holds 100 shares of X-AG in custody for client A and 100 shares of X-AG for client B. Client A and client B are natural persons resident in Germany. Bank C credits the net dividends to client A and client B respectively, after withholding capital income tax at a rate of 25%. Client A is issued with a tax certificate for the dividends from X-AG credited to its account; client B is not issued with a tax certificate.

For client A's 100 shares, it must be ensured that a report pursuant to section 45b (4) of the Income Tax Act is submitted; for client B's 100 shares, a report pursuant to section 45b (6) sentence 1 of the Income Tax Act must be submitted. The data reports must specify the amount of capital income tax on the dividend payments taken into account for client A and client B before the income was offset against any negative capital income or an exemption order was taken into account.

The information pursuant to section 45b (6) sentence 1 of the Income Tax Act relating to the securities account held by the paying agent must be transmitted to the Federal Central Tax Office.

XI. Transmission of data if capital income tax is not withheld or is only partially withheld pursuant to section 45b (6) sentence 2 of the Income Tax Act

1. Content of the report pursuant to section 45b (6) sentence 2 in conjunction with section 45b (2) sentence 1 no 3 of the Income Tax Act if capital income tax is not withheld or is only partially withheld

- 24 If tax was not withheld by the paying agent on the basis of a non-assessment certificate (*Nichtveranlagungsbescheinigung*), the report pursuant to section 45b (6) sentence 2 in conjunction with subsection (2) no 3, first alternative, of the Income Tax Act must indicate the actually withheld and remitted capital income tax as €0 (if no tax has been withheld). There is no need to indicate the gross capital income tax due on a dividend payment before the non-assessment certificate has been taken into account.

An example of tax being only partially withheld is if capital income pursuant to section 43 (1) sentence 1 no 1a of the Income Tax Act was subject not to the 25% tax rate as per section 43a (1) no 1 of the Income Tax Act, but to a lower tax rate (in particular 15% after submission of a status certificate pursuant to section 7 (3) of the Investment Tax Act or pursuant to section 44a (10) sentence 1 no 3 in conjunction with section 44a (8) sentence 2 of the Income Tax Act). If an exemption order is taken into account or tax is not withheld or is only partially withheld due to offsetting of negative capital income, this does not constitute a case of not withholding tax or only partially withholding tax within the meaning of section 45b (6) sentence 2 of the Income Tax Act.

2. Content of the report if capital income tax is not withheld or is only partially withheld and a tax certificate is not issued

- 25 If and the paying agent does not withhold tax or only partially withholds tax and either (a) does not issue a tax certificate or (b) does not transmit information as per section 45a (2a) of the Income Tax Act, the reportable data set stipulated in section 45b (6) sentence 2 of the Income Tax Act must be transmitted.

If no tax certificate is issued, it is acceptable in cases of not withholding or only partially withholding tax to simplify the reporting procedure by limiting the reportable data set to the information listed in points 1 to 9 below (content of the reportable data set pursuant to section 45b (6) sentence 1 of the Income Tax Act plus the acquisition and disposal information for the securities and the legal basis for not withholding tax):

1. Identification number pursuant to section 139b of the Fiscal Code of the capital income creditor; or, if the capital income creditor is not a natural person, the creditor's

company name or name, address and business identification number pursuant to section 139c of the Fiscal Code; or, if no business identification number has yet been assigned, the creditor's tax number; and for taxpayers resident abroad, also the tax identifier issued by the country of residence

2. Gross amount of the capital income accruing to the capital income creditor per securities class and payment date, specifying the name and the international securities identification number of the security

3. Amount of withheld and remitted capital income tax per securities class and payment date and the amount of withheld and remitted supplemental taxes

4. Tax rate applied in each case

5. Number of securities per securities class and payment date

6. For securities acquisitions or securities transfers on the basis of securities lending or repo transactions, the respective actual settlement date (date on which the securities were booked into the paying agent's account) as well as the respective number of securities

7. For securities disposals or return transfers on the basis of lending or repo transactions, insofar as the securities were disposed of or transferred back within 45 days after the due date of the capital income, the actual settlement date (date on which the securities were booked out of the paying agent's account) and the respective number of securities

8. Creditor's bank or securities account number plus the paying agent's bank or securities account number if the account or securities account is not maintained directly for the capital income creditor

9. Legal basis for not withholding tax or only partially withholding tax

3. Content of the report if capital income tax is not withheld or is only partially withheld and a tax certificate is issued

26 If tax is not withheld or is only partially withheld and a tax certificate is issued or information as per section 45a (2a) of the Income Tax Act is transmitted, the paying agent must assign a serial number and transmit one of the following to the Federal Central Tax Office: (a) for a creditor with unlimited tax liability, a data set as per section 45b (4) in conjunction with section 45b (6) sentence 2 of the Income Tax Act

or (b) for a creditor with limited tax liability, a data set as per section 45b (5) in conjunction with section 45b (6) sentence 2 of the Income Tax Act. If tax is not withheld or is only partially withheld, the reportable data is governed by section 45b (6) sentence 2 of the Income Tax Act, which stipulates that the information specified in section 45b (6) sentence 2 nos 1 and 2 of the Income Tax Act must be transmitted in addition to the information specified in section 45b (2), (3) sentence 2 and (5) sentence 1 of the Income Tax Act.

If tax was withheld at a rate of only 15% based on the submission of a status certificate pursuant to section 7 (3) in conjunction with section 7 (1) of the Investment Tax Act, this is deemed to constitute a partial withholding of tax within the meaning of section 45b (6) sentence 2 of the Income Tax Act. If a tax certificate was issued for the tax withheld at a lower rate, then the legal basis for withholding it at a lower rate must be provided as per section 45b (6) sentence 2 of the Income Tax Act and, in addition, the information specified in section 45b (2) of the Income Tax Act must be included in the reportable data set.

Examples relating to margin nos 24 to 26

Example 1 – *Tax is only partially withheld and a tax certificate is issued: An investment fund has submitted a status certificate pursuant to section 7 (3) of the Investment Tax Act to the paying agent. The paying agent withholds tax at a rate of 15% as per section 7 (1) of the Investment Tax Act.*

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was only partially withheld.

The legal basis for only partially withholding tax must be indicated together with the information specified in section 45b (2), (3) sentence 2 and (5) sentence 1 of the Income Tax Act.

Information regarding the amount of tax withheld and the tax rate applied:

Section 45b (2) no 3, first alternative, of the Income Tax Act: withheld and remitted capital income tax in the amount of 14.218% of the capital income plus solidarity surcharge as a supplemental tax in the amount of 0.782% of the capital income.

Section 45b (2) no 4 of the Income Tax Act: tax rate applied in each case = 14.218% and 0.782%

Information pursuant to section 45b (6) sentence 2 of the Income Tax Act: legal basis = section 7 (1) of the Investment Tax Act

Example 2 – *Tax is only partially withheld and no tax certificate is issued: An investment fund has submitted a status certificate pursuant to section 7 (3) of the Investment Tax Act to the paying agent. The paying agent withholds tax at a rate of 15% as per section 7 (1) of the Investment Tax Act. No tax certificate is issued.*

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was only partially withheld. The reportable data set must be transmitted pursuant to section 45b (6) sentence 2 of the Income Tax Act using the simplified reportable data set in accordance with margin no 25 (data set pursuant to section 45b (6) sentence 1 of the Income Tax Act + acquisition information + disposal information + legal basis for only partially withholding tax).

Information regarding the amount of tax withheld tax and the tax rate applied:

Withheld and remitted capital income tax at a rate of 14.218% of the capital income plus solidarity surcharge as a supplemental tax at a rate of 0.782% of the capital income.

Tax rate applied in each case = 14.218 % and 0.782%

Information pursuant to section 45b (6) sentence 2 no 2 of the Income Tax Act: legal basis = section 7 (1) of the Investment Tax Act

Example 3 – *Tax is withheld at a rate of 25% due to lack of a status certificate: A German investment fund has not submitted a status certificate to the paying agent:*

a) A tax certificate is issued:

-> Section 45b (2) of the Income Tax applies, 45b (6) of the Income Tax does not apply, as without submission of a status certificate, tax was not withheld at a reduced rate and a tax certificate was issued.

Information regarding the amount of tax withheld tax and the tax rate applied:

Section 45b (2) no 3, first alternative, of the Income Tax Act: withheld and remitted capital income tax at a rate of 25% of the capital income plus solidarity surcharge as a supplemental tax at a rate of 5.5% of the capital income tax.

Section 45b (2) no 4 of the Income Tax Act: tax rate applied in each case = 25% and 5.5%

b) No tax certificate is issued:

-> Section 56b (6) sentence 1 of the Income Tax Act applies, as no tax certificate was issued and the tax was withheld in full at the standard rate. It does not constitute a case of tax being partially withheld.

Information regarding the amount of tax withheld tax and the tax rate applied:

Information pursuant to section 45b (6) sentence 1 no 4 of the Income Tax Act: withheld and remitted capital income tax at a rate of 25% of the capital income plus solidarity surcharge as a supplemental tax at a rate of 5.5% of the capital income tax.

Tax rate applied in each case = 25% and 5.5%.

Example 4 – *Tax is only partially withheld pursuant to section 44a (10) sentence 1 no 3 of the Income Tax Act following submission of a certificate pursuant to section 44a (8) sentence 2 of the Income Tax Act:*

a) A tax certificate is issued by the paying agent:

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was only partially withheld.

Information regarding the amount of tax withheld tax and the tax rate applied:

Section 45b (2) no 3, first alternative, of the Income Tax Act: withheld and remitted capital income tax at a rate of 15% of the capital income plus solidarity surcharge as a supplemental tax at a rate of 5.5% of the capital income tax.

Section 45b (2) no 4 of the Income Tax Act: tax rate applied in each case = 15% and 5.5%

Information pursuant to section 45b (6) sentence 2 no 2 of the Income Tax Act: legal basis = section 44a (10) sentence 1 no 3 of the Income Tax Act in conjunction with section 44a (8) of the Income Tax Act.

b) No tax certificate is issued by the paying agent:

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was only partially withheld. The reportable data set must be transmitted pursuant to section 45b (6) sentence 2 of the Income Tax Act using the simplified reportable data set in accordance with margin no 24 (data set pursuant to section 45b (6) sentence 1 of the Income Tax Act + acquisition information + disposal information + legal basis for only partially withholding tax).

Information regarding the amount of tax withheld tax and the tax rate applied:

Information pursuant to section 45b (6) sentence 1 no 4 of the Income Tax Act: withheld and remitted capital income tax in the amount of 15% of the capital income plus solidarity surcharge as a supplemental tax in the amount of 5.5% of the capital income.

Information pursuant to section 45b (6) sentence 1 no 4 of the Income Tax Act: tax rate applied in each case = 15% and 5.5%

Information pursuant to section 45b (6) sentence 2 no 2 of the Income Tax Act: legal basis = section 44a (10) sentence 1 no 3 of the Income Tax Act in conjunction with section 44a (8) of the Income Tax Act

Example 5 – Tax is only partially withheld pursuant to section 44a (10) sentence 1 no 2 of the Income Tax Act following submission of a certificate pursuant to section 44a (7) sentence 2 of the Income Tax Act. The gross capital income amounts to €30,000. The paying agent withholds three fifths of the capital income in excess of €20,000 (= €1,500 capital income tax) pursuant to section 44a (10) sentence 1 no 2 of the Income Tax Act.

a) A tax certificate is issued by the paying agent:

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was only partially withheld.

Gross amount: €30,000

Information regarding the amount of tax withheld tax and the tax rate applied:

Section 45b (2) no 3, first alternative, of the Income Tax Act: withheld and remitted capital income tax in the amount of €1,500 plus solidarity surcharge as a supplemental tax in the amount of €82.50.

Section 45b (2) no 4 of the Income Tax Act: tax rate applied in each case = 15% and 5.5%

Information pursuant to section 45b (6) sentence 2 no 2 of the Income Tax Act: legal basis = section 44a (10) sentence 1 no 2 of the Income Tax Act in conjunction with section 44a (7) of the Income Tax Act

b) No tax certificate is issued by the paying agent:

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was only partially withheld. The reportable data set must be transmitted pursuant to section 45b (6) sentence 2 of the Income Tax Act using the simplified reportable data set (data set pursuant to section 45b (6) sentence 1 of the Income Tax Act + acquisition information + disposal information + legal basis for only partially withholding tax).

Information regarding the amount of tax withheld tax and the tax rate applied:

Information pursuant to section 45b (6) sentence 1 no 4 of the Income Tax Act: withheld and remitted capital income tax in the amount of €1,500 plus solidarity surcharge as a supplemental tax in the amount of €82.50

Information pursuant to section 45b (6) sentence 4 of the Income Tax Act: tax rate applied in each case = 15% and 5.5%

Information pursuant to section 45b (6) sentence 2 no 2 of the Income Tax Act: legal basis = section 44a (10) sentence 1 no 2 of the Income Tax Act in conjunction with 44a (7) of the Income Tax Act

Example 6 – *No tax is withheld and no tax certificate is issued: A foundation or legal person within the meaning of section 44a (7) sentence 1 no 2 or 3 of the Income Tax Act submits a certificate pursuant to section 44a (7) sentence 2 of the Income Tax Act. The paying agent does not withhold tax on the dividend payment pursuant to section 44a (10) sentence 1 no 2 of the Income Tax Act.*

-> Section 45b (6) sentence 2 of the Income Tax Act applies, as tax was not withheld. The reportable data set pursuant to section 45b (6) sentence 2 of the Income Tax Act must be transmitted using the simplified reportable data set (data set pursuant to section 45b (6) sentence 1 of the Income Tax Act + acquisition information + disposal information + legal basis for not withholding tax). In this case, the applied tax rate must be reported as 0%.

4. Application of section 45b (6) sentence 1 of the Income Tax Act for client securities accounts maintained by a German credit institution for other German and foreign credit institutions

- 27 If a credit institution maintains a securities account for another credit institution and if the credit institution issues a tax certificate for only some of the holdings, then the information pursuant to section 45b (6) sentence 1 of the Income Tax Act must be transmitted only for the income from securities holdings for which no tax certificate was issued. For income from securities holdings for which a tax certificate was issued, it must be ensured that a report is submitted pursuant to section 45b (4) of the Income Tax Act, or pursuant to section 45b (5) of the Income Tax Act in the cases set out in section 45a (2a) of the Income Tax Act.

Example:

Bank A holds 100 shares of C-AG for foreign bank B. At the request of its client, bank B requests the transmission of information pursuant to section 45b (5) of the Income Tax Act for 70 of the shares. For the remaining 30 shares, bank A does not issue a tax certificate or transmit data in accordance with section 45b (5) of the Income Tax Act.

Data transmission process:

Bank A transmits the information pursuant to section 45b (5) of the Income Tax Act for the holding of 70 shares. For the remaining 30 shares, it must ensure that the information is transmitted pursuant to section 45b (6) sentence 1 of the Income Tax Act.

5. Section 45b (6) sentence 3 of the Income Tax Act

- 28 Pursuant to section 45b (6) sentence 3 of the Income Tax Act, the data must be transmitted pursuant to section 45b (6) sentence 1 or 2 of the Income Tax Act by no later than 31 July of the calendar year following the year in which the capital income was accrued. It is acceptable if the data determined as at 31 July is transmitted by no later than 31 August of the year following the year in which the capital income accrued.

A report pursuant to section 45b (6) sentence 1 of the Income Tax Act must also be transmitted if the securities account holder requested a tax certificate or the transmission of information pursuant to section 45a (2a) of the Income Tax Act, but the certificate has not been issued or the information has not been transmitted by 31 July. As soon as the information has been transmitted pursuant to section 45a (2a) of the Income Tax Act or a tax certificate has been issued, at a later date, the initial report

pursuant to section 45b (6) of the Income Tax Act must be corrected by transmitting the data pursuant to section 45b (4) or (5) of the Income Tax Act with reference to the initial report.

XII. Section 45b (7) sentence 3 of the Income Tax Act

- 29 In accordance with section 45b (7) sentence 3 of the Income Tax Act, the certificate pursuant to 45a (2) of the Income Tax Act may only be issued and the information pursuant to section 45a (2a) of the Income Tax Act may only be transmitted if the paying agent disbursing the capital income is in possession of all of the information pursuant to section 45b (2) and (3) of the Income Tax Act. This also includes data on the intermediary custodians who come after the paying agent (in sequential order) in the chain of custody (it is not necessary to transmit data on custodians who came before the paying agent in the chain of custody). Issuing a tax certificate requires clear attribution, within the chain of custody of the shares, of the dividend income and the withheld capital income tax.

A certificate must not be issued if the paying agent is aware or, in accordance with the due care of a prudent merchant, ought to have been aware, that the information on the certificate or the transmitted data is incorrect or incomplete. Compliance with due diligence requirements is ensured in particular by the paying agent's internal controls to prevent incorrect information as well as by audit activities. In particular, it can be assumed that the paying agent was aware, or ought to have been aware, of incorrect information if, when issuing the certificate, the paying agent disregards facts that it was aware or became aware of that indicate that the certified information is incorrect. If there is no specific reason to doubt the accuracy of the information, there is no need to further investigate the facts. Facts that the issuer of the certificate should be aware of include facts acquired in the course of its business activities which indicate that the information is incorrect. If there is no indication that any of the information is incorrect, the paying agent may issue the tax certificate or transmit the requested information pursuant to 45a (2a) of the Income Tax Act.

Example 1

The German paying agent (bank A) receives a request from its foreign securities account client (bank B) to transmit data pursuant to section 45a (2) of the Income Tax Act. According to the request, the data set to be transmitted is for a natural person (C). The request contains no information on the intermediary custodians.

Since bank B is applying for a tax certificate not for itself but for C, it is clear to the custodian bank that the information regarding the chain of custody for this request is

incorrect and that a tax certificate that fails to mention the intermediary custodians would be incorrect.

Example 2

The German paying agent (bank A) receives a request from its foreign securities account client (bank B) to transmit data pursuant to section 45a (2) of the Income Tax Act. According to the request, the data set to be transmitted is for a natural person (C). The actual settlement date pursuant to section 45b (2) no 6 of the Income Tax Act is given as 23 February of the current calendar year. At 12 midnight on 23 February of the calendar year, no securities of this class were held in custody for bank B.

It is clear to bank A that the actual settlement date is incorrect and that a tax certificate issued on this basis would be incorrect. Before issuing a tax certificate, bank B must clarify the origin of the shares.

XIII. Section 45b (8) of the Income Tax Act

- 30 The statutory retention requirements remain unaffected by the rules on correcting data sets pursuant to section 45b (8) of the Income Tax Act.

Data sets must also be corrected if a tax certificate is issued following submission of the report by 31 July as per section 45b (6) sentence 3 of the Income Tax Act, on account of which the reports pursuant to section 45b (6) sentence 1 of the Income Tax Act need to contain additional information.

XIV. Information pursuant to section 45c (1) of the Income Tax Act

- 31 Pursuant to section 45c (1) sentence 1 no 1 of the Income Tax Act, the gross income before deducting capital income tax must be stated per securities class and payment date.

Information about withheld and remitted capital income tax pursuant to section 45c (1) sentence 1 no 2 of the Income Tax Act and about certified capital income tax pursuant to section 45c (1) sentence 1 no 3 of the Income Tax Act must be indicated in accordance with margin no 4.

Example 1

A credit institution holds 200 shares of X-AG in custody for securities account clients, who were credited dividends totalling €200. 100 of the total number of shares are held

for natural persons resident in Germany. The dividend payments were taken into account in the annual tax certificate.

The remaining 100 shares are held for one client, for whom the credit institution has withheld tax in the amount of three fifths of the capital income pursuant to section 44a (10) sentence 1 no 3 of the Income Tax Act. No tax certificate was requested.

The credit institution reports the following pursuant to section 45c (1) sentence 1 of the Income Tax Act for a holding of 100 shares:

no 1: gross income: €100

no 2: withheld and remitted capital income tax: €25; solidarity surcharge: €1.37

no 3: capital income tax: €25; solidarity surcharge: €1.37

no 4: 100 shares

no 5: ISIN and designation of the security category of X-AG

The credit institution reports the following pursuant to section 45c (1) sentence 2 of the Income Tax Act for a holding of 100 shares:

no 1: gross income: €100

no 2: withheld capital income tax: €15; solidarity surcharge: €0.82

no 3: 0

no 4: 100 shares

no 5: ISIN and designation of the security category X-AG

Legal basis: section 44a (10) sentence 1 no 3 of the Income Tax Act

Example 2

A dividend of €100 is paid out on a holding of 100 shares held in custody by a credit institution. The credit institution offsets the dividend income against other losses pursuant to section 43a (3) sentence 2 of the Income Tax Act.

The report pursuant to section 45c (1) no 2 of the Income Tax Act in conjunction with section 45c (1) no 3 of the Income Tax Act does not have to include the offset dividend income.

Content of the reportable data set:

no 2: capital income tax: €25; supplemental tax: €1.37

no 3: capital income tax: €2; supplemental tax: €1.37

If capital income tax was not withheld due to an exemption order being taken into account or as a result of the dividend income being offset against negative capital income, section 45c (1) sentence 2 of the Income Tax Act does not apply.

XV. Information pursuant to section 45c (2) of the Income Tax Act

For a report pursuant to section 45c (2) sentence 1 no 3 of the Income Tax Act, the securities holdings on the cut-off date to determine the distribution of dividends are decisive. The cut-off date is either the day of the annual general meeting or the record date announced for the dividend settlement. If the dividend settlement vis-à-vis the securities account clients is carried out on the basis of the holdings on the day of the annual general meeting, the holdings on that date are decisive. If the dividend settlement vis-à-vis the securities account clients is carried out on the basis of the holdings at a later date, in particular on the basis of the holdings on the record date in accordance with the Market Standards for Corporate Actions (CAJWG standards), the holdings on that date are decisive.

The actual amount credited to the securities account holder based on the holdings must be included in the reportable data set.

Section 45c (2) sentence 1 no 4 of the Income Tax Act covers payments that were credited to the acquirer of a share during the compensation period after the record date as compensation for the dividend payment that was not credited. The reportable data set must include the actual amount credited to the securities account holder on the basis of the shares booked in or booked out of the account.

Section 45c (2) sentence 1 no 5 of the Income Tax Act covers debits posted to the client account after the record date during the compensation period to adjust (compensate) for received dividend payments or compensation payments. The amount to be taken into account is the amount after adjusting for tax (debiting of the compensation payment by the central securities depository, taking into consideration the capital income tax).

Compensation payments must be reported only if they are posted to the client account. If the dividend payments are settled by the paying agent vis-à-vis their securities account clients on the basis of the Market Standards for Corporate Actions (CAJWG standards), in particular, compensation payments as per section 45c (2) sentence 1 nos 4 to 6 of the Income Tax Act which are posted in the process of settling the dividends must be reported. If the paying agents do not post any compensation payments for their securities account clients and if the CAJWG standards in particular are not applied, the information pursuant to section 45c (2) sentence 1 nos 4 to 6 does not need to be reported.

Pursuant to section 45c (2) sentence 1 no 6 of the Income Tax Act, the amount to be reported is the amount remaining after netting all credits against debits.

Pursuant to section 45c (2) sentence 1 no 7 of the Income Tax Act, the amount to be reported is the amount of capital income tax remitted after accounting for credits and debits.

Example

Non-resident A has a securities account at Clearstream Banking AG, Frankfurt.

Securities account balance on the record date = 1,000,000 shares

Securities are traded on the business day before the ex-date, but delivered after the record date:

- 1. Acquisition of 550,000 shares*
- 2. Disposal of 400,000 shares*

The distribution of dividends per share is €1.

The solidarity surcharge is not taken into account.

	Shares	Gross	Capital income tax	Credit / debit
Section 45c (2) sentence 1 no 3 of the Income Tax Act: credited capital income (based on the securities holdings on the entitlement date):	1,000,000	€1,000,000.00	- €250,000.00	€750,000.00
Section 45c (2) sentence 1 no 4 of the Income Tax Act: credited compensation payments	550,000	€550,000.00	- €137,500.00	€412,500.00
Section 45c (2) sentence 1 no 5 of the Income Tax Act: debited compensation payments	- 400,000	- €400,000.00	€100,000.00	€300,000.00
	1,150,000	€1,150,000.00	- €287,500.00	€862,500.00

Content of data set:

Section 45c (2) sentence 1 no 3 of the Income Tax Act:

Credit: €750,000

Shares: 1,000,000

Section 45c (2) sentence 1 no 4 of the Income Tax Act:

Credit: €412,500

Shares: 550,000

Section 45c (2) sentence 1 no 5 of the Income Tax Act:

Debit: €300,000 (gross compensation after accounting for tax)

Shares: 400,000

Section 45c (2) sentence 1 no 6 of the Income Tax Act:

€862,50 (€750,000 + €412,500 - €300,000)

Shares: 1,150,000

Section 45c (2) sentence 1 no 7 of the Income Tax Act

€287,500 (€250,000 + €137,500 - €100,000)

XVI. Taking into account corrections in accordance with section 43a (3) sentence 7 of the Income Tax Act

33. A correction in accordance with section 43a (3) sentence 7 of the Income Tax Act does not trigger a correction report in accordance with section 45b (8) of the Income Tax Act or 45c (3) sentence 2 of the Income Tax Act. If a correction must be made in accordance with section 43a (3) sentence 7 of the Income Tax Act, a correction report must be submitted for the year in which the correction was made. The report must be based on the acquisition information and, if applicable, disposal information for the securities giving rise to the report. The capital income data set already transmitted before the correction was made does not need to be corrected.