

# acupay Special Update

Monday January 22, 2018

## Germany – Significant Changes to DTV Submission Procedures

Changes to procedures expected to affect non-German investment funds, reclaim requests for beneficial owners with DTT rates less than 15%, and more

There have been several changes made recently to submission procedures and processing for the German DTV (Electronic Quick Refund) which will affect when and how certain types of beneficial owners can file their reclaim requests.

## Requesting Reclaims for Beneficial Owners Eligible To DTT Rates Less Than 15%

Due to Section 50j of the Income Tax Act (Einkommenssteuergesetz [EStG]), the German tax authorities (BZSt) will not be processing reclaim requests for beneficial owners subject to DTT rates less than 15% via the DTV procedure. Any reclaim requests for a beneficial owner subject to a withholding tax rate less than 15% will have to be submitted to the BZSt via long form reclaim, using a special form. **Beneficial owners who are entitled to a DTT rate lower than 15% withholding cannot request a reclaim via the DTV procedure for a rate greater than or equal to 15% in an attempt to receive a partial reclaim more quickly and avoid filing a long form reclaim.**

Based on the information that we have, the following investor types and countries are expected to be affected by this change:

### Specific Investor Types

- U.S. Charitable Entities [e.g. 501c3] (U.S.)
- U.S. Qualified Pension Funds [e.g. 401a, 501a] (U.S.)
- Dutch Qualified Pension Funds [according to Art. 10 para. 2 HS. 2 b DBA NL] (Netherlands)
- U.K. Qualified Pension Funds [according to Art. 10 para. 2 HS. 2 b DBA GB] (United Kingdom)
- Qualifying Swiss companies [must be a company that utilizes the hydroelectric power of the Rhine River between Lake Constance and Basel, according to Art. 10 para. 2 HS. 2 a DBA CH] (Switzerland)

### All Investor Types

- Armenia
- Bolivia
- China
- Georgia
- India
- Israel
- Mongolia
- Syria
- Taiwan
- Ukraine

- United Arab Emirates

## Reclaim Requests for Non-German Investment Funds

The BZSt introduced a new relief at source procedure to be used for non-German investment funds which should be available as of the sending of this newsletter (from January 1, 2018). Because of this, non-German investment funds will no longer be able to file reclaim requests via the DTV procedure.

In order for a non-German investment fund to receive the reduction of withholding tax to 15% at source, they will need to apply for a “Statusbescheinigung” (Eligibility Certificate) with the BZSt and present it to the last domestic paying agent or central security depository (CSD), whichever is obligated to transmit the tax to the BZSt. The Statusbescheinigung can be applied for at the BZSt (Department St II 5) and retroactively issued for a 6 month period prior to the application. The maximum issuance period will be 3 years. For further information about the Statusbescheinigung, visit the BZSt’s website or contact their hotline using the details listed below:

**Website:** [http://www.bzst.de/DE/Steuern\\_International/Auslaendische\\_Investmentfonds](http://www.bzst.de/DE/Steuern_International/Auslaendische_Investmentfonds)

**Hotline:** 0049 (0) 228 406 3550

If the tax relief request is not filed through the new relief at source procedure, it will have to be filed as a long form reclaim.

## General Submission Process Changes

In addition to the larger changes mentioned above, there will also be a few smaller changes to the procedures for reclaims submitted through the Acupay System for DTV processing.

### Letter of Authorization

Acupay will now require that a Letter of Authorization be on file for each beneficial owner submitted through its system for DTV requests. The Letter of Authorization will need to be signed by the beneficial owner and will authorize the custodian to take the necessary steps to file a DTV request on their behalf.

At this time, the BZSt has not made the template for the Letter of Authorization available on its website, but we will send a reminder with more details once they have.

### DTV Package Cover Letter

Acupay will also now require that a DTV Package Cover Letter be signed by the custodian prior to completing its processing and send the documentation to the BZSt. This document will be created by Acupay after each submission’s transmittal document and supporting document(s) have been received and linked to the submission. The details of the related DTV Package (i.e. Acupay submission data files bundled per issue and formatted per the DTV requirements) will already be added to the document so an authorized representative will simply need to print it on corporate letterhead, sign it, and send an original copy to us so that it can be included with the DTV Package files.

### DTV Audit Cover Letter

Similar to the DTV Package Cover Letter, Acupay will be requiring that a cover letter be signed by the custodian to be sent with audit response requests.

For details on upcoming DTV submission deadlines, please visit our [Germany Resources](#) page.

If you have any questions, please don't hesitate to contact Acupay's [A-team](#).

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