

you to US tax. Advance planning for the purchase and ownership of US real estate can help minimise the US tax consequences. The purpose of

this article is to provide an overview of the applicable US tax implications and to introduce structures that may help minimise them.

[Read Moritt Hock & Hamroff LLP's US Tax Considerations Alert \(PDF\).](#)

GGI member firm

**Moritt Hock & Hamroff LLP**

Law Firm Services

Garden City (NY), New York (NY), USA

T: +1 516 873 2000

W: moritthock.com

**Robert M. Finkel**

E: rfinkel@moritthock.com



**Moritt Hock & Hamroff LLP** is a full-service commercial law firm providing a wide range of legal services to businesses, corporations, and individuals worldwide. The firm has 19 practice areas.

**Robert M. Finkel** is the Partner-in-Charge of the firm's New York City office where he serves as Chair of its Tax Practice Group. His practice focuses on the areas of individual and business taxation including tax controversy and tax litigation. Mr. Finkel advises clients on the tax aspects of a wide range of business transactions including



*Robert M. Finkel*

mergers and acquisitions, private equity and real estate transactions.

# 10 Tax Tips You Should be Aware of Before Relocating to Germany

By **Oliver Biernat**

Many people wish to live in Germany because of its beautiful landscape, clear air and economic success but few think about the tax consequences. Germany is not a low-tax jurisdiction and has many anti-tax-avoidance rules. It is therefore extremely important for people with high incomes or wealth to have a German tax expert review their tax situation before moving to Germany, especially in these cases:

1. If you create a residence (one out of many is sufficient) or stay more than 183 days per year in Germany, *...next page*

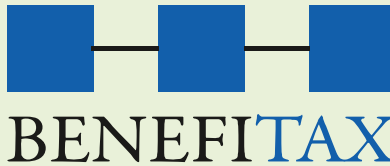


you will be subject to unlimited taxation in Germany. There is no remittance principle and you must declare your worldwide income.

2. Registration or de-registration with the municipality is not decisive for your tax status. Inform the German tax office and prove your presence or non-presence.
3. If you have income from foreign sources, they will be taxed in Germany unless there is a Double Taxation Treaty that grants exemption from taxation or allows you to credit taxes paid abroad.
4. If you own companies abroad, hidden reserves gained before coming to Germany may be taxed in Germany as capital gains.
5. No matter how your foreign LLC or other company is treated abroad, the German tax authorities will decide themselves if it is to be treated as transparent or opaque.
6. If you are a legal representative of a foreign corporation, you may create a place of management in Germany, even if you work from home. All income of the foreign corporation may then be subject to German corporation tax.

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**Benefitax GmbH**  
**Steuerberatungsgesellschaft**  
**Wirtschaftsprüfungsgesellschaft**  
 Advisory, Auditing & Accounting,  
 Corporate Finance, Fiduciary &  
 Estate Planning, Tax  
 Frankfurt am Main, Germany  
 T: +49 69 256 227 60  
 W: benefitax.de  
**Oliver Biernat**  
 E: o.biernat@benefitax.de

**Benefitax GmbH** is a tax consultancy and public auditing company located in Frankfurt, which is widely recognised as the financial centre of Germany. Benefitax



**Oliver Biernat**

predominantly serves German entities of foreign multinational groups, mid-sized German companies with cross-border activities and wealthy private individuals.

**Oliver Biernat** is the Founder and Managing Partner of Benefitax. He is a German chartered accountant, certified tax advisor and Specialist Advisor for International Taxation with more than 20 years of experience. Since 2008, he has chaired GGI's International Taxation Practice Group (ITPG), increasing its size to more than 570 experts from 90 countries in the process.

7. If you inherit or receive gifts from abroad, this is subject to gift tax in Germany.
8. If you own foreign companies, or own more than 10% of the shares in such before coming to Germany, you need to report this to the tax authorities.
9. If you are a beneficiary of a trust, double taxation is likely to happen since trusts do not exist in German law.
10. If you leave Germany, there is an exit taxation. Fictitious profits of assets with hidden reserves may be taxed.

# Novelties in the Swiss Tax at Source

By **Cédric-Olivier Jenoure**  
and **Sascha Wohlgemuth**

Multiple novelties and changes in the Swiss tax at source hold risks for companies and groups concerning the correct declaration of the income of employees who are foreign

residents without settlement permits. Companies, as employers who are liable for the payment of the tax, must take the following into account:

The Swiss Federal Legislator has partially revised the source tax law, by which there can be changes for

companies concerning the correct declaration and payment of tax at source. As of 01 January 2021, a subsequent statutory assessment (SSA) can be requested for all in-Switzerland residing, source-taxable persons. This is obligatory for taxable persons with a yearly income above CHF 120,000.00.