

Tax exemption notice for 2015

Tax exemption

The corporation is exempted from the corporation tax according to § 5 Abs. 1 Nr. 9 KStG and, according to § 3 Nr. 6 GewStG, is exempted from the excise tax because it serves exclusively and directly charitable purposes in the meaning of §§ 51 ff.AO.

The information on the legal remedy relates only to the above statements.

Information on tax incentives

The corporation promotes the following charitable purposes:

- promotion of science and research
- promotion of welfare

The articles of association correspond to § 52 Abs. 2 sentence 1 Nr. 1 und 9 AO.

Information on the issuing of receipts

Confirmation of donation:

The corporation is entitled to issue donation receipts, to be used for these purposes, to issue confirmations of appropriations according to the official form.

The official templates for the issuance of tax-related approvals are available on the Internet under <https://www.formulare-bfinv.de> as fillable forms.

Confirmation of membership for membership amounts:

The corporation is entitled to issue confirmations of membership according to the official form for membership fees.

Donations for donations and membership fees may only be issued if the date of the exemption decision has not been more than five years. The deadline shall be calculated on a daily basis (§ 63 Abs. 5 AO).

Liability in the event of incorrect acknowledgments of receipt and misused donations

Anyone who intentionally or grossly negligently submits an incorrect acknowledgment of receipt or causes donations not to be used for the purposes of the tax-privileged purposes specified in the confirmation of approval is liable for the lost tax. In this case, the lost income tax or corporation tax is deducted at a rate of 30% of the lost trade tax at a flat rate of 15% of the grant (§ 10b Abs. 4 EstG, § 9 Abs. 3 KStG, § 9 Nr. 5 GewStG).

Notes on the capital gains tax deduction

In the case of capital contributions which are received by 31.12.2020, the transfer of the capital gains tax deduction pursuant to Article 44a and paragraph 4b shall be subject to the submission of this decision or the transfer of an officially certified copy of this decision.

The same applies up to the above date for reimbursement of capital gains tax pursuant to section 44b by the custodian credit or financial services institution.

Remarks

Please note that the use of tax exemption also depends on the actual management, which is subject to the inspection by the financial authorities, possibly in the context of an external audit. The actual management must be directed to the exclusive and immediate fulfillment of

the tax-privileged purposes and to observe the provisions of the Articles of Association.

This must also be proved in the future by means of proper records (statement of revenue and expenditure, activity report, asset overview showing the formation and development of reserves) (§ 63 AO).

Explanations

To check the actual conditions for non-profit-making, the following documents for 2016 should be submitted before 31.05.2017:

- Financial Statements (Cash Report)
- Activity report
- Corporation tax declaration by means of Elsteronline (www.elsteronline.de) according to form KSt 1 B with Annex Gem I

Note: KSt 1 A is only valid for gGmbH

The activity report must indicate the manner in which the actual management was directed to the fulfillment of the purposes of the law.

If you are represented by a member of the tax consultant profession, the tax return is to be issued as of 31.12.2017. In this case, the submission deadline as of 31.05.2017 does not constitute an early requirement for the tax return.

It is necessary to check regularly whether the actual management is in accordance with the non-profit provisions. Please submit your next tax return 2016 in 2017, subject to a different request from the Financial Office. Please ensure that all documents mentioned in the tax declaration are submitted.

Legal advice

The exemption from corporation tax and trade tax can be contested with an appeal.

The objection shall be submitted to the above mentioned financial authority or to the specified outside office, to be transmitted electronically or to be declared there.

However, an appeal shall be excluded insofar as this decision modifies or replaces an administrative act against which an admissible objection or an admissible appeal, revision or non-admissibility is pending (after an admissible objection). In this case, the new administrative act will be the subject of the appeal.

The time limit for lodging an opposition shall be one month.

It shall commence on the expiry of the date on which this notice has been notified to you. In the case of dispatch by means of a simple letter, the notification shall be deemed to have been effected with the third day after posting to the post office, unless the notification is received at a later date