



7-day VAT Form Grace Period for New-Arrivals on German Hotel Accommodations & Vehicle Rentals



Arriving on TDY or PCS? Save money on your Lodging and Vehicle Rental.

If you are just arriving in country and intend to stay in a German hotel or to rent a vehicle, you can take advantage of tax savings by signing up for the VAT program. You can save the 7% taxes assessed for lodging accommodations or 19% for incidental charges in German hotels. The same applies to the 19% VAT on Vehicle Rentals. Participation by vendors is optional, they are not required to accept VAT forms. Please ask the vendors, if they are willing to accept before-hand.

Lodging & Rental Vehicles: As an exception, individuals in TDY or TLA travel status may obtain an unpriced tax-relief purchase order form (VAT form) after they acquire a rental car (e.g. at Airport) or hotel accommodations. This is only permitted **within the first 7 days of arriving in Germany**. A copy of their travel orders must be presented to the Tax Relief Office (TRO) as evidence that they have just arrived in the command and were unable to obtain tax-relief documents before. TROs will keep copies of individual travel documents in order to document and justify after-the-fact, tax-exempt rental car or lodging rental services.

IMPORTANT: The “7-day Grace Period” to sign-up for the VAT program and submission of your VAT form to the hotel or rental car agency “retroactively” applies only to the first 7 days of arrival in country and only if the vendor is willing to accept the form. After the 7-day Grace Period” has expired, VAT forms may only be used from the issue date forward until their expiration date.

Do NOT conduct AFTER-THE-FACT PURCHASES/VAT REFUNDS

Obtaining a VAT form after an order has been placed is not authorized (the order date is the key date, NOT the day the product or service is ready, or when payment is made). That means do NOT sign a bill of sale, PO, offer, etc, do not make a down-payment without the valid VAT form in your hands. The valid Tax-relief form must be in your hands when placing the order (not when paying or receiving the product/service). The only permissible exception is the 7-day grace period described above.

Do NOT conduct split purchases

Splitting invoice amounts between two or more unpriced purchase orders (NF-1 – under €2500 form) to avoid using a priced purchase order (€2500 or higher form) for a total purchase amount of €2,500 or more (not per item but the entire total purchase from one vendor on one day) is not authorized. Any time the total purchase amount is €2500 or higher (without tax) from one vendor on one day, US Forces members are required to use the NF2 purchase procedure with a prior cost estimate. Example: if your total purchase amount from one vendor on one day (not per item but the grand total for all items) is €3200 without tax, then do not use one VAT form for €2400 for some of the items and a second VAT form for €800 for the remaining items.

Hotel/TLA stays exceeding €2499.99

The maximum purchase amount of VAT relief forms for all rooms combined must be observed (max. total per form €2499.99). Prior to reaching this max. amount, the quarantined individual must check-out and have a final check-out bill generated. He/she can then check back in to start the next €2499.99 purchase period (again, all rooms may not exceed €2499.99 max on the next form). (see AER 215-6, Section 24).

POC: your local VAT office or Rafael Wunsch, IMCOM-Europe, Tax Relief Program Manager, DSN 544-9888, Com:0611-143-544-9888, Email: rafael.s.wunsch.naf@mail.mil.