

Minimum Tax: Official Form Issued for Group Head Reporting

On the 17th of October 2024 the German Ministry of Finance published the official form for reporting the group head of a German minimum tax group for the 2024 tax assessment period.



Minimum Tax Act in force

On the 1st of January 2024 the Minimum Tax Act [Mindeststeuergesetz (MinStG)] went into effect to provide an additional tax liability if the profits of member entities of corporate groups generating at least EUR 750 million in revenue, are taxed at a corporate tax rate of less than 15% by the state where a member entity is located.

Definition of a minimum tax group

A minimum tax group encompasses all tax-related business units of a multinational or large domestic corporate group. The so-called group head is the sole taxpayer for the top-up tax amounts (minimum tax) to be levied on any member entities of a corporate group. Even an individual company can form a minimum tax group if it is the only German company in the corporate group. The minimum tax group is automatically legally founded and is mandatory.

Group head of a minimum tax group

The head (group head) of a German minimum tax group is the ultimate parent company if it is based in Germany. Should the ultimate parent company not be based in Germany, the German company holding directly or indirectly any German entities that are members of a multinational corporate group is deemed to be the group head in Germany.

Should this not be the case for a multinational corporate group, the ultimate parent company can select and designate a German company to be the group head for a minimum tax group. Should the multinational corporate group, however, fail to appoint the group head for a minimum tax group in due time, the economically most significant company in Germany shall, in principle, become the group head for the minimum tax group.

The group head must file a minimum tax return and pay any additional tax levied and is jointly and severally liable along with other members of the corporate group. The group head is entitled to claim compensation for any minimum taxes paid for the member entities of a corporate group and also has the duty to forward any reimbursements to them.

Reportings for the 2024 tax assessment period

As of the 2024 financial year, corporate groups based in Germany have the duty to file the group head reporting, a minimum tax report known as the GloBE Information Return (GIR) and a minimum tax return to the tax authorities in Germany.

The group head must notify the Federal Central Tax Office [Bundeszentralamt für Steuern (BZSt)] of its capacity to act as the group head no later than two months subsequent to the end of the calendar year. For a company that begins its financial year as at the 1st of January 2024, this notification must be filed at the latest by the 28th of February 2025 as stated in § 3 (4) of the Minimum Tax Act [Mindeststeuergesetz (MinStG)].

Such a notification can either be done directly in the name of the group head with the proper access details or by a legal or voluntary representative or other form of representation. The notification for the group head may also be performed by the entity's tax advisor with a power of attorney.

The GloBE Information return (GIR) or minimum tax report and a minimum tax return must be filed no later than 15 months subsequent to the end of the financial year. Such filings for the 2024 financial year must normally be done by the end of March 2026.

The minimum tax report with the officially required data sets is also to be electronically transmitted to the interface of the Federal Central Tax Office.

Please note: The proper form can be viewed on a website page of the Federal Ministry of Finance. It is planned that an electronic filing can be transmitted as of the 2 of January 2025 by using the Online Portal of the Federal Central Tax Office [Bundeszentralamt für Steuern (BZSt)].

Do you have any questions on this topic?

Do you need support? Simply contact our experts Henning Straeter and Christoph Thomas. They will be happy to explain our range of services to you.

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