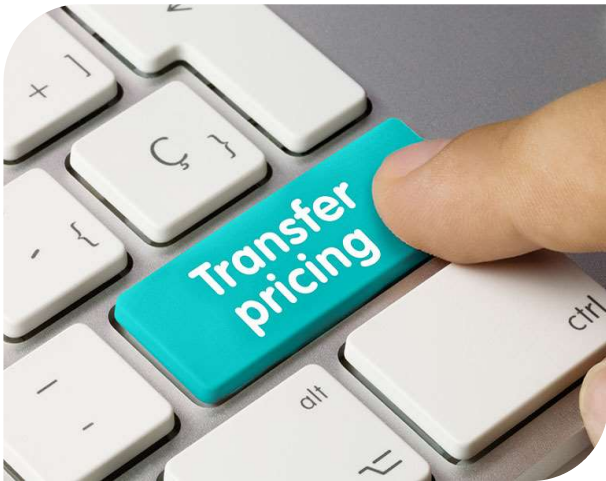


Do you already have a Transfer Pricing Documentation?

Transfer Pricing - Legal requirements for international supply and service relationships between related group entities.



The transfer pricing experts at NEXIA already advise you to check **in good time** whether

- (1.) the legal obligations to prepare transfer pricing documentation must be fulfilled or whether
- (2.) you already have **usable transfer pricing documentation** that meets the requirements of the German transfer pricing regulations.

Background: The tax authorities can request the submission of records (transfer pricing documentation) from multinational companies that have

intra-group/cross-border supply and service relationships (e.g. services, interest payments, deliveries of goods, etc.) at any time in accordance with Section 90 para. 3 of the German Fiscal Code (AO).

"The clock is ticking": In a few months, significantly stricter requirements will apply, which should not only be taken into account from 2025.

For 2024, there is still a statutory deadline of 60 days to submit transfer pricing documentation to the German tax authorities. This **60-day deadline** begins with the written request from the tax authorities, which can be sent to the multinational taxpayer at any time.

From 1 January 2025, significantly stricter deadlines must be observed:

The transfer pricing documentation must be submitted in a few months (1 January 2025) within a **deadline of only 30 days** after the request or after notification of the tax audit order by the tax authorities.

This very short deadline of just 30 days is a more than ambitious deadline, which companies will often struggle to meet and may trigger considerable tax risks.

In order to avoid the risk of penalties and/or potential tax audits, we recommend our clients to prepare usable transfer pricing documentation now or have it available before they run into unnecessary time-/capacity problems.

Do you have questions on this topic?

Do you need support with transfer pricing topics? Please contact our specialist Henning Straeter. He will be happy to explain our services to you.

Contact person



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www.nexia.de

Imprint

Publisher

Nexia GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft
Georg-Glock-Str. 4
40474 Düsseldorf
www.nexia.de

Date 2/2024

Responsible according to press law

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