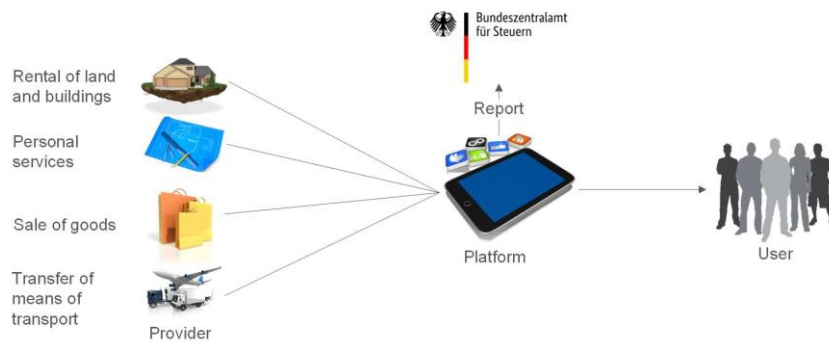




## DAC7 / PStTG: Federal Central Tax Office extends reporting deadline until 31 March 2024

### 1 Background

On 1 January 2023, the Platform Tax Transparency Act (PStTG), which determines comprehensive reporting obligations for digital platforms, came into force. The PStTG implements the so-called DAC7 Directive (cf. KMLZ VAT Newsletter 31 | 2022 and 08 | 2023).



### 2 Who is obliged to report?

The reporting obligation applies to operators of platforms on which third parties offer so-called "relevant activities" in return for remuneration. In addition to familiar business models, such as the short-term rental of flats and means of transport, sales of goods and personal services can also give rise to a reporting obligation. The broad scope of application of the law means that purely group-internal purchasing platforms or platforms with new business models are also potentially subject to the



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reporting obligations. As a result, platform operators who are subject to reporting obligations are often completely unaware of these obligations under the PStTG. This can result in considerable fines.

### 3 What must be reported?

The central component of the report is the remuneration credited or paid to providers during the reporting period. In addition, platform operators must collect a wide range of other data, in accordance with sec. 14 PStTG, and report it in accordance with the official data set. For example, such data might include the providers' permanent establishments in other EU countries and tax numbers issued there. It may also be necessary to standardise the value of remuneration that is not paid in cash - for example in the case of barter transactions, digital currencies and the provision of user data in return for payment.

### 4 Deadline for the first report

The report for the calendar year 2023 must generally be submitted to the Federal Central Tax Office by 31 January 2024. On 5 January 2024, the Federal Central Tax Office effectively extended the reporting deadline to 31 March 2024 by means of a non-objection rule. As a result of this rule, the Federal Central Tax Office will not consider reports that are received by 31 March 2024 to be late. This also applies to the correction obligation, the recording obligation and the obligation to provide information to providers. Fines for this delay will therefore not be imposed. In contrast, the obligation to immediately register platform operators from third countries remains unaffected by the non-objection rule.

### 5 Recommended action for platform operators subject to reporting obligations

Affected platform operators should consider the following aspects, in particular when preparing their first report:

- Completing the collection of data in accordance with the legal requirements and the official data set
- Carrying out plausibility checks on the provider data collected
- Informing the providers in accordance with sec. 22 PStTG
- Preparing the data in a dataset-compliant format and transfer to the DIP-XML scheme
- Creating the technical requirements for transmitting the report. This includes, in particular
  - Application for a certificate to access the Federal Central Tax Office portal
  - Application for activation for the productive and test environment for bulk data transmission
  - Creation of X.509 certificate for authentication in the context of data transmission

### 6 DAC7 Reporting Tool

With the DAC7 Reporting Tool, KMLZ has developed a convenient solution for creating and submitting reports. The cloud-based service is aimed at platform operators of all sizes and is suitable to both annual reports and correction reports generated in the course of the year.

The tool can be used to import the CSV files provided for each relevant activity. A dataset-compliant report is then created from this and transmitted to the Federal Central Tax Office. Reporting platform operators only need to provide the platform master data and the reportable information. In addition, the DAC7 Reporting Tool also offers the option of automatically checking the VAT-IDs and TINs of the providers concerned. For the purposes of plausibility checks, digital platform operators subject to the reporting obligation can generate a quarterly reconciliation or visualise reporting amounts per provider and jurisdiction before submitting their report. Further information on the DAC7 Reporting Tool can be found [here](#).