



FAQ: USAG Bavaria Home-Based Business (HBB)

Last Updated: 30 NOV 2021

Q: How will the date for the tax information class be put out?

A: Once the date of the Tax Class is scheduled, the date will be sent out through the current HBB distro list and on social media outlets.

Q: What has changed with our relationship with Germany that we (HBB owners) are now required to register a German Tax ID?

A: Nothing has changed – a German Tax ID has been required since the start of the HBB program. The application that HBB owners signed always had the tax requirement, but we were not following up to ensure you had a German Tax ID Number. Each HBB signed a Certificate of Understanding, AE Form 210-70A, and acknowledged understanding that commercial activities are subject to the customs, business registrations, and tax laws of the host nation where the HBB seeks to do business and the requirement to report to host-nation tax authorities for assessment and collection of any tax due. HBBs further acknowledge understanding that HBB commercial activities may require the advice of local attorneys and possibly Government customs officials to ensure the business activities are in compliance with local law.

Q: Are we going to be allowed to work, until at least we get our money back?

A: If your HBB permit was approved prior to the updated policy (10 NOV 2021), you have until 1 JUNE 2022 to submit all additional required documentation. All new HBB permit applications must provide all required documents at the time of submission to receive consideration.

Q: Will businesses need to pay back taxes?

A: Just because you have a German Tax ID does not automatically mean you pay German taxes. It is recommended that you contact a German Tax expert to discuss income thresholds and tax requirements.

Q: What happened to the form we had to get from the Rathaus clearing us of German taxes? Is that no longer valid?

A: The form issued by the Rathaus is not a Tax Form – it is a determination of whether or not your HBB must be registered with the local Trade Supervision Office. This form does not exempt you from paying taxes. That determination is made by the Finanzamt.

Q: How can I contact the local Trade Supervision Office (Finanzamt)?

A: Below is contact information for the offices located in Amberg and Weiden.

Finanzamt Amberg Kirchensteig 2

92224 Amberg

Phone: 09621 36-0

Email: Poststelle.fa-am@finanzamt.bayern.de

Finanzamt Weiden Schlörplatz 2

92637 Weiden in der Oberpfalz

Phone: 0961 301-0

Email: poststelle.fa-wen@finanzamt.bayern.de

Q: What can we do if our Rathaus says we don't need a German Tax ID?

A: Contact one of the Finance Offices listed above, as they are the ones that issue German Tax ID Numbers.

Q: Is it true that zero permanent makeup HBBs will be approved? If so, why?

A: Yes, there is a Public Health Army Regulation and an Installation Management Command Operation Order that states Home-Based Businesses involving tattooing and the application of permanent makeup are not authorized.

Q: If my application gets denied because it is permanent makeup, will I receive a reimbursement for the expenses I accumulated to open up my business? I was told that before submitting my business for approval, I must have everything set up as "business ready;" therefore, I spent money to get my business space ready to work.

A: No.

Q: I was told that I needed to purchase German insurance in order to submit my application. What's going to happen with that?

A: HBB customers are required to submit all required documentation for review. This responsibility does not guarantee that the application will be approved.

Q: Will we be able to sell to non-ID card holders?

A: AER 210-70 does not limit sales to ID card-holders. HBBs properly registered with the HN as private businesses would be allowed to engage in business with HN residents – unless the HN permit/license authority imposes limits. It is recommended that you contact a German and/or American Tax expert and/or business advisor for advice regarding service to international clients.

Q: Will we be able to participate in vendor events on-post, like the bazaar?

A: Vendors must be properly registered with Host Nation officials as bona fide businesses to be eligible for consideration for a Non-appropriate Fund (NAF) Contracting Office Blanket Purchase Agreement (BPA). Persons interested in pursuing a BPA should contact a NAF Contract Specialist and a German Tax Expert.

Q: Do HBBs that do this as a hobby (and do NOT net more than 400€ a month) still have to register a German Tax ID?

A: In general, individuals who create and sell goods (ex: holiday decorations) or perform services (ex: a stand-up comedian or an auctioneer) on a frequent and recurrent basis are operating an HBB. Individuals who infrequently and on a nonrecurring basis sell goods (ex: scrimshaw) or perform services (ex: minor automotive repairs) as a hobby are not operating an HBB. It is recommended that you contact one of the Finance Offices listed above and a German Tax expert for more information regarding your specific circumstances.

Q: Can one person have two different HBBs?

A: Two separate HBBs can be registered under one owner. Each business must be submitted separately, and will receive separate reviews and approval/disapproval.

Q: Can we use our cars/gas to run errands for our HBBs?

A: No, per the regulation governing HBBs, AER 210-70, paragraph 20. The use of US Forces-registered privately owned vehicles for HBB activities is prohibited. Additionally, the use of tax- and duty-free gasoline (whether purchased with AAFES gas coupons or at AAFES services stations) for HBB activities is prohibited.

Q: Does having European citizenship change anything to the HBB registration requirement, while living in Germany? Does it change anything to the German Tax ID requirements?

A: It is recommended that you contact a German Tax expert for more information regarding your specific circumstances.

Q: Will we be eligible for the German child stipend?

A: It is recommended that you contact a German Tax expert for more information regarding your specific circumstances.

Q: How can we be sure that our business registration will not be construed against our spouses in that they lack an "intent to return," because we (as their marital partners) are establishing a business in Germany and jeopardizing our spouses' tax protection as under Art. 10, NATO-SOFA? And if we get a German Tax ID, will the host nation be able to tax our spouses' income?

A: It is recommended that you contact a German and/or American Tax expert.

Q: When a German registers any business, it is done via online. Why are we submitting our HBBs via paper form?

A: USAG Bavaria is still in the process of putting the application online.

Q: If we are a German business, will local national offices be able to come in and inspect us and require us to have German licensing (ex: beauty services and food services)?

A: Yes.