

Current tax information for our clients

28 October 2024

Global minimum taxation (Pillar Two): Notification forms published for registering minimum tax group leader

The German Ministry of Finance published the [notification form](#) (Link to Bundesfinanzministerium.de) for registering the minimum tax group leader with the German tax authorities for Pillar Two purposes.

Based on German Pillar Two rules, top-up tax payments and filing obligations are centralized at the level of one single German-based Constituent Entity (the so-called minimum tax group leader).

When determining the minimum tax group leader, the German tax authorities generally rely on the following order:

1. The Ultimate Parent Entity (UPE) of the group if the group's UPE is tax resident in Germany;
2. The parent company located in Germany that it is the common parent company of all Constituent Entities located in Germany if the UPE is not tax resident in Germany;
3. The Constituent Entity designated as the German minimum tax group leader by the UPE in all other cases;
4. The economically most significant German entity of the

group if there is no entity designated as the German minimum tax group leader by the UPE.

The minimum tax group leader needs to electronically submit certain information to the German Federal Central Tax Office (BZSt) via their online filing portal, including:

- identification of the UPE and – if different from the UPE – the minimum tax group leader (e.g., name, address, e-mail address, tax number, contact person)
- characterization of the minimum tax group leader (UPE, domestic parent entity, designated entity, economically most significant entity)
- information on the filing representative / tax advisor authorized to submit the notification (if any).

Please note that according to the amendment to the law recently passed by the Bundestag on October 18, 2024 (Annual Tax Act), a Constituent Entity would automatically be considered the minimum tax group leader and thus, needs to file the respective notification,

where it is the only German-based group member.

The notification is due within two months after the end of the calendar year in which the group falls within the scope of the German Pillar Two rules. As such, for calendar year taxpayers, the notification is due on February 28, 2025. If the financial year is different from the calendar year, the notification deadline is February 28, 2026 (subject to exceptions in case of short financial years ending before January 1, 2025).

According to the German tax authorities, the electronic filing will be possible starting on January 2, 2025.

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Please do not hesitate to speak to your direct contact at KPMG AG Wirtschaftsprüfungsgesellschaft if you have any questions.

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