



## Value-Added Tax (VAT) Relief Program In Germany



**US Forces Value-Added Tax (VAT) Relief Support program provides service to individual members of the US Forces. The program is authorized by the German government as a privilege to US Forces personnel. The service is not an entitlement or a right.**

**The intent and purpose of the program is to support eligible Soldiers and civilians for their personal purchases of materials and/or services that are for their own personal use. Use of this support by US Forces Soldiers and civilians is voluntary. Participation by German vendors is also voluntary.**

**The program permits US Forces members to make common purchases, for things such as groceries, clothing, furniture, light fixtures, electronics, car repairs without paying the Value-Added Tax. Unfortunately, many restrictions apply.**

**The program is based on rules that were provided to the US Forces by German government authorities. There are control procedures to ensure that eligible Soldiers and civilians follow the rules. Non-compliance with the rules results in loss of eligibility for VAT relief. Cases of non-compliance are referred to commanders, Military Police investigative authorities, and/or German authorities. In addition, non-compliance cases may result in disciplinary actions.**

**Please note that this program does not support official purchases. For tax relief on IMPAC credit card purchases and any other official purchase, please see the unit resource manager or official responsible for procurement.**

**Please become familiar with the following information before participating in the individual VAT relief program.**

If there are any questions with any of the following information, please check with the nearest US Army Garrison or USAFE Tax Relief Office before making a VAT-free purchase.

Just because a vendor accepts a VAT form, this does not necessarily mean that the tax free purchase complied with the legal requirements.

**NOTE: for purchases to be tax-free, the US Forces must make the purchase for you – meaning you must have authorization with you by way of the VAT Form when committing to or making a purchase.**

Within this information, US Forces personnel are referred to as “customers”.

A purchase and the VAT Relief transaction with the vendor must generally occur on the same day. The rules do not allow VAT Relief after making a purchase (e.g. by going back to the vendor the next day or even later with a VAT relief form).

Non-official group functions (bus trips) or group purchases (e.g. heating oil) are eligible for Tax Relief Support provided all members of the group are entitled to Tax Relief support. See the nearest Tax Relief office for details on groups that include non-eligible participants (e.g. weddings).

Participation by vendors is voluntary. Vendors are not required to accept VAT Relief Forms. Check with the vendor prior to making a purchase.

Customers are required to return the top (white) copy of the AE Form 215-6B to a Tax Relief office after making a purchase using such a VAT Relief Form (regardless of amount).

The NF-1 VAT form is only valid for a certain 2 year period. Each VAT form has an issue and expiration date printed in the top right corner (AE Form 215-6B). Forms are only valid for purchases during this period.

The NF-2 VAT form is only valid for the specific purchase it was printed/issued for.

Customers may have no more than 10ea. NF-1 VAT forms outstanding at any time.

Tax relief offices may issue NF-2 VAT forms one at a time. Customers must fully complete their NF-2 transaction and return the completed top (white) copy of the AE Form 215-6B to the tax relief office. After receiving the completed form, the tax relief office may help the customer begin another NF-2 transaction.

For VAT free firearm purchases the order form must be completed to include make, model, caliber, and serial number of the firearm intended for purchase.

For all VAT free vehicle purchases, the order form must be completed to include make, model, model year, and vehicle identification number (VIN) of the vehicle. Tax-free vehicles must be registered with USAREUR Vehicle registration. Such vehicles may absolutely not be registered in the German system.

### **Payment for Purchases:**

All NF-1 transactions (€2499.99 and less) are paid by the customer directly to the vendor using cash, credit/debit cards, bank transfers, cashier's checks, etc. In essence, whatever the vendor is willing to accept.

All NF-2 transaction (€2500 and over) payments must be made by the VAT Relief Office to the vendor and must be cashless. Customers may not pay the vendor directly for NF-2 transactions. Customers have the following payment options (check with VAT Office to find out what to use):

- a) Cash for the full amount of the purchase. After receiving the cash, MWR or USAFE Services may issues a check to the customer that is payable to the vendor.
- b) A cashier's check made out to CMWRF or USAFE Services and the vendor (if the bank permits this). The Tax Relief Office will then either issue a MWR check for the vendor or endorse the cashier's check (making it payable to the vendor).
- c) A cashier's check made out to the customer and CMWRF or USAFE Services. The Tax Relief Office will then either issue a MWR check for the vendor **or** endorse the cashier's check (making it payable to the vendor).

In case of a loan the customer must provide a letter from the bank stating that the loan for a certain amount has been approved (see separate hand-out on NF2 transactions).

### **Purchases less than €2500 (up to €2499.99):**

Customers may not use NF-1 or “unpriced” VAT Relief Forms for:

- a) Purchases of €2500 or more (even if combining 2 or 3 forms)
- b) Business purposes (home based business, etc.)
- c) Purchases on behalf of, or for individuals not entitled to Tax Relief (e.g. German Neighbors)
- d) Purchases using payment plans or credit purchases offered by vendors
- e) Situations involving long-term contracts such as utilities (electricity, water/sewage, gas, LPG/Propane), telecommunication service based on long-term contracts, gym contracts etc.
- f) Certain costs to be considered renovation or repair to real estate (check with VAT Office)
- g) Legal and other administrative fees in connection with purchase/sale of real estate.
- h) Vehicle purchases if the car will not be registered into the USAREUR vehicle registry.

Using two or more NF-1 forms for a purchase totaling €2500 or more (splitting a single purchase across several forms) is not permitted.

The final or standard invoice or sales receipt after the transaction must be made out to CMWRF or USAFE Services (your name and address may follow underneath). This rule does not apply to smaller cash register transactions where only cash register tape is used as a sales receipt. Customers are obligated to ensure that the vendor makes out the standard invoice or sales receipt as described above. Invoices showing only the customers name are not eligible for VAT Relief (even for NF-1).

### **Purchases of €2500 or more:**

The NF-2 VAT relief form is also called the “priced” tax relief form.

Customers who want to make VAT free purchases of €2500 or more are required to use the NF-2 VAT relief form.

To gain NF-2 support for purchases of €2500 or more, customers must provide a proper cost estimate (Angebot/Kostenvoranschlag) from the vendor to the tax relief office **before** making the purchase. Rules require the vendor to make out the cost estimate with “CMWRF” or “USAFE Services” as the purchaser – your name and address may follow. Tax relief offices will not issue VAT forms for final or standard invoices, or order confirmations. As the customer makes the VAT free purchase with the NF-2 form, the vendor must make out the final or standard invoice to CMWRF or USAFE Services (customer’s name and address may follow underneath). Invoices showing only the customer’s name are not eligible for VAT Relief.

Some purchases over €2,500 (except for vehicles and furniture) require prior approval (check with your local Tax Relief Office).

### **Use of “priced” or NF-2 VAT Relief Forms is not authorized for:**

- a) Business purposes (home based business, etc.)
- b) Purchases on behalf or for individuals not entitled to Tax Relief (e.g. German Neighbors)
- c) Situations involving long-term contracts such as utilities (electricity, water/sewage, gas, LPG/Propane), telecommunication service based on long-term contracts, gym contracts etc.
- d) Legal and other administrative fees in connection with purchase/sale of real estate.

- e) High-value works of Art, precious metals (gold coins, gold, silver, platinum, etc.) – it is best to check with the Tax Relief Office prior to making that purchase.
- f) Costs associated with home construction, home improvement, renovation, or customized furnishings with the exception of minor repairs (e.g. painting, wall paper).
- h) Vehicle purchases if the car will not be registered into the USAREUR vehicle registry.

In case of kitchen purchases, tax relief offices will require customers to sign a “notification and release” (AER 215-6, Section 2-23) and provide the advance cost estimate for the kitchen to the tax relief office for review and advance approval. Kitchens purchases may not exceed a value of €15,000 (excl. tax).

If the final amount is not known ahead of time (e.g. wedding receptions, larger car repairs, long term hotel stays, etc.) check with the VAT Relief Office for instructions.

**If there are any questions with any of the following information, please check with the nearest US Army Garrison or USAFE Services Tax Relief Office before making a VAT-free purchase.**

Further details are available from your local Tax Relief Office, the AE Regulation 215-6, or <http://europe.armymwr.com/index.php/europe/> (select your community then look for Tax Relief or VAT)

**Army Tax Relief Offices in Europe**

Ansbach, GE	DSN 468-1780	09802-831780
Baumholder, GE	DSN 485-1780	06783-61780
Garmisch, GE	DSN 440-3711	08821-7503711
Grafenwoehr, GE	DSN 475-1780	09641-831780
Hohenfels, GE	DSN 466-1780	09472-831780
Kaiserslautern (Kleber), GE	DSN 483-1780	0631-411-1780
Kaiserslautern (Pulaski) GE	DSN 493-1780	0631-3406-1780
Landstuhl, GE	DSN 486-1780	06371-86-1780
Livorno, Italy	DSN 633-7549	(+39) 05054-7549
Oberammergau, GE (NATO)		08822-94813100
Schinnen, NL	DSN 360-1780	(+31)-46-4437221
SHAPE, Belgium	DSN 423-5142	(+32)-65-320427
Stuttgart, GE	DSN 431-3368	07031-15-3368
Vicenza, Italy	DSN 634-708	(+39) 0444-71-7080
Wiesbaden, GE	DSN 337-7456	0611-705-7456

**Air Force Tax Relief Offices in Germany**

Geilenkirchen, GE	DSN 458-6104	02451-632258
Ramstein AB, GE	DSN 480-5309	06371-475309
Spangdahlem, GE	DSN 452-7801	065-65617801

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