



Information sheet

Registration duties for business enterprises

According to the legal bases, every independent, lasting work is deemed as a trade or industrial enterprise

- which is undertaken with the intention of making a profit and
- which represents a share in general economic transactions,
- in as far as the work is not a part of the self-employed or freelance work or work in the agriculture and forestry industry.

The new establishment of a trade business must be notified to various offices.

Trade Office

The establishment of a trade business initially requires registration with the trade office. The trade office is a part of the municipal administration of the municipality in which the trade business is to have its registered office.

After registration the trade office notifies some of the offices listed in the following. Notwithstanding this, it is recommended to make personal contact with all these authorities to speed up the registration formalities and to clarify any questions directly.

Tax Office

Every trade business must be registered with the tax office. The tax office assigns a tax number to the entrepreneur after registration and usually sends him questionnaires where he has to provide information about his fiscal situation, as well as turnover and profit expectations. The tax office needs this information to be able to correctly classify the entrepreneur fiscally.

In addition, the tax office also checks which tax declarations the entrepreneur has to hand in in future and whether advance tax payments need to be determined.

If an entrepreneur intends to import items from another member state of the European Union value-added tax-free, he also requires a so-called value added tax identification number. The value-added tax identification number is issued by the Federal Central Tax Office upon application.

Professional Chambers

The various professional groups have their own professional chambers (e.g. Chamber of Trade, Chamber of Industry and Commerce). They look after the duties transferred to them by the state, and engage themselves for the interests of the respective professional group.

Without the admission from the respective chamber, the entrepreneur may not take up his work, registration is therefore mandatory.

www.dihk.de

District Court

Every trade business – with the exception of the small business persons – must be entered in the Register of Companies at the district court. The Register of Companies is a public register which keeps entries about all business persons in a certain district.

www.handelsregister.de (only in German)

State Bureau of Statistics

Together with the (federal) Bureau of Statistics, the official statistics in Germany are taken care of by the statistical bureaus of the federal states.

Accident insurance associations

It is also necessary to register with accident insurance associations responsible for the respective professional industry. The accident insurance associations are the institutions for the statutory accident insurance.

www.berufsgenossenschaft.de (only in German)

Additional registration duties when employing staff

In as far as staff is to be employed, it is also necessary to contact the local employment agency. The entrepreneur will be registered as employer with the agency and will receive a so-called business number.

In Germany the employees are obliged to regular membership in the social insurance system. The entrepreneur registers his employees for social insurance.

www.deutsche-sozialversicherung.de

The responsible contact partner is the statutory health insurance of the employee.

www.gkv.info (only in German)

Social insurance comprises:

- Health insurance
- Nursing care insurance
- Pension insurance
- Unemployment insurance
- Accident insurance

The social insurance premiums, except for the statutory accident insurance, are borne jointly by employer and employee. The employer pays 100% of the accident insurance premiums. The employee's share is taken out of the gross wages, the employer's share has to be paid in addition. The amount of contribution is rated as a percentage of the employee's earnings.

Further useful links:

www.invest-in-germany.de

www.existenzgruender.de