Downloaded from Blogs on 14.11.2026 09:59h

By PwC Deutschland | 11. Januar 2012

Hotel voucher subject to VAT as prepayment

The Supreme Tax Court has held that the sale of a hotel voucher is subject to VAT as a prepayment on a domestic supply. This is adjusted later if the voucher is used to book foreign accommodation.

Downloaded from Blogs on 14.11.2026 09:59h

A ticket agency ran a hotel voucher scheme entitling voucher holders to a three-night stay at a hotel to be chosen from a catalogue of some 2,500 houses at home and abroad. The guest surrendered his voucher on booking. The hotel did not charge for accommodation, but did require a minimum consumption in the hotel restaurant. This amount was charged to the guest, regardless of whether he ate there or not. The agency sold each voucher for €49.90 and retained this amount as its own reward for running the scheme. It claimed that the amount was not a charge for a taxable service, as the service had not yet been, and quite likely never would be, performed. Vouchers lapsed after a year and only about 14% were actually redeemed. The tax office argued that the sale of each voucher was a sundry supply to be taxed at the standard rate.

The Supreme Tax Court has held that the sale of each voucher is to be regarded as a payment in advance of the anticipated service of the accommodation agent. It is therefore taxable at the standard rate on services to be taxed at the standard rate (hotel accommodation in Germany) and is to be exempted in respect of accommodation provided abroad. Given that the use of the voucher is unknown at the time of sale, the sale is to be taxed at the standard rate. This is subsequently to be reversed under the provisions for bad debts, returned goods and retrospective changes in the VAT status of a transaction, should the voucher be redeemed abroad. If the voucher is not redeemed at all, the taxation becomes absolute, the service of offering accommodation having been performed in Germany, the country of the agency. Voucher redemption is through the agency which therefore has the necessary information to make the adjustments as and when required.

Supreme Tax Court judgment of September 8, 2011 published on January 11, 2012

Schlagwörter

accommodation, hotel voucher