Important changes in law and regulations

6 October 2025

Developments in German Minimum Tax Reporting

On September 29, 2025, the German Federal Ministry of Finance (BMF) released a draft regulation regarding the structure and exchange of the Globe Information Return (GIR) as outlined in Section 75 MinStG. The regulation aims to transpose the OECD January 2025 guidance regarding the GIR into German law by standardizing reporting procedures and introducing transitional simplifications. It also clarifies the role of the Federal Central Tax Office (BZSt) as the competent authority and secures the automatic exchange of information.

Main provisions of the draft regulation

The regulation supplements the definitions in the Minimum Tax Act and introduces additional terms relevant for reporting, such as "implementing tax jurisdiction," "distribution approach," and "competent authority." It defines reporting sections and sets out a transitional period (for fiscal years starting on or before December 31, 2028, and ending before July 1, 2030).

Information Exchange

Details are provided in the draft on which sections of the GIR should be exchanged with other jurisdictions (depending on their taxing rights under the Pillar 2 rules) and how the automatic exchange of information is secured under Section 75 MinStG (in line with DAC 9 or other effective international agreements).

Transitional Simplified Reporting

During the defined transition period, companies can apply simplified reporting if certain conditions are met, e.g. a zero top-up tax amount for the jurisdiction. Aggregated reporting is then permitted, and adjustments can be reported on a net basis, provided appropriate accounting and data allocation systems are in place.

Report Completion

The GIR should generally be filled in accordance with the GloBE model rules. Exceptions apply if a QDMTT is in place or the single taxing right under the IIR/UTPR for the whole MNE-group lies with one jurisdiction. In those scenarios, the reporting should be made under the IIR/UTPR-legislation. Any discrepancies arising from using local law versus the OECD model rules must be explained in the GIRIt is currently unclear if this is intended as a deviation from the OECD rules.

Any questions?

For a deeper discussion of how this might affect your business, please reach out to your local PwC contact advisor or our following international tax experts:

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