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By PwC Deutschland | 26. November 2026

# MoF: Draft bill on the Further Development of the Real Estate Transfer Tax

**On 23 November 2026, the Federal Ministry of Finance (MoF) published a draft bill on the Further Development of the Real Estate Transfer Tax. Here is a first overview.**

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## I. Background

In the course of the Law Amending the Real Estate Transfer Tax Act (RETTA) from 2021 a new RETT supplementary triggering event was introduced to curb abusive tax planning in share-deal transactions. However, experience shows that in certain areas further legislative action is needed to refine the RETTA in this respect. Remaining opportunities for tax planning through share-deal transactions should be eliminated through targeted regulations, the MoF said in its comments to the draft. This will further curb any remaining abusive tax planning and continue to ensure that the RETT burden is shared equally.

## II. To prevent abusive tax planning through share deal transactions, the following measures are proposed

### 1. Legal definition of the concept of the so-called “disenfranchised civil-law shareholder”

If the civil-law owner of the shares is deprived of rights as a shareholder that he or she cannot exercise legal or economic control, the shares are to be attributed not only to the “disenfranchised” civil-law shareholder but also to the beneficial owner.

### 2. Introduction of a new supplementary provision to cover tax arrangements involving a “group of purchasers”

Secondary to the other supplementary conditions, a consolidation (unification) of shares within the meaning of Section 1(3) or Section 1(3a) RETTA shall also be assumed if at least two purchasers, through coordinated legal transactions, jointly acquire at least 90 percent of the shares in a real estate-owning company.

### 3. Introduction of a new secondary supplementary provision to cover tax arrangements where a so-called “serving interest” exist (“RETT Blocker”)

In the case of a unification of shares, the shares held by persons who do not belong to a group of acquirers, in the interest of the acquirer or at least by one member of the group of acquirers should not be included when calculating the 90% threshold (e.g., in the case of the seller as a so-called “RETTBlocker”). However, according to the wording of the draft, the provision requires that the taxable legal transaction involves a transfer of a majority of the shares.

## II. Nichtanwendung der Rechtsprechungsgrundsätze des Urteils des Bundesfinanzhofs v. 21. August 2024, II R 16/22

In this judgment, the Supreme Tax Court held that no taxable event occurs within the meaning of Section 1 (2a) sentence 1 RETTA (regarding the taxation of a consolidation of shares) if **a partnership holding an indirect interest in the real estate-owning partnership is interposed** in the shareholder structure and where the shareholders themselves remain unchanged. The tax authorities issued a non-application decree stating that the judgement only be applied to the particular case. The relevant administrative interpretation will now be enshrined in the RETTA.

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**III. To provide relief for companies around intra-group restructuring, the following measure is proposed:**

Extending the beneficial group clause in Section 6a RETTA to cover all acquisitions under Section 1 RETTA and reducing the minimum ownership requirement to 90 percent.

Among other things, it should no longer be relevant whether the legal transaction is based on conversion law or the articles of association and is carried out in accordance with EU or EEA law.

This means that even straightforward purchases of real estate and purchases of shares (including those between companies in third countries) may fall within the scope of the law. The five-year holding periods (prior to the legal transaction and after the legal transaction) will remain unchanged.

**IV. The following additional measures are planned:**

**1. Legal definition of a real estate-owning company within the meaning of Section 1, paragraphs 2a through 3a RETTA and legal clarification regarding the eligibility of each legal entity to become a new shareholder.** The assessment of the status as a new shareholder" which is relevant under Section 1(2a) and (2b) RETTA shall be based on the included partnership as the legal entity and not - as required by the Supreme Tax Court - on the most recent shareholders.

**2. Own shares are disregarded when determining the 90% thresholds:** According to the case law of the Supreme Tax Court, shares held by the company itself are not to be taken into account when determining the percentage thresholds (90% thresholds) because, by definition, the corporation cannot be a separate entity apart from itself. A corresponding provision will explicitly be included in the RETTA (Section 1(4b) RETTA-draft).

**V. Application of the new regulations**

The changes are meant to apply to acquisitions made after 30 June 2027.

**Schlagwörter**

group relief, real estate transfer tax, unification of shares