Downloaded from Blogs on 08.11.2026 07:17

By PwC Deutschland | 18 November 2021

Foreign managing directors, board members & authorized signatories - wage tax and criminal law risks -

Our Newsletter comments upon the recent trend of German tax authorities - particularly during wage tax audits - to consider whether a wage tax withholding obligation has arisen in cases where non-resident managing directors, board members and, in some cases, authorized signatories of German companies work for and in the interest of a German legal entity.

Downloaded from Blogs on 08.11.2026 07:17

*Depending upon the circumstances, an obligation to withhold wage tax may be considered even where there are no physical working days in Germany. Experience has shown that the tax authorities may also consider past obligations to withhold (potentially **going back 10 years**). In individual cases first **criminal** pre-investigations have even been initiated by the responsible authorities.*

Our **Newsletter** discusses the risks and provides recommendations for action.

Keywords

Steuern / Tax