Downloaded from Blogs on 11.11.2026 10:44

By PwC Deutschland | 22 November 2024

Bundesrat approves the Finance Act 2024 and a retroactive increase in the personal allowance for 2024

The Bundesrat approved both the Finance Act 2024 and the Act for the Tax Exemption on the Subsistence Minimum 2024 at its session on 22 November 2024.

Downloaded from Blogs on 11.11.2026 10:44

On the initiation of the coalition parties the Finance Act 2024 was extensively revised during the consultations of the Finance Committee of the Bundestag and, moreover, numerous proposals of the Bundesrat were adopted. A detailed description of the contents of the Finance Act can be seen in our **Blog** of 25 October 2024.

In addition to the Finance Act 2024, the Bundesrat also passed the Act for a Tax Exemption on the Subsistence Minimum 2024.This provides for, inter alia, an increase in the annual personal allowance under Section 32a (1) Income Tax Act for the 2024 assessment period by an amount of EUR 180 resulting in a total tax-free amount of EUR 11,784. Furthermore, the child tax allowance under Section 32 (6) Sentence 1 Income Tax Act will be increased by EUR 114 to EUR 3,306 for the 2024 assessment period.

Keywords

Finance Act, Income Tax Act