

## Lodging Tax

### Information from the Steuer- und Stadtkassenamt on the amendment to the Ordinance on 1st January 2016

#### Lodging tax – what is it and what is it for?

With the lodging tax, the guest's expenditure on the possibility of private accommodation in an accommodation establishment in return for payment is taxed.

The lodging tax is – like, for example, the dog tax and the tax on second homes – a local excise tax. An excise tax because a "special expenditure", i.e. a use of income for things which go beyond the satisfaction of the general requirements of life.

The legal basis is the Ordinance on the Levying of a Lodging Tax in the State Capital of Dresden of 7th May 2015.

Taxes – including the lodging tax – are not levied for a particular purpose, but generally serve as a source of income for the city budget. The most important municipal expenses which are provided from the budget of the city of Dresden are social benefits and the construction and maintenance of schools and nurseries. However, cultural facilities and sports centres are also financed from the city budget.

#### Who is taxed?

The lodging tax must be paid by all the people in Dresden who pay for private overnight accommodation in hotels, guesthouses or boarding houses, holiday homes or similar accommodation, as well as on campsites, unless a tax exemption (see below) exists in an exceptional case. Accommodation at caravan sites is subject to the tax if special sanitary facilities are provided.

In the event of accommodation in guest rooms or holiday homes whose operators provide fewer than five spaces (guest beds) within the Dresden city area, no lodging tax shall be incurred (this provision does not apply to camp sites and caravan sites).

#### How much is the lodging tax and when does it have to be paid?

The lodging tax depends on the amount spent on the individual overnight stay in the accommodation (including VAT). If several people pay a single (joint) room price, each guest shall be allotted an amount that corresponds to the division of this price by the number of guests accommodated.

If, in the event of a payment owed as a fixed amount, the division into the accommodation fee and the fee for other services is not possible, in an exceptional case (overnight stay with breakfast or half or full board), the fee for the overnight stay minus a fixed rate of € 7.00 for breakfast and € 10.00 for each of lunch and dinner, per guest and meal, shall be regarded as the basis for the assessment.

With the following values for the basis of the assessment, the lodging tax shall be as follows:

■ Up to € 29.99:	€ 1.00,
■ € 30.00 to € 59.99:	€ 3.00,
■ € 60.00 to € 89.99:	€ 5.00,
■ € 90.00 to € 119.99:	€ 7.00

and so on, whereby the tax rate increases by € 2.00 for every increase in the range of values by € 30.00. A guest spends – for example – five nights in a single room, which costs € 55.00 per night without breakfast. This amount falls in the range from € 30.00 to € 59.99; the tax amount for this range is € 3.00 for one night. Overall, the tax amount for the accommodation is € 15.00 (5 nights x € 3.00 tax amount).

The lodging tax must be paid in the accommodation establishment no later than the last day of the stay, generally upon departure.

#### Important:

Please bear in mind that the operator of your accommodation is obliged to collect the lodging tax from you. If you feel that you have been wrongly charged by your accommodation provider, please pay the lodging tax anyway and make claims for reimbursement to the Steuer- und Stadtkassenamt of the state capital Dresden afterwards. You can find the contact details on the reverse of this information sheet.

#### Are there exemptions from the tax?

The following are not taxed:

- accommodation facilities if they are exclusively used for professional purposes or are required for reasons of vocational training and further training,
- children up to the age of majority,
- severely disabled persons with a degree of disability of 80 or more indicated in a corresponding disabled person's pass and
- a person accompanying severely disabled persons with a code "B" indicated in their disabled person's pass.

## **How can the guests provide evidence of the business-related reason for their stay or of a tax exemption to the accommodation facility?**

### Employees and persons in vocational training or further training:

For this group of persons, an informal attestation from the employer or the training institution is sufficient. This attestation must expressly refer to a business-related reason for the stay or to vocational training and include at least the following information:

- the name and address of the employer or the training institution and
- the name and the date of birth of the guest and
- the length of the stay.

### Self-employed / freelance persons:

Anyone who is self-employed on a freelance or commercial basis can certify the professional necessity for his/her accommodation by a self-attestation on the officially required form (you can find a sample form on the website of the State Capital Dresden).

### Children or guests under 18:

Here an indication of the age on the registration form that the parents or accompanying adults complete, thus confirming the information, is sufficient, for example. The important thing is that, on request, an adult contact (parents) can be named who confirms that the tax-exempt guest was a minor during his/her stay.

### Severely disabled persons / companions:

Here, the presentation of the corresponding disabled person's pass is sufficient.

## **What consequences does an incorrect attestation have?**

The guest or employer confirms in the attestation that the accommodation was required for professional / training or further training reasons. In the event of incorrect attestations, the aforementioned people are liable for the unpaid tax. Issuing an attestation with incorrect contents may be prosecuted as a misdemeanour or criminal act.

## **Am I, as the guest, legally obliged to give information about the reason for my stay?**

The guest has no obligation to indicate the reason for his/her trip. If the guest refrains from indicating and providing evidence of the professional reason for the accommodation, a lodging tax must be levied and paid.

## **Can a guest submit the evidence of the professional necessity for the accommodation later and then receive a reimbursement of the lodging tax?**

If a lodging tax has been levied for accommodation because the guest did not provide evidence of the professional /

training or further training-related necessity for the stay, an application can be made to the Steuer- und Stadtkassenamt of the State Capital Dresden, providing the relevant evidence (copy of invoice and attestation from the employer or the training institution), for the reimbursement of the lodging tax that has been collected.

## **Where can I get more information on the lodging tax in Dresden?**

Internet:

[www.dresden.de/anliegen](http://www.dresden.de/anliegen)

Key word: Beherbergungssteuer

E-mail:

[steuer-stadtkassenamt@dresden.de](mailto:steuer-stadtkassenamt@dresden.de)

Visitor address:

Dr.-Külz-Ring 19

Rooms: 4/206 and 207

01067 Dresden

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Central public authority hotline 115 – We love questions

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