

Information letter Increase of advance payments

We offer an online form because of the current corona virus, with which you can communicate with us safely and reliably.

It only offers the most important functions.

[to the simplified online form](#)

Information letter "Increase of advance payments

Competent Department

- [Finanzamt Bremen](#)
- [Finanzamt Bremerhaven](#)
- [Finanzamt Bremerhaven](#)
- [Grunderwerbsteuer](#) -

Basic information

Reason for the information letter:

In order to mitigate the effects of the corona pandemic on the economy and to provide liquidity to companies, the Federal Ministry of Finance, in agreement with the supreme tax authorities of the federal states, has issued the so-called catastrophe decree on tax measures to take account of the effects of the corona virus. This provided, among other things, that taxpayers who were demonstrably directly and not inconsiderably affected could, under simplified conditions, submit applications for adjustment of advance payments for income tax or corporation and trade tax. Now that the "lockdown" has ended, business can be largely reopened - in compliance with the rules on hygiene and distance - and the economy is picking up again, taxpayers for whom the (income, corporation and trade tax) rates are lowered will be able to apply for an adjustment of the advance payments. (income tax, corporation tax and trade tax) prepayments have been reduced due to the Corona effect, will be informed by means of an information letter that an adjustment of the prepayments for the 4th quarter of 2020 will be possible. It is possible to adjust the advance payments for the fourth quarter of 2020 and subsequently for the quarters in 2021.

Note: An adjustment of the advance payment for the 3rd quarter of 2020 is no longer possible for systemic reasons.

Procedure

If you wish to amend the 4th pre-financing payment, you must complete the application form or the attached reply form and return it to us electronically or on paper within the time limit specified in the letter.

What deadlines must be paid attention to?

If an adjustment of the 4th advance payment is desired, a confirmation must be made by 18.09.2020. If a confirmation is made after 18.09.2020, an adjustment can no longer be made for technical system reasons.

Frequently asked Questions

- **Why did I receive the letter?**

You have reduced your (income, corporate or trade) tax prepayment due to the Corona crisis and the resulting economic difficulties.

- **I have just recently increased the advance payments again. Why am I receiving this letter?**

The information letter was generated automatically. Increases in advance payments could only be taken into account up to a certain point in time. If you have already increased your prepayments, consider the letter as irrelevant

- **Until when can I adjust my prepayments for 2020?**

This can be seen in the information letter.

If an adjustment of the 4th advance payment is desired, a re-registration must be made by 18.09.2020. In case of a re-registration after 18.09.2020, an adjustment can no longer be made for system-related reasons. An adjustment is then only possible for 2021.

- **How do I apply for the adjustment of the advance payment?**

A reply form is attached to the information letter. Fill it out with the required information and send it to your local tax office.

- **For the adjustment of the determination of the 4th advance payment, the annual tax should be taken as a basis. What does it mean?**

The sum of the four advance payments for a calendar year should be approximately as high as the tax that is expected to result for the calendar year. The last tax assessment notice can serve as a reference point. The tax assessment shows the amount of income for the year in question and how much tax was due on it. The income expected for 2020 or 2021 can be compared with this income and thus an estimate of the annual tax can be made.

If it is not possible to estimate the annual tax in this way, the amount of the expected profit for the year 2020 or 2021 can alternatively be indicated in the return form. This must then be marked accordingly in the return form.

- **Why does the amount of the advance payment have to be at least €400 according to the letter?**

Advance payments can only be determined in accordance with the provisions of the Income Tax Act if they total € 400 (sum of the four quarterly payments). Therefore, an amount of at least € 400 must be stated as the anticipated annual tax in the return form.

If advance payments have already been made for 2020, the amount already paid will be deducted from the annual tax indicated by the taxpayer in the return and only the difference will be set as the 4th advance payment.

- **What if I don't want to have my prepayments adjusted because the effects of the Corona crisis continue to hit me hard?**

If you do not wish to adjust the advance payments, you do not need to do anything further. If you do not respond to the information letter, the advance payments set to date will not change.