

Amendments to the reporting system (AWV reports) entered into force



Trade
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On 1st January 2025, important amendments to the reporting system (Sections 63 ff. AWV) came into force, which have to be complied with for the first time for the reporting month of January 2025. In particular, the German Federal Government has increased the reporting thresholds and partially standardized reporting deadlines. In addition, clarifications were introduced with regard to the transfer of crypto assets and changes were made to reporting obligations for interest payments for foreign bonds and money market securities.

1. Amendments to the reporting system (AWV reports) entered into force

The German Federal Government's so-called Bürokratieentlastungsverordnung (Bureaucracy Relief Ordinance) of 11 December 2024 includes amendments to regulations on reporting requirements for movements of capital and payments (Secs. 63 et seqq. of the Foreign Trade and Payments Ordinance (*Außenwirtschaftsverordnung* – “**AWV**”)), which came into force on 1st January 2025. Below we summarize the most important amendments.

2. Increase of reporting thresholds

Sec. 67 AWV stipulates that German residents are obliged to report any incoming or outgoing payments to or from a foreign individual or entity to the German Central Bank (Bundesbank) if the amount exceeds a certain threshold. As of 1st January 2025, the German Federal Government has increased this reporting threshold from EUR 12,500 to EUR 50,000 or the equivalent in another currency. The reporting threshold was raised accordingly for certain payments by domestic financial institutions (Sec. 70 (3) AWV).

The reporting thresholds for capital movement have also been raised. Pursuant to Secs. 64 and 65 AWV, residents are obliged to report cross-border shareholdings if at least 10% of the shares or voting rights in a foreign company are directly attributable to a domestic company or at least 10% of the shares or voting rights in a domestic company are attributable to one or more economically connected foreigners and the balance sheet of the foreign or domestic company exceeds a certain figure. This figure has now been increased from EUR 3 million to EUR 6 million.

In addition, the German Federal Government has increased reporting thresholds for claims and liabilities with regard to foreigners (Sec. 66 AWV). As of 1st January 2025, the reporting obligation will apply to claims and liabilities exceeding EUR 6 million (previously the threshold was EUR 5 million).

3. Amendments to reporting deadlines

The reporting deadlines for payments received from and made to foreigners (Sec. 67 AWW) have been standardized and now refer to working days instead of calendar days. The deadline is now always the seventh working day of the month following the payment (Sec. 71 (6) AWW).

Claims and liabilities with regard to foreigners (Sec. 66 AWW) must now be reported by the tenth working day (instead of the tenth calendar day as previously) of the following month (Sec. 71 (3) AWW). The same applies to additionally reportable claims or liabilities resulting from financial relationships with foreigners that exceed EUR 500 million at the end of a quarter; now, these must also be reported by the 50th working day (instead of the 50th calendar day as before) after the end of the quarter (Sec. 71 (4) AWW). Residents who were required to report for the previous reporting period but are no longer required to do so because the amount falls short of the thresholds must notify this by the 15th working day of the following month (not, as previously, by the 20th calendar day of the following month) (Sec. 71 (5) AWW).

Meanwhile, the deadline for the notification of cross-border shareholdings (Secs. 64, 65 AWW), which was already based on working days instead of calendar days before the latest amendments, will remain unchanged (Sec. 71 (1) and (2) AWW).

4. Amendments and clarifications in connection with reporting of payments

The German Federal Government expressly clarifies in its amendments to the AWW that the transfer of crypto assets within the meaning of Sec. 1 (1) sentence 4 of the German Banking Act (Kreditwesengesetz - KWG) is considered a payment (Sec. 67 (3) sentence 2 no. 2 AWW) and introduces new codes for this purpose as of 1st January 2025 (codes 804, 814, 824 and 834). In addition, interest payments for foreign bonds and money market securities will be expressly exempted from the reporting obligation in future (Sec. 67 (2) No. 4 AWW).

5. Reporting formalities

Despite electronic submission via data record formats, the paper forms were previously still part of the AWW as annexes. They have now been replaced by new data templates. According to the Bundesbank, the data templates will be available in the revised General Statistics Reporting Portal (Allgemeinen Meldeportal Statistik - AMS) from mid-2025. The previous XML file can still be used for now. As of summer 2025, the Bundesbank intends to make new XML templates available, which will be mandatory to use from summer 2026.

With regard to the reporting of resident's assets abroad, the previously optional information boxes for the key figures of the German group (balance sheet, annual turnover and number of employees) will become mandatory.

6. What you should do now

Failure to report as well as or incomplete or incorrect reporting constitutes an administrative offense that is punishable with a fine of up to EUR 30,000 per violation. It is therefore essential to familiarize yourself with the amendments to the reporting system in detail and, if necessary, to update internal processes within the company to ensure compliance with the reporting obligations.

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