

Accounting Information

In case you started your own business recently or you are working as a freelancer and you are doing your accounting yourself, there are a few fundamental things to take into account. Following we edited the most common questions into an overview. This chart is just intended to be an aid, it doesn't claim to be complete and it is no substitute for individual consulting.

I. Statements required on invoices

You got to check incoming invoices for the following legal requirements. Should not all requirements be met you got to let the issuer of the invoice revise it.

Statements	"ordinary" Invoices (above 250€) require	Small amount Invoices (up to 250€) require
Name and address - of the supplier or service provider - of the receiver	Yes Yes	Yes No
Tax-Number or VAT-ID of the supplier or service provider	Yes	No
Invoice date	Yes	Yes
Continuous invoice numbers	Yes	No
Amount and description of the supplied good or kind and scope of the service provided	Yes	Yes
Date of delivery or receipt of money	Yes	No
Charges divided by tax rates and individual tax exemptions as well as in advance negotiated reductions of the charge	Yes	Charges (tax included) in a whole sum; tax rate and/or note on tax exemption
Tax rate and tax amount or note on tax exemption	Yes	Charges (tax included) in a whole sum; tax rate and/or note on tax exemption
Note on the obligation of preservation of (private) service recipient (construction works and so on)	Yes	Yes

II. Invoices on thermal paper

Surely you know the problem that documents printed on thermal paper are no more readable even after just a few months because they bleach out. On the other hand we got an obligation to preserve every business-related document for 10 years.

That's why you are obliged to make copies of every document printed on thermal paper.

(Multiple copies of documents on a single sheet of paper are permitted, you don't have to do individual copies.)

III. Hospitality costs

Hospitality costs are generally deductible taking into account that 30% of the net amount are the private share. To be entitled to deduct hospitality costs you got to take note on the receipt the names of all attending persons & the reason for the meeting. In case these statements are missing hospitality costs are not deductible at all.

IV. Low value fixed assets

The rules for the depreciation of low value fixed assets have been changed. Please note the new value limits of 250 EUR up to 800 EUR for purchase, production or insertion of assets from 2018 on (formerly 150 EUR to 410 EUR).

That means assets which are independently usable have to be listed separately and are fully deductible in the year of purchase, production or insertion if their net value is between 250 EUR and 800 EUR.