

# Leaflet Tax for the Promotion and Advancement of Culture

## 1. What is the tax for the promotion and advancement of culture?

This tax is raised in the area of the City of Cologne for accommodation that is provided against payment. The actual tax rate of 5 % is imposed on the gross room rate per night. In North Rhine Westphalia (NRW) the accommodation guest is considered tax payer. The accommodation facility is entitled to collect the tax from the accommodation guest and transfer it to the authorities of the City of Cologne.

## 2. Which exceptions are applicable?

Exempt from taxation are types of accommodations for necessary professional reasons and accommodation for securing basic needs of residence (e.g. to avoid homelessness and should a flat be uninhabitable).

## 3. What is meant by accommodation for work-related mandatory reasons?

Accommodation without payment is provided for work-related mandatory reasons if a legal occupation, commercial or freelance activities could otherwise not be performed respectively income could not be generated. Should this exception be applicable in your case, please submit the official form "Statement of Accommodation Guest" to your accommodation facility.

## 4. I am an employee. How can I prove the necessity of accommodation for work-related mandatory reasons?

- a) **Booking and Payment by my employer:** If an employee proof by the employer that booking and payment of the accommodation facility will be made is sufficient.
- b) **Booking by my employer with integrated confirmation of the employer (online):** If you are an employee and you effect payment of the accommodation facility yourself, it is sufficient if your employer made the booking online and the booking sheet contains confirmation that the accommodation is necessary for work-related mandatory reasons.
- c) **Confirmation of the employer (in writing):** A written statement of your employer in which name of the accommodation guest, the accommodation period, as well as name, address and signature of the employer are given is also accepted. Please find a sample statement online (see Information on tax for the promotion and advancement of culture or QR-Code) . Also accepted is an application for commercial trips which bears approval by the employer.
- d) **Documents Enclosed:** Proof for the necessity of work-related accommodation can also result from other documents, such as trade fair identity cards, accreditations for work-related congresses, conventions and commercial training courses. For further examples, please refer to our Frequently Asked Questions in Information on the tax for the promotion and advancement of culture or QR-Code.

**5. I am a trader or freelancer. How can I prove the necessity of accommodation for work-related mandatory reasons?** Freelancers and traders confirm the work-related necessity of accommodation by stating their local Fiscal Authority (income tax) or by enclosing documents (please compare 4d).

## 6. I still have questions. Where can I find the answers?

For further information, please refer to the internet and information on tax for the promotion and advancement of culture. For a personal contact you may also refer to your tax information office under phone number +49 221 / 221-96913 (Mondays to Fridays from 8am to 12pm, Tuesdays from 2pm to 3:30pm) .