



## Germany : application of the 34-days tax tolerance threshold

From 1 January 2024, tax resident employees in Germany will benefit from **a tax tolerance threshold of 34 days**, like their Belgian and French neighbours.

However, these 3 countries apply different rules.

In circular L.G.-Conv. D.I. no. 71 of 18 March 2024, the Luxembourg tax authorities clarified the provisions of the new amendment to the double taxation treaty between Germany and Luxembourg. A number of key points emerged, including :

- The 34-day tax threshold is **not prorated**: a part-time employee or one who starts/ends an employment contract during the year can therefore benefit from the full 34-day tax tolerance threshold;
- Germany specifies that a **working period of 30 minutes outside Luxembourg** is tolerated before a day is deducted from the 34-days threshold;
- **Passive on-call duties** (time during which the employee is not at the disposal of his employer or present at his place of work and awaiting possible intervention) must be deducted from the tolerance threshold, even if the employee is not called to intervene.

These arrangements should therefore be taken into account when implementing the company's rules on working outside Luxembourg, particularly in the context of teleworking.

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