



Finanzamt Letter Decoder Kit

Understand common
Finanzamt Letters
in simple English

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1. Welcome



If you have received a letter from the Finanzamt and your first reaction was stress, confusion, or panic, this kit is for you. This guide is designed for foreigners, side hustlers, self-employed beginners, and online sellers in Germany who want to understand what a Finanzamt letter means before they respond.

This kit helps you:

- **understand common Finanzamt letters in simple English**
-
- **identify what the tax office is actually asking for**
-
- **know what documents to gather**
-
- **avoid panic and missed deadlines**
-
- **know when an issue is simple and when it may require professional help**

This kit is especially useful if you sell online through Amazon, eBay, Shopify, TikTok Shop, or if you run a small business or side hustle in Germany

2. Important Disclaimer

This product is for educational and informational purposes only.

It does not replace advice from a qualified tax adviser or lawyer.

It is designed to help you understand common Finanzamt letters, prepare documents, and take safer next steps.

This kit does not provide formal tax representation, legal advice, or individualized tax planning.



3. Who This Kit Is For

This kit is for:

- foreigners in Germany
-
- side hustlers
-
- self-employed beginners
-
- online sellers
-
- people who received a tax letter and do not understand what it means
-



This kit is not for:

- formal tax representation
-
- complex tax planning
-
- legal disputes
-
- advanced tax structuring
-
- cases where a qualified tax adviser is clearly needed



4. How to Use This Kit

- Step 1: Identify the type of letter
- Step 2: Check the deadline
- Step 3: Identify what the Finanzamt wants
- Step 4: Gather the right documents
- Step 5: Choose the next safe action
- Step 6: Decide whether you need professional help



5. Urgency System

Red



Yellow



Green



- **Green = low immediate danger, but do not ignore it**
- **Yellow = action required soon, usually documents or explanation needed**
- **Red = serious issue, possible correction, payment, contradiction, or professional help needed**

6. Letter Type 1: Request for Documents / Proof

What this type of letter means

This kind of letter means the Finanzamt wants proof for figures that were declared in a tax return or related submission. They are usually checking whether the expenses, purchases, or other amounts claimed can be supported with real documents.

What the Finanzamt is usually asking for

They may ask for:

- a list of the expenses
- invoices
- the 5 biggest invoices
- proof of purchases
- summaries that match the tax return
- supporting documents for specific categories

7. Letter Type 2: VAT Clarification Letter

What this type of letter means

This kind of letter means the Finanzamt sees something in your VAT filings or VAT-related registration that does not match their records or expectations.

What this may involve

The letter may mention:

- Umsatzsteuervoranmeldung
- Vorsteuerabzug
- Umsatzsteuer
- Umsatzsteuer-Identifikationsnummer
- quarterly or monthly filing
- innergemeinschaftlicher Erwerb
- Kennziffern

What the Finanzamt is really checking

They are trying to understand whether your VAT registration, VAT filings, and business activity match each other.

Common examples

- you filed monthly when they expected quarterly
- you claimed input VAT
- your filings do not match your registration status
- you appear to be using a tax treatment different from the one in their system

Common mistake

People answer too quickly without first checking:

- what they selected in ELSTER
- what type of VAT status they registered under
- what was actually filed
- whether someone else filed the returns for them

What to do next

1. Gather your ELSTER registration information.
2. Gather copies of the VAT returns filed.
3. Check whether your filings match your registration.
4. Do not guess if corrections may be needed.
5. Consider professional help if the issue is not clear.

Urgency level

Red — this can become serious if ignored or answered carelessly.



8. Letter Type 3: Kleinunternehmer Contradiction

What this type of letter means

This kind of letter usually means the Finanzamt believes you are registered under the Kleinunternehmerregelung, but your filings or tax behavior suggest that you are acting like a normal VAT-registered business.

What the contradiction usually is

The tax office may think:

- you selected Kleinunternehmer
- but later filed VAT returns in a way that does not fit that status
- or claimed input VAT even though your small-business status suggests otherwise

What the Finanzamt is really asking

They want to know:

- whether you choose Kleinunternehmer
- whether you waived it
- whether you later exceeded the threshold
- whether the VAT filings were made incorrectly
- whether their records are wrong

Common mistake

- Many people think they only need to send a simple explanation. But often the real issue is that the original registration choice and later VAT filings do not match.

What to do next

- Check what you selected in ELSTER.
- Confirm whether Kleinunternehmer was chosen.
- Check who filed the VAT returns.
- Compare your registration status with the actual filings.
- Be careful, because corrections may be required.

Urgency level

Red – this should not be ignored.



9. Letter Type 4: Request to Submit Tax Return

What this type of letter means

This kind of letter means the Finanzamt believes that a required tax return has not yet been submitted

What this may refer to

The missing return could be:

- income tax return
- annual VAT return
- VAT pre-filing
- trade tax return
- another tax declaration linked to your business activity

What the Finanzamt is really asking

- They want you to submit the missing return within the stated deadline.

Common mistake

- Many people assume that if they had no sales, no profit, or very little activity, then no filing is required. That assumption is often wrong.

What this type of letter means

1. Check which exact tax return is being requested.
2. Check which year or period the letter refers to.
3. Do not ignore the deadline.
4. Ask for more time if you cannot file on time.
5. Get help if more than one return is missing.

Urgency level: Yellow to Red – the risk increases quickly if ignored.



10. Letter Type 5:Reminder / Warning Letter

What this type of letter means

This kind of letter means the Finanzamt says you have not yet replied, submitted, or paid something that was already requested.

What the Finanzamt is usually asking for

They may be reminding you to:

- submit documents
- reply to an earlier letter
- file a return
- make a payment
- meet a deadline that is about to expire

Common words you may see

The letter may include words such as:

- Erinnerung
- Mahnung
- Frist
- bisher nicht eingegangen
- bitte reichen Sie ein

Common mistake

People delay even longer because they feel embarrassed or overwhelmed. That only increases the risk.

What to do next

1. Read the letter carefully and identify what is still missing.
2. Check whether this refers to an earlier letter.
3. Act immediately.
4. Submit what is missing or ask for more time.
5. Keep a copy of whatever you send.

What to do next

1. Yellow or Red – depends on whether it is only a reminder or already a more serious warning.



11. Letter Type 6: Payment Demand

What this type of letter means

This kind of letter means the Finanzamt says that a tax amount is now due for payment.

What the Finanzamt is usually asking for

They expect payment of the stated amount by the deadline shown in the letter or notice.

Important point

A payment demand is not the same as a simple information letter. It means there is already an amount that the tax office expects you to pay.

Common mistake

People focus only on the amount and ignore why the amount arose. Before reacting, you should understand whether it came from:

- an assessment
- a correction
- a late filing issue
- an estimate
- a prior tax return

What to do next

1. Check what type of tax the payment relates to.
2. Check the period or year involved.
3. Check whether the amount came from a tax assessment or estimate.
4. Do not ignore the due date.
5. Get help quickly if you do not understand the basis of the amount.

12. Letter Type 7: Estimated Tax Assessment

What this type of letter means

This kind of letter means the Finanzamt may have estimated your tax because returns, documents, or explanations were missing or incomplete.

What the Finanzamt is usually doing

They are making a tax decision based on the information available to them, even if your full documents were not provided.

Why this matters

An estimate is often less favorable to you than a properly supported return

Common mistake

People assume they can deal with it much later. That can become expensive if deadlines for objection or correction pass.

What to do next

1. Check what exactly was estimated.
2. Check the deadline stated in the notice.
3. Gather the missing returns or supporting documents.
4. Do not wait too long to respond.
5. Consider professional help if the issue is complex.

Ugency level

Red — estimated assessments can create bigger tax problems if ignored.



13. Checklist: What to Gather

When the Finanzamt asks for proof of expenses

Gather:

- the letter from the Finanzamt
- the deadline
- a list of the expenses in the requested category
- invoices that match the list
- the 5 biggest invoices if requested
- totals that match what was already filed
- a short cover message

When the Finanzamt asks about VAT or Kleinunternehmer

Gather:

- the letter from the Finanzamt
- your ELSTER registration details
- answers you gave in the tax questionnaire
- copies of VAT returns filed
- proof of who filed the returns
- records of EU purchases if relevant
- a short timeline of what happened

When you need more time

Prepare:

- your name
- tax number or reference if available
- date of the Finanzamt letter
- a clear request for an extension
- a realistic new date
- a polite closing

14. Template: Ask for More Time

You can use this template if you need extra time to gather documents or reply properly.

German template:

*Sehr geehrte Damen und Herren,
bezugnehmend auf Ihr Schreiben vom [put a date here] bitte
ich höflich um eine Fristverlängerung zur Einreichung der
angeforderten Unterlagen.*

*Ich bin derzeit dabei, die angeforderten Unterlagen
vollständig zusammenzustellen. Da dies etwas mehr Zeit in
Anspruch nimmt, bitte ich um eine Verlängerung der Frist bis
zum [put the new date here].*

*Ich werde die Unterlagen so schnell wie möglich
nachreichen.*

Vielen Dank für Ihr Verständnis.

Mit freundlichen Grüßen

[Name and last name]

What this template does

This template politely asks the Finanzamt for more time and shows that you are not ignoring the matter.

When to use it

Use it when:

- you need more time to gather invoices
- you are still waiting for documents
- you want to avoid missing the deadline without replying

Important point

Do not wait too long before sending an extension request. It is better to ask early than to stay silent.

15. Template: Confirm You Are Gathering Documents

You can use this template if you need extra time to gather documents or reply properly.

German template:

*Sehr geehrte Damen und Herren,
hiermit bestätige ich den Erhalt Ihres Schreibens. Ich bin derzeit dabei, die angeforderten Unterlagen vollständig zusammenzustellen und werde diese schnellstmöglich nachreichen.*

Mit freundlichen Grüßen
[Name and last name]

What this template does

This template confirms that you received the letter and that you are already working on the requested documents.

When to use it

Use it when:

- you want to show that you are taking the matter seriously
- you need a little time before sending everything
- you want to avoid appearing unresponsive

16. Template: Submit Documents

You can use this template if you need extra time to gather documents or reply properly.

German template:

*Sehr geehrte Damen und Herren,
anbei übersende ich die angeforderten Unterlagen zu Ihrem*

Mit freundlichen Grüßen

[Name and last name]

What this template does

This template is for submitting the requested documents in a short and simple way.

When to use it

Use it when:

- you have gathered the documents requested
- you are ready to send the invoice list, proofs, or supporting documents
- you do not need to add a long explanation

Important point

Keep a copy of everything you send.

17. Template: Ask for Clarification

German template:

*Sehr geehrte Damen und Herren,
zur vollständigen und korrekten Beantwortung Ihres
Schreibens bitte ich um kurze Klarstellung, ob neben der
Aufstellung auch sämtliche Belege oder nur die größten
Rechnungen eingereicht werden sollen.*

*Mit freundlichen Grüßen
[Name]*

What this template does

This template asks the Finanzamt to clarify exactly what they want.

When to use it

Use it when:

- the letter is unclear
- you are not sure whether they want all invoices or only selected ones
- you want to avoid sending the wrong documents

Important point

Ask specific questions, not vague ones.

18. When You Need a Steuerberater

Some matters can be handled by gathering documents and replying carefully. Other matters are more serious and may require professional tax help.

This issue may be manageable without professional help if:

- the Finanzamt is only asking for invoices or proof
- you simply need to send a list of expenses
- you need to ask for more time
- you need to confirm receipt of the letter
- you need to send requested documents

You should strongly consider professional help if:

- corrected tax filings may be needed
- your VAT filings do not match your registration
- Kleinunternehmer status is unclear or contradictory
- multiple years are missing
- there is a tax estimate you do not understand
- there is a large payment demand
- you are unsure how figures were originally reported

Important point

Do not guess on technical tax issues just because you want to reply quickly. A bad reply can create more problems than a short delay.

19. Final Action Checklist

Before you respond to the Finanzamt, check the following:

- Have I identified what type of letter this is?
- Have I checked the deadline?
- Do I understand what the Finanzamt is asking for?
- Have I gathered the right documents?
- Do my totals match what was already filed?
- Do I need more time?
- Do I need clarification before sending anything?
- Is this still a simple document issue, or is it now a tax-professional issue?
- Have I kept copies of everything I am sending?

20. Final Reminder

A letter from the Finanzamt does not always mean something terrible has happened. In many cases, it means the tax office wants clarification, documents, or a response within a deadline.

The goal is not to panic. The goal is to understand the letter, respond properly, keep copies of what you send, and know when to get professional help.