

ATOZ ALERT

The 2023 Protocol to the Luxembourg/Germany Double Tax Treaty ratified by the Luxembourg Parliament

15 December 2023

Introduction

Yesterday, the Luxembourg Parliament passed the [law ratifying the protocol](#) (the “**2023 Protocol**”) to the Germany - Luxembourg double tax treaty (“**DTT**”) signed on 6 July 2023. The 2023 Protocol introduces both amendments to the DTT and amendments to the protocol to the DTT also signed in 2012 (the “**2012 Protocol**”) currently in force.

The 2023 Protocol mainly 1) extends the tolerance threshold for cross-border workers from 19 to 34 days under the DTT, 2) incorporates into the DTT the options taken by the two countries to implement the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (“**MLI**”), 3) amends the provisions applicable to treaty benefits for investment funds and 4) adapts the current provisions of the DTT in order to take into account some recent German tax law changes (e.g. dealing with Real Estate Investment Trusts, “**REITs**”). For more details on the implications of the 2023 Protocol, please read our previous publication on the topic: [“Luxembourg and Germany sign amending protocol to their tax treaty” in our Insights of August 2023](#)

On 8 December 2023, Germany ratified the 2023 Protocol by way of publication in the Official Gazette ([Bundesgesetzblatt](#)) of 13 December 2023.

As a result, if Luxembourg and Germany exchange their respective instruments of ratification before year-end, the 2023 Protocol will enter into force and thus should generally become applicable as from 1 January 2024.

Do you have further questions?



CHRISTINA LEOMY-VOIGT

Partner

International & Corporate Tax

christina.leomy-voigt@atoz.lu

T + 352 26 940 203