



21ST TSC LEGAL INFORMER



WINTER 2017-2018

Legal Readiness - Putting Your Affairs in Order

by Mr. Mark Christensen

Everyone should consider having the following three documents to put their affairs in order in the event of death:

1. A WILL to denote how you want to dispose of your assets and care for minor children or disabled adults under your guardianship. Make sure your executor (the person who will carry out your wishes expressed in the will) can get to the original document. Safety deposit boxes are a bad choice as they are locked upon your death unless prior arrangements are made with the bank. Instead we recommend that you place the will in a fire-proof safe or a refrigerator or freezer.

2. A DURABLE POWER OF ATTORNEY for someone to carry out your wishes should you become incapacitated. This power of attorney will terminate upon your death.

3. A LIVING WILL, Advanced Directive or Health Care Power of Attorney, stating your wishes medically and designating someone to carry out your wishes. You should keep this with your medical records and discuss this with your medical provider and family members. A German hospital is under no obligation to accept or follow this type of document, but they may be willing to do so if the directions are clearly stated and a certified translation is provided. If you retire in Germany, consider using a German attorney in your local legal assistance office to draft a German Living Will in a bilingual (German/English) document.

In addition, we recommend that you take the following actions to be "legally ready":

1. VITAL RECORDS: Gather and maintain certified copies of your birth certificates, marriage certificates, divorce decrees, social security cards, military discharge certificates and similar vital records.

2. FINANCIAL PREPARATION: Regularly review your bank accounts, insurance policies, trusts and other financial documents. Ensure your beneficiaries are properly designated and their contact information is current. Consider including your beneficiary as a joint account holder, which will automatically transfer full ownership upon your death. This can reduce complications transferring or accessing the accounts after your death. Maintain previous year's tax documents and keep a recent LES in hard copy.

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The 21st TSC Legal Informer is the newsletter of the 21st Theater Sustainment Command (TSC) Office of the Staff Judge Advocate.

Our mission is to provide outstanding legal support to Soldiers, Civilian Employees and Family Members assigned to or supported by the 21st TSC. Our headquarters is located in Kaiserslautern, Germany. We have branch offices in Baumholder and Stuttgart, Germany, Mons, Belgium, and Schinnen, the Netherlands.

Copies of this and previous newsletters may be found at: <http://www.eur.army>.

German Taxation of Military Retired Pay, US Social Security and VA Disability Pay

by Mr. Joerg Modellmog

While US income taxation depends on US citizenship (or being a green card holder), Germany obligates all ordinary residents to submit an income tax return - German citizenship is generally not a criteria. US citizens who retire in Germany or lose coverage under the Status of Forces Agreement will become "ordinary residents" of Germany. Such persons will be required to file a German income tax return, in addition to a US tax return.

The German-US Tax Treaty provides taxation rules, specifying which country gets to tax what kind of income and when taxes already paid to one country will have to be credited by the other country. The treaty divides your world-wide income into different categories. The tax treatment of some of these categories is described in this article.



(1) Military Retired Pay. Military retired pay paid to US citizens who are ordinary residents of Germany will NOT be taxed in Germany. However, it has to be reported on the German tax return because that income will be considered in determining the tax-rate/bracket for other income of yours that is taxable in Germany. That way your income subject to German taxation will be taxed at a higher rate, so-called progressive taxation ("Progressionsvorbehalt").

(2) US Social Security. A portion of US social security paid to US citizens who are ordinary residents of Germany is subject to German taxation. The payments will generally be treated like German ordinary retired pay. The Germans will calculate the taxable and tax-free portions of your social security based on the first full calendar year you started drawing social security. As an ordinary resident of Germany you report US Social Security in block 20a of your US tax return but write "Exempt" on line 20b, and attach Form 8833 to show you are invoking a treaty-based exemption under Article 18 paragraph 5 of the German-US Tax Treaty because Germany is going to tax it.

(3) VA-Disability Pay. The good news is that VA-Disability won't be subject to taxation either in the US or in Germany. It won't even influence the tax bracket and, therefore, does not have to be reported.

(4) Other Income. Please note, there are also rules in place for rental income, capital interest, dividends, TSP and other 401(k) income. The treatment of this income is complex and will be discussed in future articles in this newsletter. You may also refer to the article on retiring in Germany on the following pages of this newsletter; the section on German income tax appears on pages 6 and 7.

If you have specific questions about your situation, you should make an appointment with your local legal assistance office.

(Nearly) Everything You Want to Know About Retiring in Germany

by Bernd K. Rieger, Major, US Army (Retired)

This article provides useful information for US service members who plan to retire and stay in Germany. The comments below are not all-inclusive and do not cover every situation.

Medical support and health insurance

In general, military retirees in the US can obtain nearly free medical service through TRICARE, Medicare, the Veterans' Administration (VA) or military hospitals. However, in Germany there is no Medicare, no VA and only one large US military hospital at Landstuhl. Active troops and their family members – not veterans – have priority at all US military medical and dental clinics in Germany. Therefore, as a military retiree in Germany, you cannot get free medical treatment unless you have patience and time.

Outside the Continental US, the TRICARE Overseas Program Standard (or Tricare for Life once you turn 65) is currently the only option for military retirees. TRICARE Prime is not available. Under TRICARE Standard, retirees generally will have no Primary Care Manager and can receive only space available care at military medical facilities. A few military health care facilities still offer special programs that allow retirees to have a Primary Care Manager and make regular appointments, but this is rare. When you retire in Germany, TRICARE Overseas will process your medical claims but not your dental claims. There are US dental programs available to retiree beneficiaries overseas such as DDP Dental, but they are a separate entity from TRICARE. Contact them and search for additional information. Weigh your options carefully and consider German dental insurance alternatives.

If you have VA-rated, service connected conditions, search the Internet and look into the VA Foreign Medical Program to obtain health care and to file claims for reimbursement for services and supplies.



I believe that the best way for retirees to receive health care in Germany is to use the German health system. As a retiree you can use the system and file for reimbursement with TRICARE. Go to a German doctor and pharmacy of your choice, pay the bills and send them along with DD Form 2642 and proof of payment to TRICARE Overseas for reimbursement. Unfortunately, it is difficult to predict the TRICARE claim processing time. Two or more months is not unusual. Ensure you file your bills within one year or they could be rejected. For large bills I recommend that you tell your doctor you are with TRICARE and ask for a payment extension. Some German doctors deal directly with TRICARE; they collect 75% of their bill from TRICARE and will ask you to pay your 25% cost share directly. German doctors usually speak English and understand American medical terminology. Using the German system means you will be treated as a "Privatpatient" usually meaning privileged treatment and medication. It also means you need not visit US military pharmacies and clinics, which may save you transportation costs and time.

When you reach age 65, the Social Security Administration (SSA) will charge you Medicare part B payments. However, since there is no Medicare service in Germany, your payment only maintains your TRICARE status.

TRICARE pays 75% of the allowed amount for most medical treatment, but nothing for dental care, glasses, certain eye treatment and some other work. If you want to avoid that you need additional health and dental insurance. You can do that by joining a private Krankenkasse (German health

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insurance plan) on a 25% basis, making TRICARE your second payer. The private Krankenkasse will pay 25% of all allowed health care costs and TRICARE will pay their 75% share. You can also increase your dental coverage beyond 25% by selecting 50%, 80% or 100% dental coverage. If you do this the Krankenkasse and TRICARE will cover approximately 90% of your health care costs; you will still have to pay for certain non-reimbursable health costs. Another advantage of joining a Krankenkasse is that you will have old age care insurance, explained below.

If you do not want to join a Krankenkasse right after retiring but perhaps later, there is an alternative called "Anwartschaft" (candidacy). It means that you pay a small monthly fee to the Krankenkasse that you selected but you get no service in return. Later, when you reach age 65, or any time before, Anwartschaft gives you the right to join the Krankenkasse without a medical examination and with payments based on your Anwartschaft joining age. For example if you start Anwartschaft at 40 and join the Krankenkasse at age 65, your payment level starts at age 40, not age 65, representing a huge savings.

If you have a spouse with a German Krankenkasse, try to join his or her plan. Another option is to go to work for a German company for at least five years: this will give you a claim to a small German "Rente" (Pension). When you leave the German company to retire fully, you can continue your Krankenkasse on a voluntary basis with payments based on your total income from then on. If you stay longer than 5 years, your payments are prorated down based on the length of your employment (and the length of time you paid into the system). In any case, you will have lifelong medical coverage.

It is up to you to determine which option is the right one for you. Calculate your insurance costs against TRICARE's catastrophic cap, your health situation and what you can pay out of your own pocket. The catastrophic cap means that TRICARE pays all your medical bills when your cost-share payments exceed \$3,000 per year. You may be best served financially by TRICARE with no additional insurance.

Old-age Care Insurance

When Germany was an agricultural society, German families took care of their old in the traditional way. Later, in the industrial age, family bonds loosened and the attitude towards the old changed. People became unwilling or unable to care for the elderly and taxpayers had to help. Eventually this burden became heavy, causing the German Government to invent Pflegeversicherung (old-age care insurance). That created a care industry with many new jobs and huge costs.

Pflegeversicherung is compulsory in Germany. That means you can't have a public or private Krankenkasse without Pflegeversicherung and the payments are lost if you never need care. The purpose of Pflegeversicherung is to pay a portion of the cost of old age. Pflegeversicherung pays from 10% to 100% depending on your grade of care and your remaining living skills. Care in the German Pflegeversicherung system is divided into five grades that range from a person with few medical impairments, adequate living skills and absence of dementia (grade 1) to a person that is always in need of care and in a helpless condition (grade 5). Pflegeversicherung can pay relatives or friends for care services or commercial care can be hired. To claim Pflegeversicherung payments you must be in need of care. Experts will visit you and determine your grade of care and Pflegeversicherung payment by looking at your situation and how you conduct your daily life.



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TRICARE does not pay for long term care. Hence, you may want to consider obtaining Pflegeversicherung if you are not already covered by a German Krankenkasse that already provides this coverage. It is possible to purchase private supplementary Pflegeversicherung; search the internet for offers.

The goal of Pflegeversicherung care is to maintain, train or retrain personal abilities like hygiene, cooking, shopping and laundry, allowing an old or handicapped person to continue mobility and daily activities at home. When that is no longer possible, the person is best served by entering an Altersheim (nursing home). Most Altersheims are private businesses with profit in mind. Depending on the attractiveness of the location, some are expensive, some cost less. The current rate in an Altersheim in Kaiserslautern is roughly Euro 100 a day for a single room, including care and board but excluding extras. With extras that make life more pleasant, such as better food, bus trips, concert visits or a car, Altersheim costs can reach Euro 4000 a month. There is no upper limit.

Pflegeversicherung will pay part of the Altersheim costs depending on your grade of care. The rest has to come out of your pocket even if it means using all your remaining assets such as property, money, social security payments, survivor benefit plan payments or retirement pay. When there are no assets left, the person goes on Sozialhilfe (welfare) and his or her relatives may be asked to share in the costs. The idea is that you should not live at the expense of the German government if your own assets are available. However, the German government does not wish to leave anyone helpless. Unfortunately, those on Sozialhilfe have little incentive to earn money. If you are a US citizen, German authorities will ask the US for relief before you go on Sozialhilfe.

Paying German Tax

German tax regulations are complex, difficult to understand and have so many exceptions that it is impossible to discuss all of them in this article. However, common sense and a little confidence takes the worry out of filing German tax returns. If your tax situation is confusing, it is a good idea to seek professional help. To find a tax advisor (Steuerberater) or a tax club (Steuerverein) you can search the internet or ask neighbors and friends. Below are some general guidelines on German taxes.

When you retire and register with German authorities, they will give you a German language test which will allow you to obtain a Residence Permit called an **e**lektronischer **A**ufenthalts**T**itel or **eAT** card. That is your ID card inside the European Union (EU). If you travel outside the EU (for example to Switzerland, Norway or the US) you will need a passport. For tax purposes, the eAT card indicates to the German tax authority, the **F**inanz**A**mt (FA), that your center of life is in Germany and not the USA, even if you personally think otherwise. The card gives you the right to open accounts, own property, work and operate a business in Germany or elsewhere in Europe. It is similar in function to a US "Green Card."

The costs of social programs, public debt, migration and family support make up a huge part of the German national budget. For every Euro earned, German taxpayers spend 52.4 cents on various taxes, payments and fees. When you retire in Germany, you will make similar payments. If you attempt to keep your financial connections secret and the FA finds out (which is almost inevitable), you will owe back-taxes and have to pay fines.

In Germany you pay 19% Mehrwertsteuer or Value Added Tax (VAT) on most purchases and services. A reduced rate of 7% is charged for food and some services; no VAT is charged for medical services. As a retiree, you cannot use the military VAT relief program. You violate German financial laws if you use US friends, who are covered by the Status of Forces Agreement (SOFA), to avoid the VAT. If caught, your friends and you can be convicted of smuggling.

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German Income Tax

Generally you will have to pay German income tax if your income from foreign and domestic sources is more than the basic exemption. In 2017 the basic exemption was Euro 8,820 for single persons and Euro 17,640 for married couples. This tax free Existenzminimum (minimum subsistence) is recalculated every year. As a retiree with an eAT card, your status for German tax purposes is the same as that of a German citizen. You must declare all of your world-wide income, both from foreign and German sources. If you and/or your spouse have German income from pay, German Rente (pension), interest, dividends, business or real estate profits, you must file a German income tax return with the FA and in addition declare world-wide income such as your US military retired pay, Veterans Administration payments, Survivor Benefit Plan payments, US Social Security payments, and US interest and dividend payments. This general rule is based on the German "Geldwäschegesetz" (money laundering law).

If you are a registered retiree **and** you and your spouse have **no** German income or US Social Security, interest or dividend payments, you have **no** German income tax liability. If you are retired and sponsored by a spouse who is under SOFA, you have the status of a dependent. You need not register but must pay German income tax if you have German income. If you are not a dependent, not under SOFA and not registered with German authorities, you are a tourist. In that status you cannot open a German bank account, work or do business in Germany without a special permit.

A tax treaty (**DoppelbesteuerungsAbkommen** or DBA) between the US and Germany was created ostensibly to avoid paying tax twice on the same income. When the treaty was negotiated it resulted in a bad deal for US retirees living here because it allows Germany to tax our US military retired pay and Social Security benefits (details below). The tax treaty basically states that if you have paid tax on your US income you need **not** pay Germany tax on it again. In theory this prevents double taxation, but the reality is different. Your world-wide income, on which you have paid tax elsewhere, such as your US retirement pay, is **added** to your total German income to determine your German income tax rate. In other words all your income is put into one pot. This raises the tax that you pay on your German income if it is more than the Existenzminimum. Indirectly you end up paying tax twice: once to the US and a second time to Germany - as a result of the higher tax rate.



The tax treaty has a clause on US Social Security annuities and US earned interest and dividends, making things complicated. They can be taxed by the country where the recipient lives, which in your case is Germany. Hence, you have to declare your Social Security to the German FA under income from pensions. The FA will treat it like German Rente (pension payments). Therefore, when you file your US tax on Form 1040(A), enter your Social Security on line 20a, but on line 20b enter zero. Then, to obtain relief from the IRS paying tax on it, file IRS Form 8833, Treaty-Based Return Position Disclosure, with your Form 1040. US interest and dividends are taxed by the US IRS **and** the German FA. Thus, you end up paying tax on them twice. If you wish, you can reclaim your German tax on dividends (not interest) from the IRS.

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Taxpayers in Germany have many tax deductions. If married, it is a good idea to compare your income with your spouse's to see who should declare which deductions on his/her return. This helps to decide whether to file as joint or separate. A German tax CD (explained below) will do that for you. The German tax deductions include medical and medicine bills, glasses, certain insurance payments, funeral expenses, moving bills, hand-craftsmen bills, bank fees, cleaning bills and Medicare payments. Ensure you collect and keep all of your bills and receipts as proof for the German FA.

Most US retiree tax cases are simple (mine is). If you can read German adequately, it is a good idea to purchase a German tax CD and do your tax on a computer. Most cost roughly Euro 15 and can be obtained from companies including QuickSteuer, Taxman and WISO tax. A tax CD guides you through the process and offers a list of deductions that you simply check off. It is also possible to file your tax documents electronically. This process is called ELSTER (**EL**elektronische **ST**euer **ER**klärung). It is part of the tax CDs and is explained there.

If you use the tax CD, learn the system carefully. The basic laws change little over time but, because of annual changes, you need to purchase a new CD every tax year. Checking the box "übrige Einkünfte" (other income) under "Einkünfte" will trigger the system to ask some pertinent questions on your world-wide income on a later page. Add up your annual US retired pay or SBP (without US tax paid), the amount you actually receive in Germany and convert it to Euro based on the **average** annual conversion rate (in 2017 the average conversion rate was: \$1 = €0.885). Enter it as "ausländische Einkünfte unter DBA steuerfrei" and call it "Pension aus USA." Include a copy of your 1099R with your documents to the FA to show them that you are a US taxpayer. You need not tell the FA anything that isn't their business. So, black out or delete things that you want to keep to yourself. Because dealing with US citizens and retired US soldiers is something new to many German FA clerks, it is a good idea to add an informal note explaining your tax situation and US income.



US retirement, VA and SBP payments are **not** German Rente (pension payments) and do not come under the heading "Einkünfte aus Renten" (income from pensions) on your German tax. It is world-wide income. German income and world-wide income are two different animals for tax purposes and taxed differently. Investigate carefully if you even need to file German income tax. Usually if you don't owe, or expect a refund from the German FA, or your German income is below the Existenzminimum, you do not need to file. If your situation is such that you pay no German tax, get a "Nichtveranlagungsbescheinigung" (NV = non-levy of tax) from the Finanzamt. The NV frees you from filing German income tax for up to 3 years.

The US Government (IRS) is actively closing alien tax loopholes. Many foreign countries cooperated when threatened with sanctions by the US. I assume the IRS targets big money US tax evaders and not tax-honest US retirees or widows residing overseas. Be that as it may, I urge you to follow IRS instructions on reporting German and foreign financial connections if they ask you.

(Nearly) Everything You Want to Know About Retiring in Germany (continued)

German Inheritance and gratuity tax

Germany has both an inheritance tax and a gift tax (Erbschaftsteuer/Schenkungssteuer). The amounts you pay on inheritances and gifts can be substantial. No tax is due if the inheritance or gift is below the amount of the "exemption." For an inheritance or gift from your spouse, the exemption is Euro 500,000. For an inheritance or gift from a parent to his or her own children, stepchildren and children of deceased children the exemption is Euro 400,000. For an inheritance or gift from a grandparent to grand- and step-grandchildren the exemption is Euro 200,000. For an inheritance or gift from a child to his or her parents and grandparents the exemption is Euro 100,000. For an inheritance or gift to all other persons the exemption is generally Euro 20,000. Spouses and children of a deceased person who continue to live in a self-occupied family home that is less than 200 square meters are tax-exempt unless the estate is sold within 10 years (except if the occupant dies or is in a nursing home). To determine the amount of the inheritance or gift you may need to determine real estate values, which are derived from current market values. For more information you can search for "Erbschaften" on the Internet.



Handling your money in Germany

If you have an account at a US bank or credit union when you retire, try to keep it if they let you. It allows you to maintain your financial activities as you did on active duty.

The US Community Bank in Germany is only licensed to provide services to personnel with status under the SOFA. Once you lose your SOFA status you will not be able to keep your Community Bank account. If you have an account at a US Credit Union in Germany, you can keep this account as long as you joined them **before** losing your SOFA status. Without an account at the Community Bank or Credit Union, their service to you is significantly reduced. Please ask them what they can do for you as a retiree or widow. Generally, retirees and widows with a military ID card can cash government checks and buy Euros at the Credit Union. Retirees (not widows) can cash government and Veterans Administration checks and buy Euros at the Community Bank.

To be prepared for the lack of access to US banks, you should open a so-called Giro account with a German bank to pay your routine bills. It is not customary in Germany to use checks to buy things. Instead German banks will give you an EC Bank card (EC = Electronic Cash). It works with a PIN and a secure chip. Shopping or drawing cash with the EC card at teller machines in Germany is free at your bank or aligned banks. There is a small fee at other banks and elsewhere in Europe. To shop at AAFES or anywhere in the world, it is a good idea to have a credit or debit card. As a retiree you will not need much American cash and your dollar purchases are easily made with your credit or debit card.

Retirees are exchange rate watchers. The dollar to Euro rate splits up into three levels: Bid, Ask and Mean. For US Government or private dollar check conversion, German banks will use the lowest of the three, which is the "Bid" level. On top of that they will subtract a conversion fee. If you cash a \$15 check at a German bank, the bank fees may actually swallow up the entire \$15; this actually happened to me. You should avoid cashing small dollar checks at your German bank. For the same reason, ask TRICARE for refund checks in Euros.

(Nearly) Everything You Want to Know About Retiring in Germany (continued)

Some people hold cash and checks until the dollar reaches the highest fixing, which takes nerves. The financial gain they make is usually minimal and the plan often backfires. The dollar exchange rates often decline right around the time when the rate for a US payday is fixed. That may be caused by a large number of dollars transferred at the end of the month from the US to overseas, causing a temporary dollar surplus and driving the exchange rate down. Realizing that you cannot influence exchange rates will give you a more relaxed attitude about the matter.

The best way to convert dollars to Euros is to have your Retired Pay, Survivor Benefit Plan payments, Veterans Administration payments and Social Security payments deposited directly into your German bank account. The Defense Finance and Accounting Service (DFAS) and other government agencies will transfer your pay through the Federal Reserve Bank (FRB) of New York. The FRB transfers it through the Citibank Financial Services GB/Ireland and the Targobank in Frankfurt, which sends it to your German bank. The exchange rate used is the international rate as of the fix on the second bank working day for payments from DFAS and the Veterans Administration and last bank working day before the 1st of the next month for Social Security payments. American or European holidays and weekends will delay these payments because the banks are closed. Therefore, it is difficult to predict exactly when your money will be in your account, so remain flexible. The 2nd day of the following month is a good guess.

If you have extra money that you want to invest to beat inflation, don't put your money into a German savings account (Sparbuch). The interest paid is practically zero. Online banks pay above average interest with government guaranteed security (up to Euro 100,000) and offer "Tagesgeld" (currently 1% interest) and "Festgeld" (currently 1.5% interest for 3 year investments). Be careful: some are small banks or operate from exotic places. They could have different rules, securities or offer high interest only to those who meet special conditions. Some don't take US citizens without an eAT card. A spouse with German citizenship has no restrictions. To find the best bank search the Internet using the term "Tagesgeld/Festgeld Vergleich." I believe that the best way to manage your Euros is to open a Giro account with a local bank and open Tagesgeld and Festgeld accounts with online banks. You can have as many accounts as you wish. The German tax exclusion on interest is Euro 801 for single persons and Euro 1602 for married couples. Keep your bank statements as proof for the German FA.

Some money experts believe that the Euro will eventually vanish. These experts advise against keeping money in Euros. If you wish to follow this advice you should keep an account with a CO-NUS bank and regularly transfer enough dollars to your German Giro account for the Euros you need here.

Customs Card (Pink Card)

US military retirees and their dependents or widows can shop at AAFES and Commissaries if they have a German Customs Card, called a "Pink Card" because of its color. You show it with your ID card to the cashier at the Commissary or AAFES store. To obtain one, make an application with your passport and ID card at the MP Customs Office and take this paperwork to the local Zollamt (German Customs Office), which will issue the Pink Card. The Pink Card must be updated and stamped every other month at the Zollamt by showing your AAFES/Commissary receipts. Currently you will pay 17.5% import tax on your purchases. For items with a value Euro 50 or more, you will have to pay the 19% VAT in addition to the 17.5% import tax. If the tax is Euro 5 or less, you pay nothing. In most cases, you are better off buying expensive items on the Germany economy. Buying on the economy also enables you to take advantage of the German warranty service, which is very efficient. The Pink Card expires after a year. To get a new one, go back to MP customs with your ID and passport.

(Nearly) Everything You Want to Know About Retiring in Germany (continued)

Postal Services

As a US retiree, you can apply for an APO address with an “R” mailbox at your nearest Military Post Office. You can receive US mail with a maximum weight of 16 ounces at an R mailbox. APO postal personnel will return heavier packages to the sender. Like all packages from outside the European Union, US packages sent to an R mailbox must be taken to the German Zollamt for inspection, unless the value is Euro 45 or less. Any kind of pill or powder may cause the Zollamt to suspect a drug offense, leading to an involved administrative procedure.

You can receive mail and packages of unlimited weight at your economy address. When a package from outside the EU is delivered to your door, the Zollamt has cleared it and you need not take any further action. If you receive a pick-up notice from the Zollamt, you will have to go there to open it for inspection and may need to pay import tax (see above).

Do not mix APO and economy addresses or use odd terms such as “West-Germany” “Europe”, “Bavaria” or “near Heidelberg.” An APO address is for US mail, not German mail. If you use your economy address on your APO mail it will be rejected. When you give your economy address to US correspondents such as TRICARE, DFAS or the Social Security Administration, watch the correct spelling and ZIP code of your town and street.

Living Will

Most of us hope that we go quickly when fate has its say, but that might not happen. It is wise to compose a German living will (Patientenverfügung or PTV) while you are still of proper mind. The PTV can be handwritten, need **not** be notarized but must be signed and dated by you. In it you can direct what will happen should you become terminally ill, are no longer of proper mind or can only be kept alive with technical devices. Do not generalize; formulate your words to show precisely what you want. Give a copy to your German doctor for his files. Germany’s Supreme Court has ruled that PTVs must be honored, but some doctors have ethical problems with euthanasia. As a result, it is best to discuss your PTV with your doctor before you become incapacitated.

Funerals and VA

As you get older it is important to plan for your funeral. Although we all hope to live forever, our final day will eventually come, even if we eat well, exercise, get regular check-ups and have excellent genes.

You are entitled to a VA burial in the US, but VA graves cannot be reserved in advance. There is no VA cemetery in Germany. It is possible to obtain a military funeral here. However, the presence of a salute detachment and bugler at the funeral and a casualty assistance officer to assist your family will depend on the availability of these personnel.



One way to simplify your funeral is by entering into a pre-planned contract with a reputable German Bestattungshaus (funeral parlor).

All matters, such as the type of burial, organ donation, details of the ceremony and your VA paperwork can be settled with them in advance and the process is free. Funerals can be expensive, especially if your family does not know your wishes. Making your own arrangements is an important favor you can do for your survivors. Avoid pre-paid contracts unless the money is deposited in a trust account.

(Nearly) Everything You Want to Know About Retiring in Germany (continued)

There are limited types of burial permitted in Germany. They include a traditional burial of a body in a coffin, burial of cremated remains in an urn, burial at sea and scattering of cremated remains in a designated burial area. Only an embalmed body or ash can be shipped to the US. Survivors must pay for all transportation costs but if they wish they can ship the remains on a military aircraft on a space-available basis to the US embarkation point.

Miscellaneous

When you retire from the US Forces in Germany, the German Zollamt will generally allow you to keep your personal belongings, car and private firearms without charging you any customs duties. However, German gun laws are strict. You can possess a firearm only if you have a German weapons license (Waffenschein) and must properly store your firearm in a certified container, separate from the ammunition. Spot checks can be conducted by your local community and can result in a fine (or worse) if you violate the German weapons storage requirements.

To drive in Germany you will need a German drivers license (Führerschein). Converting your USAREUR drivers permit to a German Führerschein is complicated. One option is to go through a German driving school, which can cost Euro 400. You need not take the full course, but there are a number of matters that you will have to learn. A German Führerschein is valid for 15 years. In Germany it is illegal to use more than ONE valid driving permit. You can keep your US driving license, but you may not use it as identification or use it as a driving permit in Germany.



Do not keep your US specifications car unless it will be a rare antique later. Get a vehicle that can pass German inspection standards (TÜV, DEKRA) and can be serviced in Germany. Because you will no longer be covered under the SOFA, you must register your car in the German system. You will no longer have access to the cheaper AAFES gasoline. In addition you need to ensure your US car insurance transfers into the German system before you retire.

Keep important documents such as your DD Form 214, Survivor Benefit Plan paperwork, DFAS documents, certificates, wills, insurance, bank papers, tax returns and contracts updated in labeled folders. Inform your spouse and relatives where they are and know where theirs are.

In my opinion, the primary economic difference between life in Germany and the US is the higher cost of energy and housing and higher taxes. If you intend to stay here, I recommend that you purchase a house or apartment. In so doing, you save rental fees and build up wealth for you and your survivors.

Recreational activities in Germany such as shooting, golf, boating, flying, collecting antique cars and horse riding are not only difficult but also expensive. That is because space is limited in Germany and fees and taxes are high. Many want to earn money on your recreation and you will need a permit for almost anything you do here. There are two healthy recreational activities in Germany that cost little and are popular among older folks: "Wandern" and gardening. "Wandern" has no adequate American translation because it means not only hiking or walking briskly, it also means enjoying the scenery and nature and visiting a Gasthaus on the way. Germany is a paradise for Wandern. Wherever you go, there are organized public trails and activities every weekend. Get more information from www.dvv-wandern.de.

(Nearly) Everything You Want to Know About Retiring in Germany (continued)

Gardening is usually done around the house, but if you want more work, you can join one of the many Vereine (clubs) that offer garden plots, called



Schrebergärten. The land is often leased, but everything above ground belongs to you. Schrebergärten usually have a shed, fence, fruit trees and berries. You can plant things and enjoy life there. Just like in the US, there are numerous other private interest and recreational clubs open for membership and thanks to the similar cultures, Americans are welcome.

The expenses involved in recreation are more than compensated for by the travel opportunities to many attractive places. Road, rail and air travel is superior, modern and well maintained. Wherever you travel within European Union, you can pay with your credit EC-card or cash. Usually there are no border formalities and your eAT card is accepted.



ICE

If you plan to stay in Germany, it is a good idea to learn the language. Many Americans are reluctant to learn foreign languages because English has become the world's language. Nevertheless, reading, writing and speaking German improves your quality of life and your image as an American Veteran.

Conclusion

While retiring in Germany has many advantages, it can also present a number of challenges. If you plan to retire here, it is important to plan ahead. For specific advice on your situation you should contact your local legal assistance office.

21st TSC Legal Offices

Kaiserslautern

Kleber Kaserne, Bldg. 3210

Legal Assistance: DSN 483-8848/6782

Tax Assistance: DSN 483-8848

Claims: DSN 483-8855/8856

International Law: DSN 483-8854/8859

Trial Defense Service: DSN 483-8397

(Civilian: +49-631-411-XXXX)

Panzer Kaserne, Bldg. 3004

Administrative Law: DSN 523-0470

Criminal Law: DSN 523-0488

Special Victim Team: 523-0526

(Civilian: +49-0611-143-523-XXXX)

Baumholder Law Center

Smith Barracks, Bldg. 8222

Legal Assistance: DSN 531-2445

Trial Defense Service: DSN 531-2463

(Civilian: +49-611-143-531-XXXX)

Stuttgart Law Center

Kelley Barracks, Bldg. 3312

Legal Assistance: DSN 421-4152

(Civilian: +49-711-729-4152)

Northern Law Center

SHAPE (Mons, Belgium), Bldg. 318

Legal Assistance: DSN 423-4910 or 4868

(Civilian: +32-65-44-4910 or 4868)

Netherlands Law Center

Schinnen, Bldg. 37

Legal Assistance: DSN 360-7688

(Civilian: +31-464-43-7688)



Tax Centers To Open

The Army VITA Tax Centers will open late January and early February 2018. All of the tax centers are co-located with the legal assistance offices on their respective installations (see page 12 for locations and contact information). VITA stands for Volunteer Income Tax Assistance, an IRS program of instruction and certification provided to Soldiers assigned to the Tax Center for the tax filing season. VITA eligible taxpayers are those with income of \$54,000 or less and simple Schedule D entries.

Taxpayers are required by the IRS to provide the following information to receive free tax return preparation services at VITA sites:

- Government-issued photo ID for taxpayer and spouse
- Bank information for direct deposit
- Original Social Security cards for all family members
- Proof of health care coverage
- Income statements (W-2s, 1099s)

Taxpayers with complicated tax situations should contact the Tax Center to determine whether their return can be prepared by Army VITA personnel. Complicated tax situations include returns with the following:

- Capital gains reported on Form 1099-B
- Foreign income (foreign income exclusion or foreign tax credit)
- Rental property (Schedule E)
- Tax treaty provisions
- Self-employment income (Schedule C)

Individuals with a Puerto Rico tax filing obligation must complete the electronic Puerto Rico return prior to preparing the IRS return. Information concerning free electronic filing of PR returns is available at <http://www.hacienda.pr.gov/>.

Do-it-yourself tax preparation is available at www.militaryonesource.com.

Directions to Kleber Kaserne: From Vogelweh, Ramstein, or Landstuhl take the A6 direction Mannheim. On your right you will see a large store called Möbel Martin. Make sure you are in the right lane as you take the Kaiserslautern Ost Ausfahrt (exit). Turn right as you leave the exit ramp and drive downhill until you reach a stop light. Proceed straight ahead at the intersection and follow the priority road as it curves to the right behind the Real store. Enter Kleber Kaserne by the east gate. Turn right after passing the clinic. Drive north until you reach an intersection with 4 stop signs. Bldg. 3210 sits to the left of that intersection. Parking on Kleber Kaserne is difficult—allow a few extra minutes to circulate until you find an open spot. Enter Bldg. 3210 from the door on the east end of the building.

