

Invoicing

Teachers often complain that their invoices aren't paid on time. Companies and schools are not always the fastest of payers, but sometimes the reason an invoice isn't paid is simply because it does not include all the information that it should.

Schools often provide teachers with their own invoices, but companies don't. Even if you do have a blank invoice from a school to fill in, you should check that it contains the points below... if it doesn't, it could cause you and/or the school problems should you or the school be audited by the tax office.

An invoice **has to** contain the following information (this is not an option, but a must for an invoice to be recognised by the German tax office).

1. Full name and full address (yours and the person/school/company you are billing).

2. Your tax number – and/or German VAT number if you have one.

3. The date the invoice was written.

4. A "Fortlaufende Rechnungsnummer" in other words, an invoice number which has a progressive (and once off) invoice number , 1, 2, 3...1,001, 1,002, etc. This makes sense anyway because it makes payments into your bank account easier to identify.

5. The quantity and type of service provided, e.g. 5 hours English lessons with the beginners at company XYZ or the name of the course/group you are billing for.

6. The period you are billing for, e.g. the month of February 2008.

7. If you don't have to charge MwSt on your bills because your turnover is less than €16,620, you should write "USt befreit nach §19 UStG" on your invoice. This means you are a "Kleinunternehmer" (a small business with an annual turnover of less than €16,620) and are not obliged to charge German VAT.

8. The VAT rate you charge (16%).

9. Your bank account details.

10. Your conditions of payment "Pay me cash tomorrow, or else I'll send my mates round!" Normally, something slightly less threatening e.g. "Bitte überweisen Sie den Betrag innerhalb von 14 Tagen auf mein Konto."

This information **must be** on all invoices or receipts you send **or receive** that are for more than €100.

If this info isn't on them, the tax office can (and probably will) wallop you by either refusing to acknowledge the VAT you paid to someone else or refusing to accept the entire invoice you paid. It stands to reason that schools and companies who receive invoices without this info on them, will also refuse to pay you!

Finally, you should always include the following, all the net payments, all the MwSt and the gross sums, a total for the net payments, a total for the MwSt and a gross total.

Please bear all these wonderful points in mind when you send off an invoice to anyone. Some schools and companies might be tolerant and get back to you to remind you that X is missing, but some of them may just ignore your invoice.

Red tape! I'm surprised we haven't all been strangled by it yet!

John Sydes