Statement of Direction
Oracle Hospitality
Germany – Amendments to General Tax Code – Technical Secure Element (TSE)

Technische Sicherheitseinrichtung

Disclaimer

The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, timing, and pricing of any features or functionality described for Oracle's products may change and remains at the sole discretion of Oracle Corporation. This document also does not constitute legal or tax advice.

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Purpose

The purpose of this document is to provide Oracle's customers and partners in the German Hospitality community visibility about the actions undertaken by Oracle.

In response to the amendments in the "general tax code" (in German: "Abgabenordnung"), while the effective date remains January 1, 2020, on November 6, 2019, the Federal Ministry of Finance officially announced a "regulation of no objection" period referred to in German as "Nichtbeanstandungsregelung bei Verwendung elektronischer Aufzeichnungssysteme im Sinne des § 146a AO" until September 30, 2020. This will provide TSE users additional roll out time.

Link to legislation

Link to Non-objection regulation from Federal Ministry of Finance, DOK 2019/0891800 from 6.11.2019 (German)

Introduction

In the course of digitization, the technical challenges for the tax audit have changed significantly. Thus, subsequent manipulations of digital business transaction records without adequate safeguards, if at all, can be determined only with huge effort. In order to effectively prevent such manipulation, the integrity, authenticity and completeness of the recorded data must be ensured. In addition, the data must be able to be recorded immediately and found in the course of an audit. This can be achieved by the use of a Technical Secure Element (in German: technische Sicherheitseinrichtung, short TSE). The TSE is addressed by the electronic recording system (e.g. PMS system), takes over the protection of the data to be recorded and stores the protected records in a uniform format. Tax authorities can then claim the protected data and check them for completeness and correctness.

Enforcing to protect digital recording of business transaction against manipulation, the German government passed a bill in December 2016, which defines changes in the general tax code and empowers the Federal Ministry of Finance to determine a set of requirements and measures. In October 2017 the requirements and measures were published in a decree named "Kassen Sicherungsverordnung" or short "KassenSichV" and further specified in technical guidelines called "TR-03153" and "TR-03151" with the effective date January 1st, 2020[1].

Impact

Effective January 1st, 2020, when using a Point of Sale System for electronic recording of business transactions in the Hospitality industry the government imposes additional requirements on the associated vendors (PMS & accredited Fiscal Partners):

» The PMS system must record business transactions individually, entirely, correctly, timely and orderly on a daily basis.

» Business transactions recorded in a PMS system have to be protected with a technical secure element (TSE), which has to be certified by the Federal Office for Information Security (BSI).

» Each business transaction requires the issuance of a document in an immediate temporal context, containing a minimum of prescribed particulars, such are among others:

  • A unique sequential transaction number

  • The serial number of the certified technical secure element (TSE).

The document may be issued in paper form or, in agreement with recipient, electronically in a standardized format. In case of a high volume of sales transactions to unknown individuals, the tax authority is empowered, on request, to exempt the duty to issue a document.

» The tax authority has to be notified in case of using a PMS system for electronic recording of business transactions within a month after the acquisition of the PMS system, or if acquired before January 1st, 2020, latest until January 31st, 2020[1].

» Tax officers are empowered to claim the transmission of the protected data through the unified interface of the technical secure element (TSE) or provided on a computerized data carrier according to the specifications of the uniform digital interface of the technical secure element (TSE).

» Retention of the protected records is required through backups and archiving by the Fiscal Partners.

Please find here reference to the particular chapter and section of interest (in German).

Please find here the full Fiscal Code of Germany (in English).

Direction

Oracle is working towards an integration with the Fiscal Solution Partners "**fiskaltrust Consulting GmbH**" and "**efsta IT Services GmbH**" for Hospitality products to support customers in meeting their fiscal obligations.

"**fiskaltrust Consulting GmbH**" offers the technical secure element (TSE) as a local or cloud solution. Local TSEs from various manufacturers will be available in various designs. As a middleware, fiskaltrust pursues the strategy of integrating various cloud TSEs from different manufacturers.

"**efsta IT Services GmbH**" offers the technical secure element (TSE) as a local solution with dedicated fiscal hardware located on premise. As a middleware, efsta pursues the strategy of integrating with TSEs manufacturers.

Please contact your sales representative or oraclehosp_ww@oracle.com for further information.

The partner contact details are available in the Oracle Partner Network.

Targeted Software and Versions

Please find below the list of targeted software and versions:

Oracle Hospitality Property Management Systems:

- Oracle Hospitality OPERA5 Property Services:
  - Version 5.5.0.31 and later
  - Version 5.6.11.0 and later versions

- Oracle Hospitality OPERA Cloud Services:
  - Version 20.2.0.0 and later versions

- Oracle Hospitality Suite8: Minimum version 8.9.6.100 released on MOS ID 31022582

- Oracle Hospitality Suite8 Property Point of Sale: Minimum version 8.12.7.0 released on MOS ID 31018759

- Oracle Hospitality Fiscal Layer Integration Platform (FLIP): Version 20.2.0.0 and later versions

Oracle will release additional details of developments to the Oracle Hospitality products and versions in due course.

In order to be compliant, this necessitates the hotel or property to upgrade their PMS software to the latest released version that contains the requirement along with any additional software and/or interfaces to communicate with the fiscal partners. It will be necessary to secure services and devices through the nominated fiscal partners and/or Oracle Consulting Services.

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[1] *While the effective date remains January 1, 2020, on November 6, 2019, the Federal Ministry of Finance officially announced a "*regulation of no objection" *referred to in German as "*Nichtbeanstandungsregelung bei Verwendung elektronischer Aufzeichnungssysteme im Sinne des § 146a AO*" until September 30, 2020.*

Integrated Cloud Applications & Platform Services

Oracle is committed to developing practices and products that help protect the environment