

2. The calculation of the amounts of advance instalments payable in each quarter shall be based upon the income of the preceding quarter. The provisions of Section 35(2) of the Einkommensteuergesetz and Section 24(1) of the Einkommensteuer - Durchführungsverordnung (of 7th December 1941), which require such instalments to be calculated upon the basis of the tax determined in the last assessment, are accordingly amended.
3. Except as provided in this paragraph every taxpayer will, at the time he pays such advance instalment, file a return setting out the manner in which he has calculated the advance instalment (herein called a "quarterly return"). Such returns are not required from farmers and foresters who do not keep records and persons whose<sub>e</sub> income for the preceding quarter does not exceed 1,000 Marks.
4. On or before 10th March in each year every taxpayer will file a return of all income received by him during the calendar year ending on the preceding 31st December (herein called an "annual return"). The following persons need not file such returns: —
  - (a) All persons whose income wages is less than 24,000 Marks per year and whose taxable income other than wages does not exceed 600 Marks per year;
  - (b) Farmers and foresters who do not keep records and whose taxable income other than profits from their farming or forestry' does not exceed 600 Marks per year. \*
  - (c) Other persons whose taxable income does not exceed 600 Marks per year.

Section 15 of the Einkommensteuer - Durchführungsverordnung is amended to give effect to the provisions of this paragraph.

5. On the basis of the annual returns made pursuant to paragraph 4, the Finanzämter will recalculate the sum total of income or corporation tax for the entire year. Where as a result of such recalculation, an excess payment of tax is shown to have been made, such excess will be credited towards the liability of the taxpayer for the next year or repaid to the taxpayer, at his option. Where an additional sum is shown to be due, such sum will be payable by the taxpayer not later than 14 days after the notification of the recalculation.