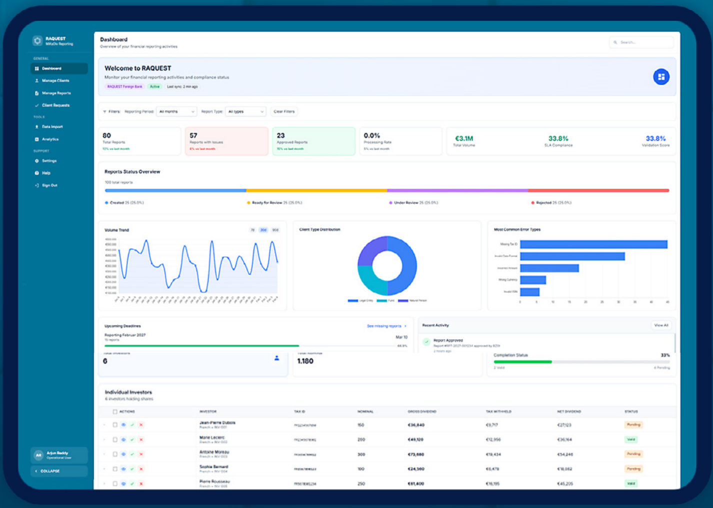


MiKaDiv

Ensure Compliance with RAQUEST Modules

MiKaDiv is a reporting procedure for capital gains tax on dividends and depository certificates. It is being introduced as a digital reporting regime for dividend income and complements the existing tax certification process. The related changes to German tax legislation affect all market participants involved.

MiKaDiv in a Nutshell

- New regulations come into force on **1 January 2027.**
- The **payment chain is the same** as for the current tax certification process.
- Notifications are required for both **tax residents and tax non-residents.**
- There are **different report types** (individual or summarized reports). Also, replacement and correction reports gain in importance.
- The **result of MiKaDiv reporting will be an order number (UUID)**, which will be required from 2027 for the reclaim process for all income from Germany. For German tax residents a tax certificate will be issued.
- The **liability** for issuers of German capital gains tax certificates **will be tightened.**

Affected Market Participants

GERMAN CUSTODIAN BANKS AND DOMESTIC PAYING AGENTS

A digital report must be submitted, resulting in an ordinal number UUID from the German Tax Authority for non-German investors. In addition, tax certificates will be issued for investors with tax residence in Germany.

FOREIGN FINANCIAL INSTITUTIONS

All required reporting information must be disclosed to the sub-custodian. UUID will be used for e-filing of tax reclaims for non-German investors and tax certificates for German investors.

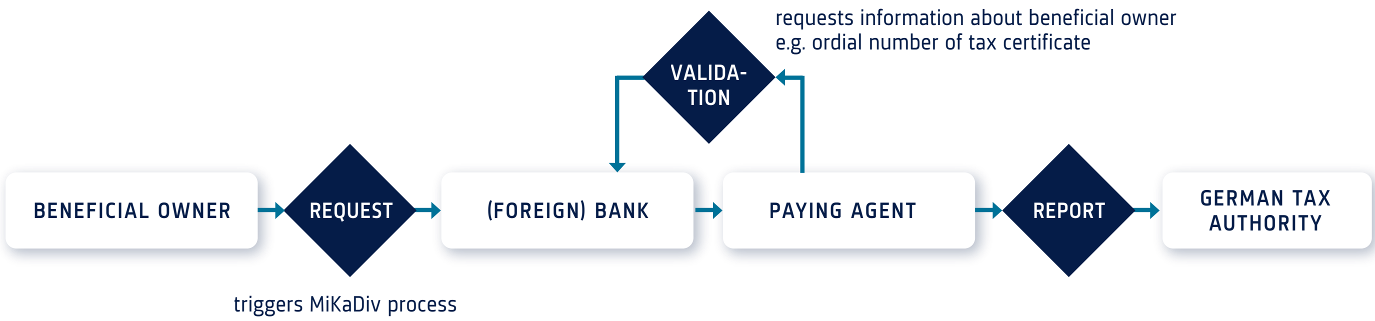
GLOBAL CUSTODIANS

Reports from custody clients must be validated and aggregated before being sent along the custody chain.

BUSINESS PROCESS OUTSOURCING FIRMS (BPO)

Having the mandate to process tax reclaims and relief at source on behalf of clients it is also expected from the BPO to manage MiKaDiv reporting.

MiKaDiv Reporting Workflow



Mandatory Information to be Reported

Types of Essential Content Data

CUSTOMER DATA

Details about beneficial owner(s), custody account number, trustee, and usufruct information.

FINANCIAL ARRANGEMENTS

Detailed information on financial arrangements.

COMPLETE CUSTODY CHAIN

Information on each financial institution in the payment chain, including LEI and holdings for every custody account.

SECURITIES INFORMATION

Capital income and total number of securities held.

HOLDINGS AND TRANSACTIONS

Number of securities on payment date, acquisitions, and disposals up to 1 year before and 45 days after dividend payment. Includes settlement details.

DEPOSITORY RECEIPTS

ISIN of deposited securities and subscription ratios.

Types of Reports

DOMESTIC TAXPAYERS

Digital reporting of additional information and tax certificates, including supplementary details.

NOTIFICATION OF UNISSUED TAX CERTIFICATE OR NOT EXECUTED REPORTS

If tax certificates have not been issued or reports have not been processed, notifications along the custody chain need to be sent.

AGGREGATED REPORTS

Consolidated reports organized by securities and custodian accounts.

NON-DOMESTIC TAXPAYERS

Digital reporting as a substitute for tax certificates.

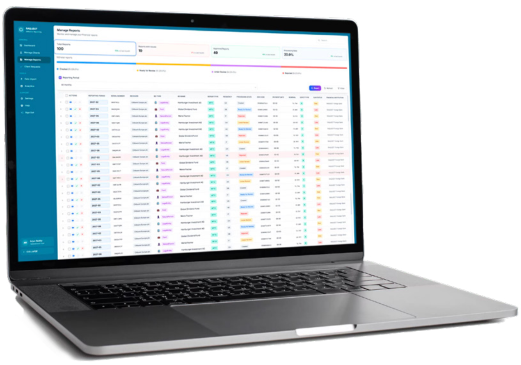
FOR OMNIBUS ACCOUNTS: EXEMPTION REPORT

Reports indicating no tax deduction or partial tax deduction.

PLUG-AND-PLAY SOLUTION

MiKaDiv Modules for Every Role

RAQUEST empowers financial institutions to simplify complex tax reporting and achieve full MiKaDiv compliance – efficiently and digitally. RAQUEST's Product Suite offers dedicated MiKaDiv modules tailored to each role within the process. These modules integrate seamlessly with one another, while also allowing for independent deployment to meet specific needs.



MODULE for Foreign Financial Institutions and BPO

- Create MiKaDiv reporting files
- Handle tax vouchers and UUID responses from custodians
- Integrate with e-filing process

MODULE for German Financial Institutions and German Paying Agents

- Create, import and validate MiKaDiv reporting files
- Manage overclaiming
- Create aggregated MiKaDiv reporting files for filing with German Tax Authority
- Handle tax voucher and UUID responses from the German wihholding agent

MODULE for International Custodians

- Import and validate MiKaDiv reporting files
- Manage overclaiming
- Create aggregated MiKaDiv reporting files
- Handle tax vouchers and UUID responses from upstream custodians

Strategic Value Drivers of the RAQUEST Suite

END-TO-END AUTOMATION
of MiKaDiv reporting, including data ingestion, validation, XML generation and submission.

FULL ALIGNMENT WITH CUSTODY CHAINS
supporting foreign banks, intermediary banks and German reporting banks with role-based logic.

INTEGRATED TAX LIFECYCLE
linking MiKaDiv reporting seamlessly with reclaim, relief at source and documentation processes.

ROBUST DATA QUALITY AND AUDITABILITY
through comprehensive rule-sets, corrections and transparent processing indicators.

MODULAR AND SCALABLE ARCHITECTURE
ready for future regimes such as FASTER and adaptable to different custodian formats.

Your Implementation Partner for MiKaDiv

EXPERTISE AND CUSTOMER FOCUS

With 15+ years in withholding tax, RAQUEST delivers Europe's leading software for tax processing, combining deep expertise with close client collaboration to create solutions for an interconnected financial industry.

PROACTIVE APPROACH

RAQUEST collaborates with expert groups and specialized user groups, including the German Tax Authority and banking associations. This engagement enables active participation in shaping the framework and implementation process.

SPARRING PARTNER AND EARLY ADOPTER

As a nexus for politics, tax authorities, associations, and the financial industry, RAQUEST guides the technical and procedural implementation of digitalization, leveraging a strong network of decision-makers and advisory board members to identify change early.

TECH AND PASSION

Software is our DNA. The RAQUEST product team brings passion and experience to designing, developing, and maintaining sophisticated software solutions, with a focus on efficient, future-proof, accessible, and flexible web technologies.

GET STARTED

Impact Assessment Service

RAQUEST's MiKaDiv Impact Assessment Service evaluates institutional readiness and identifies areas for improvement across organizational, process, and technology dimensions:

1

SCOPE AND APPLICABILITY

Early identification of relevant clients, products, processes and legal implications of MiKaDiv

2

MIKADIV IMPLEMENTATION PROGRAM

- → Identification of relevant MiKaDiv role(s)
- → Data management and documentation upgrades
- → End-to-end transaction and custody chain transparency
- → Review of financial arrangements (e.g. securities lending, repo)
- → Strengthening of compliance and control frameworks
- → Monitoring of regulatory developments
- → Coordination with clients and market infrastructure
- → Design and implementation of new reporting process

RAQUEST

About RAQUEST

RAQUEST is a fintech company specializing in withholding tax management for financial institutions. As part of the Halvotec Group, RAQUEST has been providing innovative software solutions for the efficient processing of withholding taxes for over 15 years. RAQUEST enables financial institutions to meet regulatory requirements, increase efficiency, and reduce costs while maximizing investor returns.

The modular B2B software supports all common tax relief procedures, and processes data from upstream systems in a standardized and audit-proof manner. Its gateways support digital interfaces between tax authorities of EU member states and intermediaries in the payment chain.

RAQUEST has established itself as the market leader in withholding tax processing with a customer portfolio of renowned financial institutions.

Get in Touch

contact@raquest.tax

raquest.tax