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Interest rates

Germany

1 Is "statutory interest" provided for in the Member State? If so, how is "statutory interest" defined in this Member State?

Yes. The statutory interest rate is stipulated in Section 246 of the German Civil Code (*Bürgerliches Gesetzbuch*, BGB). If interest is payable on a debt by law or in a legal transaction, the interest rate is four percent per year unless otherwise provided.

2 If yes, what is the amount/rate and legal basis for it? If different rates of statutory interest are provided for, what circumstances and conditions apply?

Amount/rate of the statutory interest	Criteria for the application of the statutory interest rate (if necessary)	Legal basis
4 %	<i>Standard rate, unless there are special provisions which require otherwise or an agreement is made to deviate from this rate</i>	Section 246 of the German Civil Code
5 %	<i>For bilateral commercial transactions (with the exception of default interest), unless one of the special provisions applies which requires otherwise</i>	Section 352 of the German Commercial Code (<i>Handelsgesetzbuch</i> , HGB)
5 percentage points above the basic interest rate stipulated by German law (*)	<i>If the borrower defaults on the payment of a debt</i>	Section 288(1) of the German Civil Code
9 percentage points above the basic interest rate stipulated by German law (*)	<i>If the borrower defaults on a payment claim and is not party to the underlying legal transaction.</i>	Section 288(2) of the German Civil Code
5 percentage points above the basic interest rate stipulated by German law (*)	<i>If the consumer defaults on a consumer credit agreement, unless there is a mortgage agreement</i>	Section 497(1), sentence 1 of the German Civil Code
5 percentage points or 9 percentage points above the basic interest rate stipulated by German law (*)	<i>Money debt from the date when litigation is pending (service of the application/the summons), from the due date at the earliest.</i>	Section 291 of the German Civil Code
5 percentage points above the basic interest rate stipulated by German law (*)	<i>For legal costs, from the date the petition for the assessment of costs is received and from the due date, provided that a petition is not required from the date on which the judgement is pronounced.</i>	Section 104(1), sentence 2 of the German Code of Civil Procedure (<i>Zivilprozessordnung</i> , ZPO)
2 % above the basic interest rate stipulated by German law (*), but at least 6 %	<i>For transactions involving cheques or bills of exchange, whereby a statutory interest rate of more than 6 % only applies to domestic bills or cheques</i>	Articles 45 and 46 of the German Act on Cheques (<i>Scheckgesetz</i>); Articles 28, 48 and 49 of the German Act on Bills of Exchange (<i>Wechselgesetz</i>)

(*) The basic interest rate stipulated by German law is NOT the same as that of the ECB. For details on how it is calculated, please see question 3.

3 If necessary, is there further information available on how to calculate statutory interest?

The basic interest rate stipulated by German law is not the same as the basic interest rate of the ECB. It is calculated in accordance with Section 247 of the German Civil Code and changes on the 1 January and 1 July each year. An overview of the basic interest rate by time period in accordance with Section 247 of the German Civil Code is available in German and English on:

<https://www.bundesbank.de/de/bundesbank/organisation/agb-und-regelungen/basiszinssatz-607820>

In accordance with Section 289 of the German Civil Code, no interest is charged on default interest (prohibition of compound interest).

4 Is there free online access available to the legal basis mentioned above?

The German Civil Code can be accessed in German and English on:

<http://www.gesetze-im-internet.de/bgb/index.html>

The other aforementioned laws and regulations can be accessed in German on:

<http://www.gesetze-im-internet.de/zpo/index.html> (Code of Civil Procedure, also in English)

<http://www.gesetze-im-internet.de/hgb/index.html> (Commercial Code, also partially in English)

<http://www.gesetze-im-internet.de/scheckg/index.html> (Act on Cheques)

<http://www.gesetze-im-internet.de/wg/index.html> (Act on Bills of Exchange)

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