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Steuerklassen — Tax Classes in Germany (I-VI)

Which tax class suits you? How to reduce taxes? Simple explanation of Steuerklassen.

Deutsche Begriffe: Steuerklasse | Lohnsteuer | Finanzamt | Steuererklärung | Steuerklassenwechsel | Faktorverfahren | Ehegattensplitting | Entlastungsbetrag | Pflichtveranlagung | Elternzeit

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Steuerklassen — Tax Classes in Germany

What are tax classes for?

Steuerklasse determines how much Lohnsteuer (income tax withholding) is deducted from your salary. The class doesn't change your annual tax — it only affects how much you take home **each month**. The difference is settled during your annual tax return.

6 tax classes

Class	For whom	Withholding
I	Single, divorced, living separately	Standard
II	Single parents (with Entlastungsbetrag)	Lower (relief)
III	Higher-earning spouse (partner has V)	Lowest
IV	Spouses with similar income	Standard

Class	For whom	Withholding
V	Lower-earning spouse (partner has III)	Highest
VI	Second employment contract	Highest

After marriage, the tax office automatically assigns both spouses **IV/IV**. Couples can choose III/V (when income differs) or **IV/IV with Faktorverfahren** — a fairer distribution of withholdings.

How much difference does the class make?

At €3,500 gross: class I ~€2,330 net, class III ~€2,700 net. But this is only withholding — with III/V you often have to **pay extra** at the annual settlement.

Reform: end of classes III and V

The government plans to **abolish classes III and V** and switch to IV/IV with Faktorverfahren. Implementation planned for **2030** — until then, III/V operate normally.

How to change your class?

1. Online via elster.de — "Antrag auf Steuerklassenwechsel"

2. Or submit the form at the Finanzamt

3. Changes take effect the following month; you can change multiple times per year

Tips

 Single parent: make sure you have class II (Entlastungsbetrag relief) **Minijob up to €603:** doesn't affect your class **Before parental leave:** switching to a more favorable class increases Elterngeld (calculated from net income) — plan ahead ⚠ **Class III/V or IV-Faktor:** annual Steuererklärung is **mandatory** (Pflichtveranlagung)

Tax withholding and class

You can see the withholding amount on your pay stub (Lohnabrechnung) under Lohnsteuer.

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