

Welcome back to our series on company formation in Germany!

## Our video on company formation in Germany

Here is a detailed video that walks you through all the steps of founding a GmbH company or UG in Germany:

## Overview over steps of company formation in Germany

Process of GmbH company formation in Germany can be split into three parts:

1. GbR
2. Pre-GmbH
3. GmbH

The same steps apply to UGs, since it is pretty much the same thing.

### 1. GbR

Even before company formation in Germany you already formed a company: the GbR. **As I warned you previously**, you want to avoid that stage and make it as short as possible. What you want to avoid most of all are liabilities and IP creation during that phase. The GbR is formed once you and your co-founders join forces to start a business. It lasts until your notary appointment.

What do you need to do before the notary appointment? Obviously you need to schedule in advance - there is not yet a walk-in notary. Second, you need to prepare the documents, or have a lawyer like yours truly help you with that. The minimum documents are the articles of association (Gesellschaftsvertrag) and the notarial deed (Errichtungsurkunde), but the notary should help you with that. Usually when there are more co-founders, you will also have a managing director service contract (Geschäftsführerdienstvertrag) and possibly some shareholder agreement (Gesellschaftervereinbarung). [Click here](#) to learn more about the differences between those related documents.

If you don't have a German address, make sure to get one (or a friend's address) by the notary appointment. There are also some professional services like relocation services or co-working spaces that provide address services and that may forward your mail.

## 2. Pre-GmbH

Once you have been at the notary, you should get a bank account opened. Don't forget your ID or passport for the notary (and bank)! The quickest notaries and banks may allow a schedule of back-to-back appointments where you walk in from the notary to the bank and already have an IBAN by the next day. With an IBAN every founder can pay in his share capital. Once you have proof that the share capital is on the account, notify the notary and he will proceed the registration with the commercial register. In the meantime you should pay the notary and put your company name on the mailbox at the company address. Otherwise you won't receive your bank account information and banking cards or the notary documents. Next, pay the commercial register and hopefully you will enter the commercial register right away.

For the time being, you are (since the notary appointment) a Pre-GmbH or Pre-UG which is a company in foundation. In that stage you may only use your company name as GmbH i.G. (in Gründung = in formation) or UG (haftungsbeschränkt) i.G., whichever applies (don't forget about the haftungsbeschränkt in brackets!). A Pre-Company is better than a GbR because it will be automatically followed by the GmbH and no transfer of IP or other shenanigans are required. So you can finally start working on your product and IP and not be afraid of any mean claims from your co-founders. However, you still have to be careful about liabilities and especially payments from the share capital.

## 3. GmbH / UG

Once you are entered in the commercial register, you are finally good to go and the limited liability takes full effect. Make sure to complete the administration processes and register with the commercial chamber (IHK), the trade register (Gewerbeamt), the transparency register (Transparenzregister) if you have a more complex structure with founders' vehicles and the tax authorities. From your first month on you need to declare value added tax - which is only possible once you received a tax number.

For further videos on the topic of starting your GmbH or UG watch the whole playlist „[starting a business in Germany](#)„. If you want to see the whole video at once, just [click here](#).

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## Any Questions?

Then leave as a quick message under [hi@streifflaw.de](mailto:hi@streifflaw.de) or call as under +49 30 8597 6915

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