

European Court of Justice to decide if public institutions have a right to refuse cash

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On 27 March, the highest administrative court in Germany, the Bundesverwaltungsgericht, has referred my case to the European Court of Justice (ECJ) in Luxembourg. I have insisted to pay my legally required contributions to public radio and TV with the legal tender, euro cash. This is not possible according to their regulations. The [Bundesverwaltungsgericht has ruled](#) that there is indeed a requirement for all public institutions to accept cash based on §14 of the Bundesbank Act, which makes euro-banknotes legal tender. However, they will ask the ECJ to clarify, if this law is in agreement with higher ranking European law.

§14 Paragraph 1 Sentence 2 of the [Bundesbank Act](#) says:

“Banknotes denominated in euro shall be the sole unrestricted legal tender.”

Article 128 Paragraph 1 Sentence 3 of the [Treaty on the Functioning of the European Union \(TFEU\)](#) reads:

“The banknotes issued by the European Central Bank and the national central banks shall be the only such notes to have the status of legal tender within the Union.”

In its decision, the Bundesverwaltungsgericht rejected the reasoning of the lower courts and said that the Bundesbank Act does indeed imply that all sovereign institutions in Germany must accept cash. The German court is asking the ECJ to rule on whether §14 of the Bundesbank Act has the same content as Article 128 TFEU. If not, it would have to be decided, if §14 is invalid immediately or if it would be valid until it is changed or cancelled to bring it in accordance with EU law.

Communications of EU institutions and lawmakers support the interpretation that Article 128 TFEU also establishes a requirement for all public institutions to accept euro banknotes.

The implications of a friendly ECJ-ruling could be far-reaching, since more and more public institutions are refusing to accept cash and many EU-countries even have issued laws restricting payments in cash to certain maximum amounts.

[Longer German version](#)