

PRESS RELEASE

Better employee retention: Incentive specialist cadooz launches innovative solution for delivering benefits in kind to the market

- **The new Employee Benefit Club (EBC) is the perfect solution for taking advantage of the conditions around benefits in kind to employees**
- **Easy to use by both company and employees through an attractive dealer network**

Hamburg/Martinsried, September 15, 2022. Especially now in times of a shortage of skilled workers and against the backdrop of rising costs in almost all areas of life, companies want to award their employees additional benefits, such as gift cards and cash cards. Recent changes in the law have increased the exemption limit for these tax-free benefits in kind, but at the same time the tightening of the definition of benefits in kind has resulted in uncertainty for companies. cadooz, the sister company of gift card specialist epay specializing in incentives for companies and institutions, has come to the rescue by offering an innovative solution – the Employee Benefit Club (EBC) platform.

Many projects that companies had planned as a benefit for their employees have been put on hold because of the new complex regulations surrounding tax-free benefits in kind, despite the exemption limit increasing from €44 to €50. This means that companies are not taking full advantage of tax benefits, and employees are missing out on benefits in kind that would directly help them.

“The new requirements for tax-exempt employee benefits are confusing in many cases. As a full-service provider with more than 20 years of experience in incentive marketing behind us, our new EBC platform offers companies the perfect opportunity to take full advantage of tax-free benefits in kind, and at the same time incentivize their employees,” explains Paul Riedel, Director Sales and Marketing at cadooz.

The amendment to the law around benefits in kind has essentially tightened the framework for gift cards and cash cards. Effective January 1, 2022, gift cards and cash cards must only entitle the holder to receive goods or services if they are to be recognized as benefits in kind and not as cash benefits. On top of this, there are also criteria under the Payment Services Supervision Act (Zahlungsdiensteaufsichtsgesetz - ZAG) to be met¹.

¹“Effective January 1, 2022, gift cards and cash cards are only considered benefits in kind pursuant to Section 8 (1) (3) of the German Income Tax Act (EStG) if they only entitle the holder to purchase goods or services and meet the criteria of Section 2 (1) (10) of the German Payment Services Supervision Act (ZAG).”

EBC: Trendsetting portal for employee benefits

cadooz presents the new Employer Benefit Club (EBC) platform, a solution for giving gift cards as employee benefits. The participating company can purchase retail gift cards from cadooz utilizing the simple order and employee management process within the cadooz Incentive Mall, Germany's largest B2B store for universal and branded gift cards, and have them distributed to its employees. They, in turn, have freedom of choice in an attractive dealer network and they can access their gift cards received directly at any time in the employee portal, which can also be branded in the business customer's CI. Selection of future gift cards is also flexible in the portal.

"The Employee Benefit Club is the perfect solution for taking advantage of the tax-free benefit in kind and can also be combined with other cadooz products, beyond the benefit in kind parameters. For example, employees can purchase additional gift cards themselves at preferential prices with the cadooz ACE world of benefits," says Paul Riedel.

More information <https://www.cadooz.com/en/employee-motivation/overview/>.

About cadooz:

cadooz is the specialist for incentive marketing and has been implementing innovative incentive solutions for all industries and company sizes for over 21 years. With around 8 million gift cards and 2.2 million non-cash rewards sold per year, and over 500 customized rewards programs, cadooz is considered an expert and leading provider in the market. Its incentive solutions are successfully used by more than 3,000 business customers for employee motivation, customer acquisition, and customer retention. As well as consulting services and software solutions such as reward programs and benefit worlds, cadooz offers its business customers a comprehensive rewards portfolio. These include attractive universal and themed gift cards, over 500 gift cards from quality brands, and branded products/non-cash rewards from all well-known manufacturers. Together with our affiliate company epay, which specializes in gift cards, prepaid products, and digital payment solutions, we are a member of the international payment network Euronet Worldwide Inc. (NASDAQ:EEFT). www.cadooz.com

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