Doing Business in Austria 2022

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Introduction

The Doing Business in Austria guide has been prepared by Mazars Austria in order to give its readers a compact overview of the relevant regulations of the country.

Doing Business in Austria includes, in addition to background facts about Austria, relevant information on business operations and taxation matters. This guide is intended to assist organisations that are considering establishing a business in Austria either as a separate entity or as a subsidiary of an existing foreign company. It will also be helpful to anyone planning to come to Austria to work and live there either on secondment or as a permanent life choice.

Unless otherwise noted, the information contained in this guide is believed to be accurate as of 1st August 2022. However, general publications of this nature cannot be used and are not intended to be used as a substitute for professional guidance specific to the reader's particular circumstances.

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Austria at a glance

Facts

Geographical location and population

The Federal Republic of Austria is located in the heart of Europe and borders on eight other countries: The Czech Republic, Germany, Hungary, Italy, Liechtenstein, Slovakia, Slovenia and Switzerland. According to the Austrian Statistic Centre (Bundesanstalt Statistik Österreich) the population of Austria in 2021 was estimated at 8.95 million inhabitants, an increase by 0.4% compared to the year 2020. The largest growth was recorded in urban agglomerations through immigration. At the end of 2021 about 1.6 million individuals without Austrian citizenship were living in Austria, which is about 17.7 % of the population, half of them coming from non EU-countries. Most of the migrants are coming from Germany and other EU Member-States, followed by Eastern European countries.

The territory of Austria coversan area of approximately 84,000 square kilometres, which stretches from the Alps in the West to the flatter and sloping regions in the East. Austria has nine independent federal states: Burgenland, Carinthia, Lower Austria, Salzburg, Styria, Tyrol, Upper Austria, Vorarlberg and Vienna. Vienna is also the capital city of Austria.

Since 1995 Austria is a member of the European Union (EU) and has adopted the Euro as its currency.

Language and climate

The official language is German. Austria shares German as an official language with Germany, Switzerland and Liechtenstein. In small regions minority languages are used as alternative official languages.

Austria is located in a temperate climate zone influenced by the Atlantic climate and an Alpine climate in the central and western regions.

Politics and government

Austria is a democratic republic, with currently six political parties represented in the Austrian Parliament. The Austrian Parliament consists of two chambers: The National Assembly (Nationalrat) and the Federal Council (Bundesrat). The national Assembly is the main legislative body. The Federal Council represents the interests of the federal states.

The Federal Government is headed by the Federal Chancellor (Bundeskanzler), who along with the Vice Chancellor, federal ministers and state secretaries conducts government business. The currently ruling parties in the Federal Government are the Austrian People’s Party (ÖVP) and the Greens (GRÜNE), which together form a coalition since both parties received most of the votes in the last legislative elections in 2019.

The Federal President (Bundespräsident) is the Head of the state and the military. The current incumbent is Dr. Alexander van der Bellen, elected by popular vote for a period of six years. The president’s function is mainly representative. All Austrians who have reached the age of 16 are entitled to vote.

As a federal republic, not all legislation and government administration is done on the national level, but some responsibilities are taken care of by the governments and the parliaments of the 9 federal states. Further political business is done on municipal level.

Austria at a glance

Currency, time zone, weights and measures

The Euro (ISO designation: EUR) is the unit of currency. One Euro is equal to 100 cents. The European Central Bank is the central banking system that manages the European currency. On 1st June 2022, the Euro was quoted against the US dollar at EUR 1 = USD 1.0712.

In Austria, there is a single time zone, Central European Time (CET), being GMT (Greenwich Mean Time) +1. In summer, Austria follows the daylight-saving time system (Central European Summer Time – CEST), starting on the last Sunday in March and ending on the last Sunday in October, which means that clocks are turned forward by one hour.

Austria uses the metric system of weights and measures. Temperature is measured in degrees Celsius.

General economic outlook

Although Austria, together with most other economies, was hit by the global financial crisis in 2008, it is still the 17th richest Country in the world in terms of GDP (Gross domestic product) per capita.

According to the Austrian Institute of Economic Research (WIFO), there is expected the slightly slower growth due to the Austrian economy in 2022 than previously expected (+3.5%). There is expected the growth of GDP by 2.6%.

The unemployment rate in Austria was increased due to the pandemic situation of Corona virus for 6.0% in 2020 and 6.2% for 2021. It is predicted that the unemployment rate for 2022 will be decreased for 5% in 2022 and for 4.8% in 2023.

Investment climate

Austria is a very attractive location for doing business for many reasons: highly skilled workers, excellent infrastructure, research funding, good industrial relations, political stability, optimal location for holdings with group taxation and its seat of many international organizations, too.

Due to its history and proximity to Central and Eastern Europe(CEE), Vienna has the reputation of bridging Western and Eastern Europe and is a popular location for headquarters. Changes can be seen in the origin of the parent company. The number of Austrian holding companies for the CEE region belonging to a German group of companies fell whereas the number of regional headquarters from CEE and Asia are increasing.

Vienna is the home of many international organisations and institutions. It is one of the four headquarters of the United Nations located in the Vienna International Centre (VIC). Further seats of the UN are in New York, Geneva and Nairobi. Vienna is also the seat of the Organisation of Security and Cooperation in Europe (OSCE), the Organisation of Petroleum Exporting Countries (OPEC) and several non- government organisations (NGOs).

Austria is a member state of the European Union, as well as a member of the OECD. As a member of the European Union, Austria must comply to all EU directives and regulations and it is bound by the EU trade treaties, import regulations, customs duties, import quotas and other trade regulations.

In Austria, a business can be established either in the form of sole proprietorships, partnerships or corporations.

Main forms of business organisations in detail

The most popular forms of business organisations in Austria are:

German term	Abbreviation	English translation
Gesellschaft mit beschränkter Haftung	GmbH	Limited-Liability Company
Aktiengesellschaft	AG	Joint-Stock Company
	GmbH & CO KG	Limited partnership with a GmbH as general partner
Societas Europaea	SE	European Joint-Stock Company
Niederlassung		Branch office
Privatstiftung		Private foundation
Offene Gesellschaft	OG	General partnership
Kommanditgesellschaft	KG	Limited partnership
Stille Gesellschaft	stG	Silent partnership
Gesellschaft bürgerlichen Rechts	GesbR	Civil-Law partnership
Erwerbs- und Wirschaftsgenossenschaft	Gen	Cooperative and industrial provident society
Einzelunternehmen		Sole proprietor
Verein		Association

Limited-liability Company (GmbH)

The GmbH is one of the most popular forms of business organisations in Austria. It can be established by one or more individuals as well as by legal entities, resident or non-resident, Austrian or foreign citizens. Shareholder liabilities are restricted to their subscribed share capital. Generally, the minimum share capital of a GmbH is EUR 35,000 of which at least EUR 17,500 have to be contributed at the foundation. The capital contribution of each shareholder must be at least EUR 70, non-cash contributions are also possible.

Optionally, a GmbH can be established with foundation privileges (“Gründungsprivilegierung”): In this case, the required share capital is limited to EUR 10,000 within the first ten years from foundation. At least EUR 5,000 have to be contributed in cash when establishing the company. The foundation privilege ends 10 years after the registration in the Commercial Register which means that the share capital has to be increased up to the minimum share capital of EUR 35,000 within this period. The use of the foundation privileges must be stated in the Commercial Register.

A GmbH is legally established upon entry in the Commercial Register (Firmenbuch), a procedure which primarily requires the prior notarization of the articles of association (Gesellschaftsvertrag). For any transactions prior to the notarization of the articles of association, the founders are personally liable (without limitation) for any debts incurred. In the period after the notarization of the articles of association, but before the registration of the company in the Commercial Register, a pre-company exists. Legal transactions concluded by the managing directors on behalf of the pre-company are deemed to have been concluded by the company. Upon registration, the assets of the predecessor company shall ipso iure pass to the limited liability company. In the case of debts, the company shall assume an obligation entered into in its name prior to its registration by contract with the debtor this liability without the creditor's consent only if the assumption of the debt is agreed upon and notified to the creditor within three months of the company's registration. The notification of the creditor may also be implied (e.g. by giving the benefits).

The shareholders of the pre-company are not directly personally liable to the company’s creditors. They are only liable internally for losses incurred prior to the registration that have reduced the share capital subscribed under the articles of association.

The costs of establishing a GmbH include fees for drawing up the articles of association, translation fees (if any), notarial fees (depending on the amount of share capital) as well as a fee for publishing mandatory information in the Commercial Register.

At least one managing director is needed, appointed by the shareholders.

Under certain circumstances also a supervisory board, consisting of at least three board members, must be appointed, for example:

- the share capital exceeds EUR 70,000 and there are more than 50 shareholders,
- the average number of employees exceeds 300,
- if a company itself is the controlling company of a group whose subsidiaries are obliged to have a supervisory board and the number of employees of all companies together exceeds 300 or
- if the company is general partner of a Kommanditgesellschaft and there are again more than 300 employees altogether on average

In addition, a supervisory board may be established voluntarily.

Corporations are classified into micro, small, medium and large companies depending on three indicators (sales, total assets and/or number of employees). This classification is important for the application of accounting and auditing rules (see below in chapter "The accounting and audit environment").

Joint-stock Company (AG)

An Aktiengesellschaft (AG) can be established by one or more shareholders. The minimum share capital amounts to EUR 70,000, of which at least EUR 35,000 have to be contributed.
Contributions in kind are possible under circumstances, which would require a more sophisticated (and expensive) process of setting up the company. Shareholders may be individuals or legal entities.

Their liability is restricted to their equity capital subscribed. The AG comes into legal existence at the time of its registration in the Commercial Register. The shares of an AG may be listed at a stock market. Each share must have at least a nominal value of EUR 1 or a multiple of it.
The structure consists of an executive board (Vorstand), appointed by a non-executive, separate supervisory board (Aufsichtsrat), whose main role is to supervise the executive board.
The Supervisory board is generally elected at the shareholders' meeting (Hauptversammlung).
Due to a right of co-determination, employees have the right to appoint their representatives to the supervisory board (as a rule: one third of the Supervisory Board members). The shareholders' meeting must be held at least once a year. An external auditor must be appointed to audit the financial statements and prepare an auditor's report. The auditor is elected by the shareholders in the annual general meeting, while the audit engagement letter is prepared and contractually determined by the supervisory board.

The costs for establishing a Joint-stock Company include fees for drawing up the articles of association, translation fees (if any), notarial fees (depending on the amount of subscribed capital) as well as a fee for publishing mandatory information in the Commercial Register.

Societas Europaea (SE)

Since 2004, it has been possible to establish a "European Company", a so called "Societas Europaea" (SE) within the European Union. It is a kind of joint-stock company regulated by EU law. The minimum capital of a SE is EUR 120,000. The organizational structure is more flexible than that of the Austrian AG, as the board can be organized according to a one- or a two-tier system.

A SE is incorporated in one member state and may have branches in others. It facilitates cross-border transactions within the EU.

Due to its international legal basis, it is allowed to move freely within the EU, while corporations founded under Austrian domestic law would not be allowed to move their corporate seat abroad.
A SE can move headquarters within the European Union (EU) territory with a minimum of formalities required.

The process of establishing a SE is more complicated than founding an AG, which may be the reason that currently only very few SEs exist.

Branch office (Zweigniederlassung)

A foreign business organization can operate in Austria either through a local subsidiary (GmbH or AG) or through a branch office. Austrian branch offices of foreign legal entities are required to be registered in the Austrian Commercial Register. The existence of the foreign legal entity must be proven by an official document.

In contrast to a subsidiary, there are no capital requirements for a branch office (except for certain sectors of business such as banks or insurance companies). Therefore, the initial costs are lower than for a subsidiary. Profits attributed to the Austrian branch of a foreign legal entity will be taxed at the general corporate tax rate.

An Austrian branch has no separate legal personality, liability or share capital. Therefore, the activities of the branch are not separated from the activities of the head office. The company therefore remains fully liable for the debts incurred by the branch.
Companies with a registered office outside the EU/EEA (European Economic Area) have to appoint a 'local representative' for their Austrian branch.

In general, a branch office can convert its legal form to a subsidiary under the Austrian Reorganisation Tax Act without triggering corporate income tax as the assets and liabilities can be transferred to the receiving entity at their book values rather than market values, if the legal requirements are met.

Private foundation (Privatstiftung)

A private foundation is a legal entity under private law. It can be established for any legal purpose. Unlike corporations the private foundation does not have any owners or shareholders. However, it normally has beneficiaries.

It is established by a declaration of foundation and comes into legal existence upon registration in the Commercial Register. In the declaration the founder dedicates specific assets of at least EUR 70,000 to the private foundation.

The purpose of the private foundation is to realize the intention of the founder/s according to the foundation deed. Often, the founder wishes to protect his assets, followed by the desire to support family members or other persons close to the founder. The beneficiaries of the private foundation can be individuals as well as partnerships or legal entities. Private foundations must immediately inform the competent tax authorities about their beneficiaries and additionally forward the foundation deed to the tax authorities. Banks are obliged to identify the beneficiaries due to the Austrian and European Anti-Money-Laundering and Counter-Terrorist-Financing regulations.

The private foundation itself is not allowed to operate a business, lead the executive board of a legal entity or be a general partner of a partnership.

There are at least two governing bodies of a private foundation: The board of directors and the auditor. In addition, a supervisory board must be established under certain circumstances. The board of directors must consist of at least three individuals. Beneficiaries and their close relatives must not be members of the management board.

Information available to the public is limited to the foundation deed filed with the commercial register, the ownership of real property which can be retrieved from the land register and/or information in financial reports filed by companies/corporations held by the foundation. However, it should be mentioned that with regard to private foundations, all beneficiaries have to be entered in the register of beneficial owners, i.e. also those who are not listed in the foundation deed.

Partnerships

A partnership (Personengesellschaft) can be established by at least two parties agreeing on a certain legal objective. The partnership as such is not subject to income tax, but the shareholders themselves are taxed at their individual income tax rate on their share of the partnership's income. Generally, the partnership agreement does not have to be in writing or notarized, but written agreements are preferable for reasons of legal certainty and facilitate registration in the Commercial Register (if necessary).

There are different types of partnerships as described below:

- **General partnerships (OG)**

The general partnership can be founded for any legal purpose by at least two shareholders - individuals or legal entities. The shareholders are personally, directly and jointly liable without limitation with all their private assets for the debts of the company. The OG must be entered in the Commercial Register in order to be established. Unless otherwise decided and entered in the Commercial Register, each shareholder is individually authorized to manage and represent the OG.

- **Limited partnership (KG)**

A limited partnership consists of at least two partners, at least one limited partner (Kommanditist) and at least one general partner (Komplementär). Like a partner in an OG, the general partner has unlimited liability for the debts of the partnership, while the limited partner is liable only up to his contractually agreed liability amount entered in the Commercial Register. Only the general partner has the power of representation and management of the limited partnership, while the limited partner is generally excluded from the management of the partnership.

A quite common legal form of an Austrian business organisation is a hybrid between a limited partnership and a private limited company, the so called "GmbH & Co KG".
This hybrid combines the advantages of the limited liability with the flexibility and transparent tax nature of a partnership.

- **Civil-law partnership (GesbR)**

A civil law partnership can be founded by two or more partners; in practice, they are often used for individual projects or joint ventures.
Under Austrian civil law, a GesbR does not have its own legal personality, so a GesbR cannot sue or be sued and is not registered in the Commercial Register. A GesbR that exceeds an annual turnover of EUR 700,000 in two consecutive tax years or EUR 1 million in one tax year must be entered in the Commercial Register as a general partnership or limited partnership.

- **Silent partnership (Stille Gesellschaft)**

In a silent partnership, a person participates in a company operated by another person ("principal"). The silent partnership has neither a legal personality nor a company name and does not appear as a business organization to the contractual partners. Management and representation are carried out solely by the principal. The silent partner is entitled to a share of the profits and bears his share of the losses, although loss sharing can be excluded.

Two types of silent partnerships can be distinguished:

- The "typical" silent partner receives a part of the profits and losses of the company, but does not participate in the business activities. His income is classified as investment income.

- The "atypical" silent partner participates in the profits and losses of the business, including goodwill or liquidation profits. He may also be involved in the business activities. His income is classified as income from business activity.

Sole proprietorship (Einzelunternehmen)

Sole proprietorship is the easiest way to establish a business and the most common form in Austria. In 2021, about 340,400 sole proprietorships were established in Austria.

A sole proprietor is an individual who operates the businessin his own name and on his own account. This also means full liability for the business debts. Any person holding an Austrian, Swiss or EEA state citizenship, can create a sole proprietorship in Austria. Persons from other (essentially non-EEA) countries will need an individual permission to conduct a business in Austria.

Association (Verein)

An association is a legal entity. Its organisational structure is based on a charter. At least two persons are required to establish an association. Most non-profit organisations are established as associations. It is usually not suitable for business purposes, but for sporting and cultural purposes. According to numbers, associations are very common in Austria, but most associations are not relevant economic actors.

Labour law - facts and information

Labour regulations and working conditions

Labour law is one of the most complex areas of Austrian legislation, as the legal framework is multi-layered. Due to its EU membership, Austrian labour law is influenced by EU labour law and the case law of the ECJ (Court of Justice of the European Union).

In addition to legal regulations, collective bargaining agreements play an important role in regulating employment. Collective bargaining agreements are concluded between authorized employers' and employees' associations and are a supplement to statutory regulations.

In Austria, there is a statutory regulation for blue- and white-collar workers, still resulting in slightly different levels of protection in different areas.

Austria is one of the European countries with the fewest strikes. One possible reason for this is the well-established cooperation between employer and employee representatives, the so-called "social partnership" ("Sozialpartnerschaft").

“Social partnership”, representatives of employees and employers

"Social partnership" refers to a phenomenon in which representatives of employees and employers work closely together to develop regulations that anticipate potential conflicts on an industry-wide level. In some cases, agreements reached through social partnership are transformed into legislation.

The nine public chambers of employees (one in each state) represent more than three million employees and are united in the Federal Chamber of Employees. Membership is mandatory for every employee. The Chamber of Employees is an important pillar within the social partnership and works closely with the trade unions.

The trade unions have a long tradition in Austria and are organized in the Austrian Trade Union Federation (ÖGB). Membership is voluntary. Currently, about 1.4 million employees are members of a trade union.

Apart from their role as representative bodies, both the employee chambers and the trade unions provide services for their members and also act as lobbyists for them.

Works councils exist in many companies and establishments in the industrial and service sectors. Employees have the right to elect a works council if there are five or more permanent full-time employees. The law stiplulates the responsibilities of works councils. Works councils represent the interests of employees and act as a link between employers and employees.

The most important representation of employers is the Austrian Federal Economic Chamber (WKO) with more than 450,000 member companies. In addition to the Chamber of Commerce, there are smaller public institutions for specific sectors of the economy, such as the Chamber of Public Accountants, the Chamber of Pharmacists, the Chamber of Architects, etc. Membership is mandatory.

There are also associations, such as the Federation of Austrian Industry (Industriellen-vereinigung), which represent their members. Membership in such private bodies is voluntary.

Apart from their role as representative bodies, Chambers of Commerce and other sector-specific chambers as well as representative associations provide services to their members and also act as lobbyists for them.

Working hours, remuneration and holidays

In general, an Austrian workday consists of eight hours plus a mandatory break of at least half an hour after six hours of work. This break is not part of the compensated working time. The statutory maximum working time is 40 hours per week.

The Working Hours Act (Arbeitszeitgesetz) provides for various models of flexible working hours. Under these models, normal daily working hours may be extended beyond eight hours and normal weekly working hours beyond 40 hours. A condition for this is usually that the credit hours resulting from the extension of normal working hours are compensated for within certain periods. With a few exceptions, the details of flexible working time models are left to collective bargaining agreements.

In many sectors, collective bargaining agreements have reduced the statutory standard working week, e.g. to 38.5 hours.

Overtime must be compensated at 150%, and 200% during the night or on Sundays and public holidays. Overtime compensation (including the supplement) may be paid in cash or compensated by time off, depending on the agreement between the employer and the employee.

After the end of the daily working time, the employee is entitled to an uninterrupted rest period of at least eleven hours.

Although, there is no statutory minimum wage, in effect, there is a minimum wage/salary for almost all employees in Austria. The minimum wages per industry are agreed upon in collective bargaining agreements between the trade unions and the employers' representatives.

Generally, Austrian employees receive a salary at least 14 times a year (special payments for annual leave and Christmas). Since the 13th and 14th salaries are subject to a preferential tax rate, it is most common to stick to the 14 payments.

The Act to Combat Social and Wage Dumping (Lohn- und Sozialdumping-Bekämpfungsgesetz, LSD-BG) contains restrictive regulations. Employers guilty of underpayment must pay the outstanding wages in arrears and can be fined up to EUR 400,000 depending on the amount of remuneration withheld. In addition, there are also significant fines for failure to maintain proper wage documentation.

Employees are entitled to paid annual leave of 30 working days or five weeks (if Saturday is considered a working day), increasing to 36 working days (6 weeks) after 25 years of employment with the same employer; annual leave does not include public holidays.

Notice periods

In general, an employment relationship can be terminated by prior notice on the part of the employer or the employee. Which specific termination procedure is prescribed by law depends on various factors. The general require-ments for salaried employees are set out in the Salaried Employees Act (Angestelltengesetz), while the requirements for blue-collar workers are set out in the relevant collective bargaining agreement.

The employer has to observe a notice period of 6 weeks within the first 2 years of the employment relationship. Longer notice periods apply to employees who have completed more years of service. However, a special reason for termination is generally not required.

An employee must observe a standard notice period of only 4 weeks. However, it is common to adapt these general rules in collective agreements, in collective employment contracts at the company level or in individual employment contracts.

It should be noted that labour law generally provides a comfortable level of protection for employees, so that in most cases it is not possible to override higher-level rules to the detriment of employees in lower-level agreements or contracts: In general, EU law takes precedence over national law, which in turn takes precedence over collective agreements, which in turn take precedence over company-level collective bargaining agreements, which in turn take precedence over individual employment contracts.

Foreign labour law

Employers and employees are free to agree on the labor law of another country, but a foreign employer must also comply with the minimum wages, working time regulations and the full range of applicable Austrian employee protection provisions set out in collective agreements.

Social security system

The Austrian social security system provides benefits for employees facing unemployment, sickness, accident or disability. In addition, pension payments are provided to retired employees. Currently, the retirement age in Austria is 65 years for men and 60 years for women. Starting from 1 January 2024, the official retirement age for women will be raised slowly to achieve a unified retirement age for men and women at 65 until 2033.

In return, employers and employees have to pay social security contributions. The social security contributions are determined as a percentage of total monthly earnings (up to a maximum amount). The employee’s contributions are withheld by the employer and paid together with the employer’s contributions to the social security institution.

Working permits, visas, etc.

Citizens of the European Economic Area do not need a visa to come to Austria nor do they need a residence permit or a work permit to live or to be employed for a short period. For all EU/EEA citizens intending to stay in Austria for more than three months, it is necessary to notify the competent authority within four months after the arrival. After application, they will receive a certificate of registration. In order to receive this, they either need to have a permanent job, to provide proof that they can cover the Austrian costs of living or the main purpose of residence is education/training.

Third country citizens generally need a visa to come to Austria as well as a residence title to stay in Austria. An overview of visa regulations for certain countries can be found on the website of the Austrian Foreign Ministry or by contacting the nearest Austrian Embassy or Consulate.

Depending on the personal situation, different residence titles are available. The most frequently filed applications at Austrian representative authorities are:

- residence title for the purpose of employment (Red-White-Red-Card)
- residence title for pupils, students and researchers
- residence permit for family members
- settlement permit without employment (privatiers)

Since 2011, the European Union offers a Blue Card which allows highly qualified non-EU citizens to live and work in Austria for up to two years. The Blue Card is tied to a confirmed job offer and will only be grantedif the Austrian Labour Market Service (Arbeitsmarktservice, AMS) can be convinced that no Austrian or EU citizen is available to do this specific job. Only applicants who have completed an university degree course of at least three years are eligible for a Blue Card. Their qualifications must match the job profile, and the salary specified in the work contract must be 1.5 times higher than the average annual salary of full-time employees in Austria.

Non-EU citizens who qualify as so called ‘key workers’ can apply for a “Red-White-Red-Card”, which entitles the holder to fixed-settlement and employment for a specified employer for a period of 24 months.

Key workers are especially highly qualified workers, skilled workers in a shortage occupation, self-employed key workers or graduates of Austrian universities or a college of higher education. The Red-White-Red Card is granted after passing a points-based test which is intended as a immigration control system.

The holders of "Blue Card EU" or "Red-White-Red-Card" are eligible for "Red-White-Red Card plus" if they are employed in accordance with the eligibility requirements for the "Red-White-Red Card" for at least 21 months during the preceding 24 months. Such a card entitles them to free access to the Austrian labour market. Family members of Red-White-Red or of Blue Card holders are also eligible to apply for a Red-White-Red Card plus.

Starting Business in Austria

In order to open a business in Austria, in most cases a trade licence (Gewerbeberechtigung) is required.This applies to sole proprietors as well as partnerships and legal entities. However, no Austrian trade license is required for individuals and companies from EEA countries if they hold a relevant license in their country of origin and supply services in Austria on a temporary and occasional basis.

The pre-condition for sole proprietors to obtain a trade license in Austria, is an Austrian, EEA country or Swiss citizenship. A foreign entrepreneur from a non-EEA country may be granted a trade license if this is covered by an international treaty or a residence permit is provided. Foreign partnerships or legal entities must establish a branch in Austria for carrying out a business in Austria.

According to The Austrian Trade and Industry Regulation Act 1994 (Gewerbeordnung – GewO) there are "free" and "regulated" businesses. The list of regulated businesses is exhaustive. Regulated businesses require a certification of professional competence, diploma or other proof and must not be carried out before prior approval of the trade authority.

Legal entities and partnerships need to appoint a "Gewerberechtlicher Geschäftsführer"(statutory manager for trade law purposes). The statutory manager is responsible for the compliance with the rules of Austrian trade law.

The statutory manager does not have to be a managing director or an authorized representative. Employees that are employed on a full-time or at least 50% of the full-time basis can also be appointed. For regulated businesses, the statutory manager must be in possession of a certificate of competence provided for this field.

Please also note that certain business sectors are subject to other regulations, which are not covered by the GewO. Examples are banks, investment firms, insurance companies, lawyers, doctors, notary publics, certified public accountants/auditors, certified tax advisors, architects, etc.
In these cases, special Professional Laws exist. These Laws also contain rules which apply to foreign businesses which want to start activities in Austria.

Some examples of regulated trades:

- Dental technicians
- Ophthalmic optics
- Orthopaedic technicians
- Pharmacists
- Commercial investment consultants
- Catering and hotel trade
- Mechatronics
- Real estate agents
- Employment agencies
- Insurance brokerage
- Gardeners
- Chiropodists
- etc.

Finance and investment

Introduction

Most of Austrian banks are universal banks, which offer a wide range of services for private persons and businesses. They may e.g. provide loans, payment processing, securities transactions, deposits, asset management and investment advisory. Austrian Banks have a remarkable number of subsidiaries in Central Eastern countries.

The Austrian National Bank (Oesterreichische Nationalbank, OeNB) is the central bank in Austria. Due to Austria's EU membership, the Austrian National Bank is integrated into the European System of Central Banks (ESCB). The Austrian National Bank fulfils a wide range of tasks. One core competence is to safeguard price-stability and to contribute to the stability-oriented monetary policy of the Eurosystem.

The financial centre of Austria is Vienna, where the Vienna Stock Exchange has its seat. Vienna may not have the reputation of being such a vibrant financial centre as London or Frankfurt, but still plays an important role in Central Europe.

Austrian banks, insurance companies, pension funds as well as securities firms are subject to a specific supervision, namely The Financial Market Authority (Finanzmarktaufsichtsbehörde, FMA). Besides the national supervision, Austria also benefits from the European system of financial supervision.

Austrian legislation sets a high level of liberalisation in cross-border capital transactions. Since Austria is part of the Eurozone, there are no exchange controls on foreign currency or the import or export of capital. Residents and non-residents can hold accounts in any currency.

To comply with anti-money laundering and counter terrorist financing regulations, banks have to identify their clients and the beneficial owners, and they have to report suspicious transactions to the relevant authority. These rules follow EU regulations in principle.

Austrian regulations do not provide a specific Anti-Money-Laundering act. Relevant provisions are included, e.g. in the Austrian Banking Act (BWG), Insurance Supervision Act (VAG) and Securities Supervision Act (WAG) as well as in the Codes of Professional Conduct for Attorneys at Law (RAO), Notary Publics (NO) and Auditors and Tax Advisors (WTBG). All these regulations underline the core principle "know your customer".

Due to this principle, clients need to identify themselves when establishing a business relation with a bank or transfer, deposit or withdraw EUR 15,000 or more.

In August 2015, Austria adopted the so-called "banking package", resulting in extensive reporting requirements of Austrian Banks to the Austrian Federal Minister of Finance. In parallel, the amendment of the Austrian Banking Act abolished/loosed the prior applicable bank secret.

In particular three individual laws were introduced:

- Federal Law on the implementation of the Common Reporting Standard for the Automatic Exchange of Information regarding Financial Accounts (Gemeinsamer Meldestandard-Gesetz – GMSG)
- Federal Law on the establishment of a Register of Accounts and on Access to Accounts (Kontenregister- und Konteneinschaugesetz – KontRegG)
- Federal Law on Mandatory Reporting of Capital Outflows and Inflows (Kapitalabfluss-Meldegesetz)

Investment climate

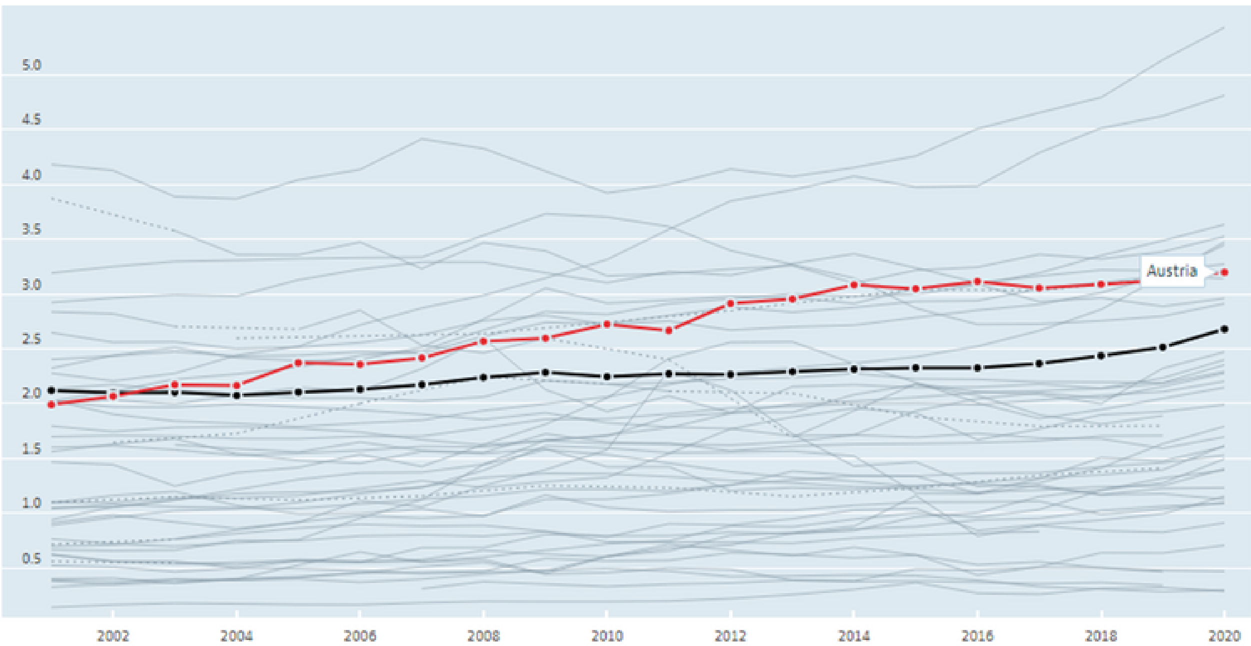
The investment climate in Austria is generally favourable, with only few restrictions on foreign investment, such as specific requirements for acquisition of real estate or import and export restrictions outside the EU.

Over the past 15 years, Austria has caught up significantly in the field of research to attract foreign investors. With a R&D ratio of above 3% Austria exceeds the EU average of 2%. Austria ranks 3rd in the EU 2020 research expenditure ranking behind Sweden (3.51%) with 3.22%.

For research and for experimental developmental expenditures, tax payers can claim a research premium amounting to 14% of the costs.
With respect to research done on a contractual basis, the research premium can be claimed for expen-ditures of up to EUR 1 million per financial year. In case of in-house research an expert opinion of the Research Promotion Agency FFG (Forschungsförderungsgesellschaft) is required for proving entitlement to the research premium.

Besides the premium also direct investment incentives are available, depending on the type of project, the geographic location, technology or the number of jobs created.

Gross domestic expenditure on R&D in percent of GDP



Source: OECD Data

The accounting and audit environment

Accounting regulations & audit requirement

The legal basis for financial accounting is the Austrian Commercial Code (Unternehmensgesetzbuch; UGB). The following business organisations are obliged to use double-entry book keeping and to prepare financial statements according to Austrian Generally Accepted Accounting Principles (GAAP) regardless of their activities or size:

- Corporations (e.g. limited liability companies and joint-stock companies)
- Business partnerships with no individuals as fully liable partner (e.g. GmbH & Co KG)

Other enterprises with turnovers in excess of EUR 700,000 in two consecutive financial years or more than EUR 1 million in a single financial year must keep books complying with Austrian GAAP, with the exception of farmers, foresters and members of the liberal professions (such as doctors, lawyers, tax advisors).

According to the UGB, Austrian local financial statements consist of:

- a balance sheet,
- profit and loss accounts and
- notes

The accounting and financial statements need to enable a competet third person to get an overview of the business activities and ascertain the financial position of the business within a reasonable period of time.

Taxpayers obliged to keep accounts under commercial law (UGB) have to keep accounts for tax purposes as well. Businesses that are not subject to the general accounting obligations mentioned above can either prepare an accounting voluntarily, a cash accounting for tax purposes or – if available in the specific situation – use simplified tax profit determination methods.

Since the Austrian Act on Changes in Accounting Practices of 2014 (Rechnungslegungs-Änderungsgesetz 2014, RÄG), so called 'micro-entities' may use newly implemented simplified rules: for example no notes need to be prepared. Investment and holding companies are excluded from the group of micro-entities.

Companies are classified according to the following criteria:

- balance-sheet total
- turnover
- average number of employees

Companies are considered to be micros if two out of three individual key indicators do not exceed the thresholds specified below in two consecutive fiscal years:

	Micro- entity
Balance-Sheet Total	EUR 350,000
Turnover	EUR 700,000
Average Number of Employees	10

The thresholds for distinguishing between small, medium-sized and large companies are shown in the following table:

	Small	**Medium**
Balance-Sheet Total	EUR 5,000,000	EUR 20,000,000
Turnover	EUR 10,000,000	EUR 40,000,000
Average Number of Employees	50	250

A company is considered to be large if it exceeds two of the criteria of a medium-sized company mentioned above. Public interest entities including listed companies and companies selling bonds on a stockexchange, financial institutes or insurance companies are always considered to be large companies.

The accounting and audit environment

The following table shows the differences between the size categories relating to auditing obligations and the obligation to prepare the individual components of the financial statements.

***CG-Report = Corporate Governance Report**

size of entitiy	Auditing duty	Balance sheet/ loss statement	Notes	Management report	CG- Report*
Micro-GmbH		✔			
Micro-AG	✔	✔	✔	✔	
Small GmbH		✔	✔		
Small AG	✔	✔	✔	✔	
Medium GmbH, AG	✔	✔	✔	✔	
Large GmbH, AG	✔	✔	✔	✔	
Listed AG	✔	✔	✔	✔	✔

Consolidated financial statements must be prepared and published for a group of companies if the group exceeds certain thresholds. Parent companies that are themselves subsidiaries of a parent company domiciled in an EU member state or a member state of the European Economic Area (EEA) may be exempt from the requirement to prepare consolidated financial statements under certain conditions. Listed companies and companies that have issued debt instruments on the stock exchange must prepare their consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).
All other companies can choose between local GAAP (Generally Accepted Accounting Principles) and IFRS for their consolidated financial statements.

The obligation to have financial statements audited applies to annual financial statements and consolidated financial statements of medium-sized and large companies, as well as to stock corporations of all sizes.

Small or very small stock corporations that are not required to appoint a supervisory board are exempt from the audit requirement. The audit of annual financial statements must be performed by an auditor.

Corporations are required to file annual financial statements with the Austrian Companies Register within 9 months of the balance sheet date. The scope of the annual financial statement data to be filed depends on the size of the company.

Foreign companies with registered branches must file a German translation of the annual financial statements prepared and disclosed in accordance with the law of the company's home country within 9 months of the balance sheet date.

Overview of the tax system

Main taxes

In 2021, the Austrian government collected a total revenue from taxes amounting to EUR 95.7 billion. According to the volume the most important categories of taxes are:

- Value added tax (Umsatzsteuer)
- Individual income tax (Einkommensteuer)
- Corporate income tax (Körperschaftsteuer)
- Tax on investment income and Capital gains tax (Kapitalertragsteuer)
- Real estate capital gains tax (Immobilienertragsteuer)
- Property transfer tax (Grunderwerbsteuer)
- Real estate tax (Grundsteuer)
- Excise taxes (Verbrauchsteuern)
- Municipal tax (Kommunalsteuer)

Tax authorities / deadlines

The tax office of Austria and the tax office for large companies are responsible for collecting taxes and for tax audits/inspections. Besides these two tax offices, there are customs offices, the Anti-Fraud office and the Audit service for payroll taxes and contributions. The Austrian Ministry of Finance is the superior authority of all offices.

Generally, the calendar year is the taxation period for income taxes (exceptions exist).
Tax returns must be filed by 30 April of the following year, the deadline for electronic filling is the 30 June of the following year. For tax returns prepared by a tax professional, there are automatically extended deadlines. Furthermore, extensions can be applied individually.

Scope of corporate income tax

The Austrian Corporation Tax Act (CTA) applies to:

- Joint-Stock companies (AG)
- Limited liability companies (GmbH)
- Private foundations (Privatstiftung)
- Business operations of public bodies (Betriebe gewerblicher Art von Körper-schaften öffentlichen Rechts)
- Associations and funds without a legal personality (if their income is not directly taxable in the hands of another person)

(Un)limited tax liability

Corporations having their seat or place of effect-ive management in Austria are subject to unlimi-ted tax liability. Consequently, their world-wide income is subject to corporate income tax. Double tax conventions may restrict taxation rights.

Corporations incorporated under Austrian Commercial Law must have their legal seat in Austria. The place of effective management is the place where the essential business decisions are made.

Corporations having neither their seat nor their place of effective management in Austria are subject to limited tax liability. Only their income from Austrian sources are subject to Austrian corporate income tax.

Taxable income

Corporationsare taxed on their profits derived within one fiscal year (= taxation period). Tax base is the incomeof the assessment period; this also applies for corporations with a financial year that differs from the calendar year.
In general, expenses that are necessary to run the business, are deductible e.g. costs of goods sold, personnel expenses, transportation costs, rent, lawyer's and accountant's fees, maintenance, depreciation of fixed assets, etc.

Depreciation, amortization and depletion

In general, fixed tangible assets with a useful life exceeding one year are subject to a straight-line depreciation over their useful life or – since 2020 – to a degressive depreciation. Correspondingly, intangible assets with a useful life exceeding one year are subject to a straight-line amortization over their useful life.
Assets, which do not lose value from wear and tear (e.g.land), are not subject to depreciation/ amortization.

Some examples for useful life mandatory or common under Austrian tax law are shown in the table below:

Asset	Useful life (years)	Depreciat ion rate (%)
Industrial Buildings	40	2.50
Residential Buildings	66.67	1.50
Derivative Goodwill	15	6.7
Office equipment	10	10
Passenger cars*	8	12.5
Computer and notebooks	3-5	20-33.3
Printers and screens	3-4	25-33.3

***The fixed useful life does not apply to driving school cars or taxis. Trucks, transporters and minibuses can have a different useful life, if they are VAT deductible. For tax purposes, the deductible acquisition costs of passengers' cars are limited with a maximum of EUR 40,000, so the maximum deductible depreciation is EUR 5,000 p.a.**

Some further major expenses, which are particularly relevant to determine the taxable income, are mentioned below:

Interest on debts

Interest on the debt-financed acquisition of shares within a group of companies is deductible provided that these shares were not acquired by a company belonging to the group or by a shareholder exercising a controlling influence.

Other interest expenses are usually deductible, but there are also regulations in place where the deduction may be denied (regarding inter-company interests to low-taxed countries and for amounts exceeding the interest cap).

Royalties

In general royalties are deductible. In special inter-company cases, however, the deduction may be denied.

Write-off of participations

A write-off of the book value of a participation is possible, but for taxation purposes the amount must be apportioned over a seven-year period.

Losses

Losses can be carried forward indefinitely and can be offset against 75 % of the current year's profit. Austrian tax regulations do not provide a carry-back of losses (except during the Covid-pandemic).

Non-deductible expenses

Due to Austrian regulations certain expenses are non-deductible, for example:

- remuneration for work or services paid to top earners exceeding EUR 500,000 per person and fiscal year
- excessive expenses for passengers' cars: Expenses related to cars are considered adequate, if the acquisition costs do not exceed EUR 40,000. If this amount is exceeded, all value-dependent expenses related to this car are cut on a pro-rata basis.
- 50 % of business-related meals

Please note the list is non-exhaustive.

Participation regime

(Inter-)national participation exemption

According to the national participation exemption regime, dividends derived from a participation received by a domestic corporation from another domestic corporation is tax exempt irrespective of the percentage or the period of the holding. The exemption does not include capital gains (= gains or losses on disposal) and liquidation proceeds.

Under the international participation exemption regime dividends may be exempt when meeting the following criteria:

- The parent company is an Austrian company or a comparable foreign company.
- The foreign subsidiary has a legal form listed in the Parent-Subsidiary Directive or is comparable to a domestic company.
- The parent company holds directly or indirectly at least a 10 % stake in the capital of the subsidiary.
- The minimum holding period of one year is fulfilled prior to the receipt of the dividend.
- There is no abuse of law.

Capital gains and losses from international participations are treated differently depending on whether the taxation option was selected:

- "Tax-exempt" status: Capital gainsand losses realized by the sale of an international participation and by the impairment of the participation are tax neutral.
- "Tax-effective" status: Due to Section 10 para 3 of the Austrian Corporate Tax Act the taxpayer may opt for the tax deductibility of capital losses and write-offs. The capital gains are fully taxable at the rate of 25%. Please note that dividends are not covered by this option and will therefore still be tax exempt. Once the option is taken (only possible in the year of acquisition), it is irrevocable and binding.

Please note that the international shareholding exemption for dividends and capital gains is not applicable if the ATAD (Anti-Tax Avoidance Directive) is applicable. Furthermore, the exemption does not apply if the dividends are deductible in the foreign state.

Portfolio dividends

The term "Portfolio" means a participation of less than 10%. The investment income exemption also applies to dividends from third countries where comprehensive administrative assistance arrangements with Austria are in place. In order to avoid abuse, the Austrian Corporate Income Tax Act stipulates a change from the exemption method to the credit method in cases where the foreign income was not previously taxed or only taxed at a tax rate below 15 %. There is also no exemption from corporation tax if the distributed profit shares are tax deductible by the foreign corporation making the payments.

Tax rate and minimum-corporation tax

The corporate income tax rate applicable for 2022 is 25%. It will be reduced from to 24% in 2023 and further to 23% in 2024. In contrast to the progressive income tax rate, the corporate income tax is a flat tax rate.

Domestic corporations and comparable foreign corporations with unlimited tax liability (e.g. foreign corporations with their effective place of management in Austria) have to pay minimum corporation tax. The annual minimum corporate tax equals to 5% of the statutory minimum amount of share capital. Thus, the annual tax payable by an AG is EUR 3,500 and by a GmbH is EUR 1,750. For the first years of existence, lower amounts apply.

Tax administration

The taxpayer has to file an annual corporate income tax return. The filing deadlines were mentioned above (Section: Overview of he tax system)

After filing the tax return, an assessment notice will be issued by the tax authorities. Within one month of receipt the taxpayer may hand in an appeal against the assessment. The assessed tax is payable within about one month after the assessment.

Prepayments of corporate income tax must be paid in four quarterly instalments. The relevant due dates are usually (if workdays): 15 February, 15 May, 16 August and 15 November of each year. Basically, the prepayment is based on the latest tax assessment.

If the actual corporate income tax of the current year is lower than the minimum corporate tax, because of a lower profit or a loss, the over-charged tax can be deducted from payables from future corporate income tax assessments.

Group taxation

Legally independent corporations forming a tax group of companies are regarded as one single unit for corporate income tax purposes. Consequently, the profits and losses of the group members are pooled. 100% of the profits or losses of domestic members are attributed to the parent company even if the parent company's stake in the subsidiary is lower. With respect to foreign group members only losses are attributable corresponding to the actual holding percentage. Taxation takes place at the level of the parent company. A tax group agreement must be concluded by all tax group members including a system for settlement and distribution of the corporate income tax payable.

In brief, the following requirements have to be met:

- The parent company is a domestic company or a foreign company with a Permanent Establishment registered in Austria.
- Group members can be either domestic or foreign. Only first-tier foreign subsidiaries may become tax group members (subsidiaries of foreign subsidiaries cannot).
- Formation of a group of companies requires a financial affiliation of more than 50% of the share capital and of the voting rights. Indirect interests are also possible – via a partnership or other group members.
- The tax group must exist for at least three full years; otherwise the tax assessments would be cancelled and redone on a stand-alone basis retroactively.
- An application for group taxation has to be filed with the competent tax authorities.

Taxation of private foundations

As a legal entity, a private foundation is generally subject to corporate income tax. A private foundation that does not comply with the disclosure requirements of the Austrian Corporation Tax Act is not subject to the following taxation rules, but will be taxed according to the general rules applicable to corporations.

Contributions of assets to a private foundation are subjectto a so-called "foundation entrance tax" (Stiftungseingangsteuer) at a tax rate of 2.5% of the value of the asset/s. The contribution of Austrian property is not subject to the foundation entrance tax, but the real estate transfer tax is therefore increased to 6 % (rather than 3.5%).

For the current taxation of a private foundation, the Corporate Tax Act provides an "interim taxation" at a rate of 25% for certain income from the non-business sphere of a private foundation, for example interest or capital gains from the sale of private real estate. Domestic dividends received by a private foundation are tax exempt. Income not covered by these special provisions is subject to corporate taxation at the standard rate of 25% (will be lowered starting from 2023).

In general, distributions made by the private foundation to beneficiaries constitute investment income for the latter. They are subject to a withholding tax at a rate of 27.5%. Any (remaining) interim tax amount will be credited in case of a (later) distribution to the beneficiaries.

Since the abolition of the inheritance and gift tax in 2008 it is possible under certain conditions for a private foundation to make a tax-neutral repayment of assets which were contributed to the private foundation afterwards.

Thin capitalisation rules

As of January 2021, Austrian tax regulations do not provide any specific thin capitalisation rules. However, under certain conditions a shareholder's loan qualifies as hidden equity in case a supply of equity wouldhave been clearly necessary at the time the loan was granted.

Loans granted by shareholder to the company during a crisis (insolvency, negative equity and/or meeting certain indicators) are deemed to be equity substituting and are not allowed to be repaid as long as the crisis takes.

Transfer pricing issues

In August 2016, the Transfer Pricing Documentation Act (Verrechnungspreisdokumentationsgesetz, VPDG) came into force. This regulation was based on BEPS Action 13 and it follows a three-tier documentation approach. Depending on the group structure and turnover, the following documents must be prepared for fiscal years starting on 1 January 2016 or later:

- Master file
- Local file
- Country-by-Country Report (CbC-Report)

Master file and Local file

Local entities with a turnover exceeding EUR 50 million in the two preceding fiscal years need to prepare a Master file and a Local file. It must be submitted to the tax office only after this was requested by the tax office. The tax office must not request them before the corporate income tax return for the relating tax period has been filed.

The Master file provides an overview of the business of the multinational group whereas the Local file contains information on specific intragroup transactions involving the Austrian taxpayer and the determination of transfer prices.

The specific content and information required in the Master and Local file were defined in more detail in a Ministerial Decree.

Country-by-Country Report (CbC Report)

Austrian parent companies of multinational enterprises with a global consolidated group turnover of at least EUR 750 million in the previous year or Austrian surrogate entities of such MNE's are obliged to provide a CbC Report containing the information in Annex III of the OECD's BEPS (=Base Erosionand Profit Shifting) Action 13 final recommendations. The CbC Report must be filed within 12 months after the end of the relating tax period.

Companies that do not meet the thresholds of the VPDG are nevertheless required to prepare transfer pricing documentation in accordance with the general principles of the Austrian Fiscal Code (BAO).

The fees charged by the tax authorities vary from EUR 1,500 to EUR 20,000 depending on the applicant's turnover as well as on the applicant's integration into a group.

Advanced rulings

Binding advanced rulings to specific legal questions with regard to facts not yet realized concerning

- reorganizations,
- group taxation,
- international tax law,
- value added tax or
- the existence of abuse

can be obtained from the responsible tax office.

Value added tax (VAT)

Value Added Tax is charged on any supply of goods and services provided by an entrepreneur in Austria in return for payment as part of the entrepreneur's business activities, the use of taxable goods or services for non-business purposes, the import of goods from non-EU Member States (import VAT) as well as intra-EU acquisitions of goods.
As elsewhere in the European Union, supplies may be taxable, exempt (with or without the right to deduct input VAT) or out of scope of VAT.

If taxable, the following VAT rates apply in Austria:

- standard rate of 20%
- reduced rate of 10% (for food, books, medications, public transport, property rental for residential use among other things)
- reduced rate of 13% (for example for certain live animals, animal food, admission to sports events and cultural services)
- 19% for supplies and services carried out in the regions Jungholz and Mittelberg

The Austrian Value Added Tax Act (Umsatzsteuergesetz) provides a number of tax exemptions. These include for example exports and intra-community supplies, property sales, insurance services.

In general, the VAT charged to an entrepreneur can be deducted as input tax. This applies to businesses that provide only taxable supplies (or exempt supplies with a right to deduct input tax). Businesses that provide only exempt supplies without the right to deduct input tax are not entitled to deduct input tax. Entities that do both are entitled to a full deduction only for input tax that is directly related to the taxable or exempt supplies (with the right to deduct input tax). Input tax incurred for overhead and other indirect costs is deductible on a pro rata basis.

VAT grouping (Umsatzsteuer-Organschaft)

A parent entity and its subsidiaries are considered as a VAT group (Organschaft) if the subsidiaries are closely linked

- financially,
- economically, and
- organizationally

to each other.

Consequently, only the parent company is registered for VAT purposes and can recover the input VAT incurred by the subsidiaries. Transactions between members of the VAT group are disregarded for VAT purposes (out of scope transactions).

VAT Grouping is only possible for domestic establishments of the VAT group members.

Special measures for non-resident companies

Reverse Charge Mechanism

For B2B services, the relevant place where the services are considered to be performed – and thus where VAT-rules apply – is where the recipient operates its business (general B2B rule). There are some exceptions to this rule, such as for passenger transport or services in connection with a property.

In case of cross-border services, the enterprise receiving the service is obliged to inform the business providing the service of its VAT Identification Number. Where cross-border services are provided to an enterprise in a Member State according to the general basic rule, the tax liability may be transferred to the recipient of the service (so called "Reverse Charge-Mechanism").

The Reverse Charge mechanism does not work for all services, i.e. the admission to cultural, artistic, scientific, educational, athletic, entertaining and similar events.

The Reverse Charge Mechanism also applies to some mere domestic deliveries or services (e.g. delivery of scrapmetals, construction services, etc.).

VAT OSS

The One Stop Shop (short: OSS) is an electronic portal which can be used by businesses to declare and pay VAT payable in the EU effective from 1 July 2021. There are three different OSS schemes in the EU:

- EU-OSS to declare B2C services, intra-community distance sales of goods and certain sales of goods for which a platform is deemed to be the supplier,
- IOSS to declare distance sales of imported goods (non-EU country businesses need an IOSS intermediary) and
- Non-EU OSS to declare VAT for B2C services provided by non-EU country businesses.

If a business uses the specific scheme for the OSS, it is no longer obliged to register for VAT in the respective member state for the sales as they can be declared via the OSS.

Triangular transactions

A simplification rule applies to so-called "triangular transactions". A triangular transaction means that three entrepreneurs registered for VAT purposes in three different EU Member States are involved in the supply of one particular good which is directly dispatched from the first supplier (A) to the final customer (C).

The simplification avoids the need to register as a VAT payer in the countryof destination, if merchandise is transported directly from party A to party C on the basis of two contracts of sale (between party A and B, and party B and C). However, a correction of an unsuccessful triangular case is only possible under very strict conditions.

VAT liability for foreign Businesses

If a foreign entrepreneur with no legal seat or fixed establishment in Austria carries out taxable supplies of goods in Austria, the recipient of the goods has to withhold the VAT due for the supply,if the recipient is an entrepreneur itself. If the recipient fails to comply,he can be held liable for any tax loss.

Fiscal representative

Businesses with a legal seat or fixed establishment outside the EU territory have to appoint a fiscal representative in case of providing

- transactions subject to Austrian VAT
- intra-EU supplies of goods and/or
- intra-EU acquisitions.

No fiscal representative is required if the non-EU taxable person carries out taxable supplies for which the recipient has to withhold the VAT charged or if the reverse charge system applies to the rendered services.

Businesses with legal seat or fixed establishment within the EU territory can appoint a fiscal representative voluntarily. The fiscal representative is liable for all VAT related obligations of the foreign businesses.

Call-off stock
Under certain circumstances, the removal of goods from the call-off stock is considered an intra-community supply by a non-resident supplier to the recipient. Foreign businesses do not have to registerfor VAT purposes in Austria provided the conditions are met.

VAT registration
Non-resident taxpayers which have a fixed establishment in Austria or – if no OSS applies - which carry out taxable transactions in Austria need to register for Value Added Tax purposes.

As a rule, VAT payers are assigned a domestic tax number and a uniform VAT ID number. The Austrian VAT ID numbers follow the pattern ATU12345678.

VAT liability and due date

Basically, VAT liability arises at the end of the month in which the services were provided. VAT liability may be postponed by a month, if the invoice is issued after the relating month.

In general, VAT liability is collected on an invoice basis (at the time of the provision of service), however for some taxpayers the VAT liability arises on a cash basis, e.g. certain small businesses, certain utilities providers, members of certain professions (i.e. doctors, lawyers, architects).

The taxpayer has to calculate the VAT liability and pay it to the tax authorities within 45 days from the end of the taxation period.

VAT returns

In general, entrepreneurs have to submit monthly preliminary VAT returns. In cases where the threshold of EUR 100,000 in sales was not exceeded in the previous year, quarterly filing is possible.

Besides periodic filings, an annual VAT return must be filed .The deadlines already mentioned also apply to these annual returns.

Intrastat

Intrastat forms are required by the 10th working day following the respective month in case of inbound and/or outbound intra-EU movements of goods exceeding EUR 750,000 per annum.

EC sales list

When carrying out:

- intra-EU supplies of goods,
- intra-EU movements of goods,
- supplies as acquirer in triangular transactions and/or
- intra-EU services with place of supply in another Member State (according to the general B2B rule),

the taxpayer has to file an EU Sales list by the end of the month following the month concerned. If the preliminary VAT returns are filed on a quarterly basis, the filing of EU Sales lists has to be done on a quarterly basis, too.

Thresholds

Intrastat: Dispatches and Arrivals: EUR 750,000
Intra-community acquisitions by tax-exempt businesses: EUR 11,000.

Scope of income tax

Individuals are deemed to be resident in Austria if they have either a permanent residence or their habitual abode in Austria. Resident individuals are subject to the so-called "unlimited tax liability", i.e. they are liable for income tax on their worldwide income in Austria.

A residence within the meaning of the Austrian Fiscal Code is constituted at a place where a home is possessed under circumstances indicating that it will be maintained and used not merely on a temporary basis.

A habitual abode in the sense of the Austrian Fiscal code is constituted at the place where a person is present under circumstances indicating that he will stay at that place not just temporarily. If statutory regulation bases unlimited tax liability on the habitual code, physical presence in leads to unlimited tax liability after six months (at the latest). In that case unlimited tax liability starts retroactively at the beginning of this period. The Ministry of Finance is entitled to suspend the application of this regulation if the person does not stay in Austria for more than a year and the person does not carry on a business or practice his profession.

EU and EEA citizens who neither have their residence nor habitual abode in Austria but receive 90 % of their income from Austrian sources or the total amount of income generated abroad does not exceed EUR 11,000 may apply to be treatedas a person subject to unlimited tax liability. The benefit of using this option is that tax benefits applicable only to resident taxpayers become available, e.g. sole-earner deduction, extraordinary expenses as well as the general income tax threshold of EUR 11,000.

Special rules apply if a taxpayer has had his centre of vital interest abroad for more than five years and maintains a secondary residence in Austria. In this case, maintaining a secondary residence triggers unlimited tax liability for calendar years only, in which the taxpayer uses the residence alone or together with other Austrian residences for more than 70 days. The person must keep records,proving the days spent in Austria. If the taxpayer uses the residence for less than 70 days, the person would only be subject to limited income tax liability (referring to income from Austrian sources).

However, unlimited tax liability is constituted irrespective of the 70-days-rule, if the taxpayer uses the Austrian residence of his (or her) spouse who is subject to unlimited tax liability in Austria.

The Ministry of Finance may grant special reliefs to individuals moving to Austriato work in the fields of science, research, arts or sports and their work is in the public interest for Austria. Such reliefs can have significant impact on the tax burden.

Non-resident individuals are subject to limited taxation on their Austrian source income.

(Un-) limited tax liability

Residents are subject to income tax derived from the following sources:

- Income from agriculture and forestry
- Income from independently performed services (e.g. scientific, artistic, literary, teaching or educational activities and professional activities of doctors, lawyers, tax advisors, etc.)
- Business income from commercial activities
- Income from employment, including pension income
- Income from capital investment (e.g. dividends, interest, capital gains)
- Income from rental, leases and royalties
- Other specific income, including annuities, capital gains from private real estate sales, speculative trading and private long-term and short-term capital gains

Income not belonging to one of the above mentioned seven categories is not subject to income tax, e.g. income derived from:

- lottery wins
- certain awards
- compensation for pain, other than that paid in the form of annuities
- alienation of private property, other than speculative gains

Non-residents

Individuals subject to limited tax liability are only taxable with certain income from Austrian sources:

- Income from domestic agriculture or forestry.
- Income from independently performed personal services that were performed or utilized in Austria.
- Income from commercial activities, if:
  - a permanent establishment is maintained in Austria; or
  - a permanent agent is appointed in Austria; or
  - immovable propertyis located in Austria;
- no permanent establishment or agent is needed in case of
  - income from technical or commercial advisory services performed in Austria;
  - income from personnel leasing, if the personnel is working in Austria;
  - income of a sportsman, an artist or as a participant in an entertainment performance, if the activity is performed in Austria.
- Income from employment in Austria
- Income from Austrian capital investments
- Income from leasing of property, conglomerations of assets or rights, in particular patents or know-how, if such property is located in Austria or registered in a domestic public register or used in a domestic permanent establishment.
- Income from alienation of private real estate if the real estate is located in Austria

Taxable income

In general, accrual basis accounting, cash basis accounting or very simplified schemes (lump-sum based) are available.

The applicable profit determination rules depend on various factors:

- relevant category of income (see above under the heading "(Un-)limited tax liability"),
- sector of business,
- the size of the business,
- if further specific income determination rules apply.

Taxation of personal business income & income from self-employment

Business income - irrespective of the profit determination method - is taxed at the standard tax rate explained in section "Personal taxation". The Austrian tax system provides a specific tax allowance for all individuals gaining business income or income from self-employment:

In general, there is a tax-free profit allowance ("Gewinnfreibetrag") of up to a maximumof EUR 45,950. For profits up to EUR 30,000, there is a generally available tax allowance of 15%, therefore limited to EUR 4,500. If the profit exceeds EUR 30,000, taxpayers may claim the invest-ment-related profit allowance, if they acquire certain tax-privileged tangible assets ("begünstigte Wirtschaftsgüter") with a useful life exceeding four years or certain securities. The tax allowance is not available for the purchase of cars, airplanes, low-value assets or used assets (non-exhaustive list).

The tax-free profit allowance decreases with increasing profits as shown in the following table:

Profits in EUR	Percentage	Max. tax allowance in total
Up to EUR 30,000	15%	EUR 4,500
For the next EUR 145,000	13%	EUR 18,850
For the next EUR 175,000	7%	EUR 35,000
For the next EUR 230,000	4.5%	EUR 45,350
Above EUR 580,000	0%	-

If income is determined using a lump-sum method, no investment-related profit allowance is available.

Taxation of employment income

Employment income includes both cash and non-cash benefits (Sachbezüge - for various benefits in kind specific lump-sum valuation rules and tax-free amounts exist), e.g. the private use of a company car or employee discounts. Generally, wage tax is a withholding tax calculated and paid to the tax office by the employer. In principle, the general progressive income tax rates apply.

In Austria, employment income usually includes "special payments". The most important examples for these are the common 13th and 14th salaries, which are mandatory according to most of the Austrian collective bargaining agreements. The first EUR 620 of special payments of the year are tax exempt. Any amount above this is taxed at 6% unless the special payments exceed two months' regular salary or certain thresholds.

The taxpayer may deduct costs that are directly connected with the employment income, such as costs of necessary equipment, for subscriptions to professional organisations, business-travel expenses, further education or training and the additional expenses of a double household, as far as the costs are not reimbursed by the employer. A lump-sum deduction (Werbungskostenpauschale) of EUR 132 is granted to all employees who do not have higher expenses.

For the most part, commuting expenses to work are subject to certain flat-rate rules.

Taxation of rental income

Rental income is taxed at the normal progressive income tax rate . Primarily, rental income from Austrian sources is relevant, as most Double Tax Conventions allocate taxation rights to the country in which the real estate is located. Nevertheless, also foreign rental income needs to be evaluated, as it could have an impact on the Austrian taxation.

There are specific profit determination rules e.g. regarding depreciation and deferral of maintenance costs. There is no loss carry-forward. Loss relief by compensation with income from other categories is widely available, as long as the income from other categories is subject to the general income tax rate, and as long as the rental activity is accepted as relevant economic activity by the tax authorities (which could be denied, if the rental activity seems not to be covering the related costs within a reasonable period of time).

Taxation of investment incomeand relating capital gains

In general, dividends and interest received by a resident taxpayer are subject to a tax at a rate of 27.5%, whereas interest from bank deposits and non-bonded receivables at financial institutions are subject to a reduced tax rate of 25%.

Personal taxation

Sales of privately held securities are subject to capital gains tax at a rate of 27.5% if the following conditions are met:

- No tax falls due if the shares were acquired before 1 January 2011, unless the individual taxpayer held a stake of 1% or more of the company within the last 5 years.
- For other asset classes (bonds, investment funds) further rules and cut-off dates are relevant.

Investment funds are treated as transparent bodies, triggering immediate attribution of income generated within those funds to the fund shareholders. All income will be subject to appropriate tax at the rate of 27.5%, whether it is distributed or withheld in the fund.
Taxed withheld amounts may be added to the acquisition costs, raising the relating deduction which can be used when the fund shares are sold later. Capital gains from the sale are subject to tax at the rate of 27.5%.

Generally, these taxes are withheld and paid directly to the tax office by depository banks, if the securities are held in Austrian accounts. Also, dividend payments paid by Austrian non-listed companies will be subject to the tax withholding, which will be taken care about by the company paying out the dividends.

Investment income and relating capital gains are finally taxed at the level of the recipient in case of an individual taxpayer, who holds the investments privately and as long as the above-mentioned tax withholding applied.
Consequently, they need not be included in the Austrian income tax return.

If the investment income or capital gains are derived from a foreign source, the income needs to be declared in the Austrian income tax return; tax will be assessed by the tax office at the same tax rates of either 27.5% or 25% (see above).

Loss relief is available, but only on a very restrictive basis within certain parts of the category of investment income,and only if profits and losses were incurred within the same calendar year. There is no loss carry forward.

Taxation of cryptocurrencies

Since 1 March 2022, specific regulations on the taxation of cryptocurrencies exist in Austria.
In general, cryptocurrency holdings will be considered as income from capital assets and taxed at a specific income tax rate of 27.5%. Austrian debtors and service providers will be required to deduct Austrian capital gains tax (Kapitalertragsteuer) from capital yields accrued after 31 December 2023. They are allowed to apply to this rule earlier on a voluntarily basis.

The legal definition does not cover all crypto assets. It only refers to publicly offered crypto-currencies that are accepted as a means of exchange.

Property income tax (Immobilienertragsteuer)

Since 1 April 2012, all profits derived from the sale of property are generally subject to income tax. In general, the property income tax applies only to individuals.

For taxation purposes, it is necessary to distinguish between "new property" and "old property". The term "new property" refers to property which was purchased within the former 10-year speculation period at the effective date or later, whereas in the case of "old property" the last transfer for consideration had taken place earlier.

The sale of "old property" is considered as taxable event under this new regulation at the same tax rate, the acquisition costs can be deducted on a lump sum basis (amounting to 86% or 40% of the revenue). For the majority of these old properties, the 86% deductionis available, resultingin an effective tax rate amounting to 4.2% of the sale price.

Generally, the most important tax exemption for gains realized is the sale of a property that served as the seller's principal residence, if any of the following conditions are met:

- the property was the principal residence from the acquisition until the sale, but for at least 2 years
- the property was the principal residence for at least five consecutive years within the 10-years period directly prior to the sale

Generally, the capital gains tax on the sale of domestic real estate should be calculated by the lawyer or notary who preparesthe required purchase agreement. The tax it withheld and paid to the tax office directly.

Income-related expenses

As a general rule expenses related to a business are deductible, if they are caused by the conduct of business. Expenses related to non- business income are deductible if they are related to earning, securing and maintaining taxable income. Expenses which are directly related to non taxable incomeare non-deductible. The same is true for expenses (other than acquisition costs of the asset sold) related to income subject to a final withholding tax (mainly applicable to investment income, related capital gains, and real estate sale).

Special expenses (Sonderausgaben)

Special expenses are not related to the generation of income, but are specially enumerated in the law and can be deducted when calculating the income tax base:

- compulsory contributions to qualified churches and religious communities, limited to EUR 400 per year;
- special donations to registered charities and similar institutions up to 10% of the income (after loss set-off) of the preceding year;
- expenses for tax advice
- lump sum deduction for thermal renovations or replacement of fossil heating systems, which are subject to a federal subsidy (maximum amount of EUR 4,000 respectively EUR 2,000, allocated over 5 years) – starting from 2022

Starting from 2017, payments to churches, religious communities, charities and similar institutions – as well as the new provision for sustainable investments - will be subject to a mandatory electronic reporting: The recipients must report the received amounts directly to the tax authorities, who will then take the corres-ponding amounts automatically into account. There is no possibility to claim the deduction of such amounts by entering them into the tax returns manually. Of course,this is restricted to domestic recipients; eligible payments to foreign institutions need still to be declared in the tax return.

Calculation of income tax and tax rates

Extraordinary burdens (außergewöhnliche Belastungen)

Extraordinary burdens are deductible if they are extraordinary and inevitable with a significant impact on the taxpayer's economic performance without beingincome-related or specialexpenses. Extraordinary burdens reduce the tax base to the extend they exceed a certain percentage of the income as shown in the table below:

Maximum	EUR 7,300	6%
More than	EUR 7,300	8%
More than	EUR 14,600	10%
More than	EUR 36,400	12%

The deductible percentage is reduced by 1% point, if the taxable person is entitled to the sole-earner deduction or single-parent deduction or the spouse has an income that is less than EUR 6,000 per year.

Extraordinary burdens which could be deductible underspecific circumstances:

- damage due to disasters
- maintenance paid to children abroad
- costs of disabilities
- cost of sickness (i.e. doctor's fees and hospital costs, costs of medication)
- cost for nursing or retirement homes
- cost of a funeral

In certain cases (for example expenditure due to a disability of more than 25%), the income-related thresholds do not apply.

Tax credits (Absetzbeträge)

Tax credits do not reduce the tax base but the amountof tax payable.

The most important tax credits are:

- Single-earner and single-parent credit
  - for one child: EUR 494 per year
  - for two children: EUR 669 per year (further raised for additional children)
- Child deduction: EUR 58.40 p.m. and child (is paid out together with the family allowance)
- Tax credit for active employees (relating to costs of commuting): EUR 400 per year
- Pensioner tax credit: EUR 825 p.a. (basic amount with incremental controls)
- Family bonus+: EUR 1,500 (2021), from 2022 onwards there will be a credit of EUR 2,000 p.a. and child (below age of majority; afterwards a lower amount is applicable under certain conditions)

Taxable income

Taxable income is the total amount of income from all categories described under the Income Tax Law after setting off losses arising from these categories and after deducting special expenses, extraordinary expenses, allowances and tax credits.

Income from agriculture and forestry
Income from independent personal services
Income frombusiness activities
Income from employment
Income fromcapital investment
Income from rental
Other specific income
= Total amount of income
- Special expenses
- Extraordinary expenses
- Deductions
= Taxable income
* Tax amount
+/- Taxes at special tax rates
(e.g.from investment income)
- Tax credits
= Annual tax due
- Taxes withheld
= Assessed annual tax
- Tax prepayments
= Tax to be paid/refunded

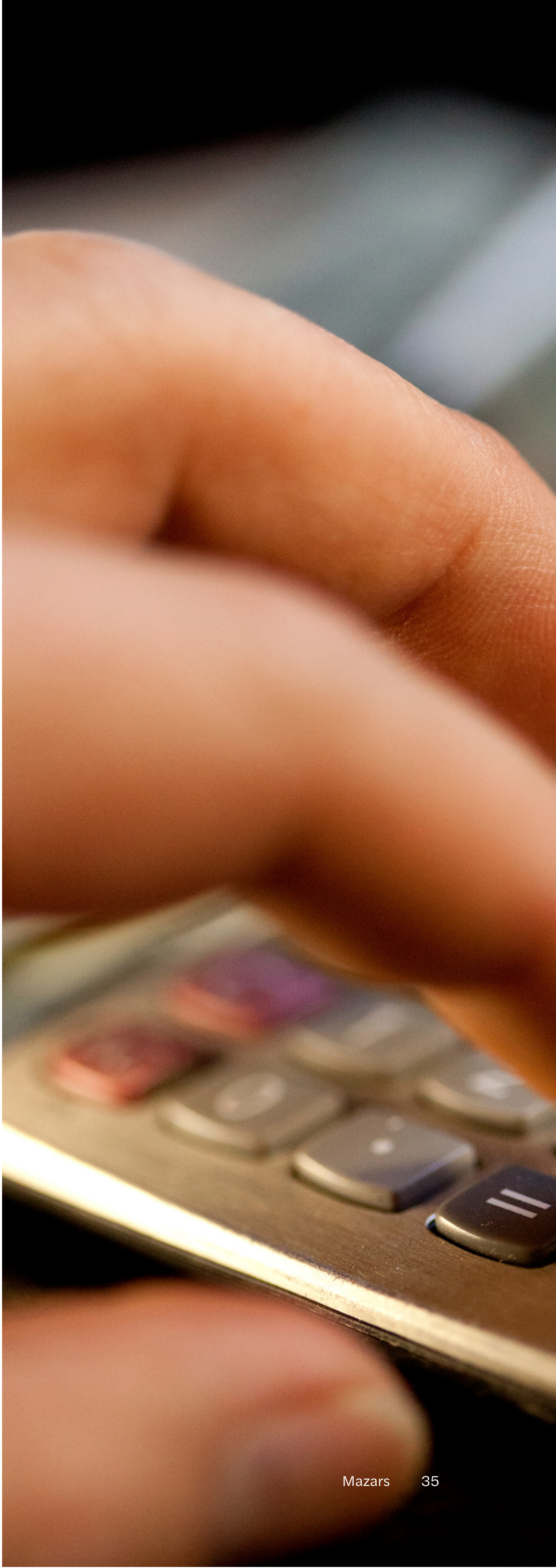
Personal taxation

For residents, the first EUR 11,000 of earned income are tax-free, for non-resident the tax-free amountis effectively reduced to the first EUR 2,000. The applicable tax rates are shown in the table below.

Income in EUR	Marginal tax rate
Up to EUR 11,000	0%
From EUR 11,001 to EUR 18,000	20%
From EUR 18,001 to EUR 31,000	32%*
From EUR 31,001 to EUR 60,000	42%**
From EUR 60,001 to EUR 90,000	48%
From EUR 90,001 to EUR 1,000,000	50%
Above EUR 1,000,000	55%

***32.5% in 2022, 30% starting in 2023**
****41% starting in 2023, 40% starting in 2024**

For information about returns and prepayments please refer to chapter "Taxes on business".



Other taxes

In this section, we provide a short overview regarding other taxes which exist in Austria. This list covers those taxes, which are most relevant besides the above-mentioned taxes, but it is not exhaustive.

Other taxes in detail

Real estate tax (Grundsteuer)

In general, any kind of immovable property, which is located in Austria, whether developed or not, is subject to real estate tax. Foreign property is not taxable in Austria.

Real estate transfer tax (Grunderwerbsteuer)

In principle, all real estate transfers – under certain conditions even the transfer of an entity owning real estate - in Austria trigger real estate transfer tax. Real estate property in the sense of the Austrian real estate transfer tax law is:

- land and property
- buildings
- growth (plants and animals) and appurtenances
- building right sand structures builton third-party land (Superädifikate)

The real estate transfer tax relates to the objective transfer of a domestic real estate. Therefore, it does not make any difference, whether the seller or the purchaser are residents of Austria.

In general, the tax base is the consideration paid plus other liabilities assumed. If there is no consideration or it is less than the value of the real estate, the real estate tax is calculated on the basis of the "value of the real estate". The real estate value is considered to be either the sum of the extrapolated triple land value and the value of the building or the value derived from a suitable real estate price index.

The standard tax rate is 3.5%, but there are special provisions as well.

If a real estate is transferred without a payment obligation for the acquireror if it is transferred between close relatives the tax rate is reduced as shown in the table below:

Property value	Tax rate in %
For the first EUR 250,000	0.5
For the next EUR 150,000	2.0
Above EUR 400,000	3.5

Intra-family transfers of agriculture and forestry property follow special rules. There are also several tax exemptions in place.

Real estate capital gains tax (Immobilienertragsteuer)

Real estate sales of individuals are subject to a special income tax rate of 30%.

Municipal tax

Employers are subject to municipal tax in any municipality in which they have permanent business establishments. In general, the tax base includes the monthly salaries paid to employees as well as any benefit in kind. The tax rate amounts to 3%. The municipal tax has to be calculated on a monthly basis and paid to the entitled municipality. Additionally, an annual tax declaration must to be prepared and sent to the competent authority by 31 March of the following year at the latest.
In Vienna, an additional employer tax has to be paid, which amounts to EUR 2 per employee and work week.

Other taxes

Inheritance and gift taxes

In Austria, there is no inheritance or gift tax at the moment. However, certain donations inter-vivos must be disclosed to the competent tax authority within three months according to Sec 121a of the Austrian Fiscal Code (§ 121a Bundesabgabenordnung, BAO). The regulation applies to donations of cash, payable amounts, shares, interest in a (silent) partnership, businesses, moveable tangible assets, if the recipient or the donor has a seat or a residence or a habitual abode in Austria. There is no obligation for notification if the fair market value of the donations between related persons does not exceed EUR 50,000 per annum or the value of EUR 15,000 for donations between other persons within a period of five years. Donations or inheritance of real estate need not be reported (as the tax authorities will automatically be informed due to the need to pay real estate transfer tax).

Wealth tax

Austria does not levy a specific net wealth tax.

Stamp duty

In Austria, certain legal transactions – expressly mentioned in the Austrian Fees Act (Gebührengesetz) are subject to fees. There are fixed fees as well as percentage-based fees. The percentage-based fees – often referred to as "stamp duties" vary from 0.8% to 2% of the assessment base and are levied on a number of transactions (e.g. assignment of receivables, business rent and lease contracts), provided that corresponding documents are issued in writing. Loan contracts are no longer subject to stamp duties.

Social security contributions

Employers and employees

The Austrian social insurance is widely compulsory and comprises health insurance, pension insurance, unemployment insurance and accident insurance.

Health insurance may cover also family members of the insured person undercertain circumstances (e.g.minor children; spouse without own income, if minor children exist).

In total, there are five social security bodies in Austria: some of them are responsible for more than one type of social security coverage.

Social security contributions for employees are determined as percentage of total monthly earnings (up to a maximum amount). The liability is shared partly by the employers and partly by the employees. Both parts will be paid to the social security body by the employer directly (so the employee's parts will be withheld from his gross salary).

The contribution levels are set on the basis of usually 14 salaries. The different values of 2022 are set out in the table below:

Compulsory social security contributions- figures for 2022

Type of insurance	Up to	Employer	Employee
Health	EUR 5,670 p.m.	3.87%	3.87%
Accidents	EUR 5,670 p.m.	1.20%	0,00%
Pension	EUR 5,670 p.m.	12.55%	10.25%
Unemployment	EUR 5,670 p.m.	3.00%	3.00%
Other	EUR 5,670 p.m.	0.60%	1.00%
Ordinal Payment		21.13%	18.12%
Total p.m. (max.)		EUR 1,198.07	EUR 1,027.40
Total p.a. (max.)		EUR 14,376.84	EUR 12,328.80
Extraordinary payments		20.63%	17.12%
p.a. (max.)	EUR 11,340.00	EUR 2,339.44	EUR 1,941.41
Total p.a. (max.)		EUR 16,716.28	EUR 14,270.21

Social security contributions

Besides these contributions, contributions to an employee provision fund amounting to 1.53% of the gross salary must be paid by the employer. This amount is paid to the relevant social security body, which forwards the amount to the competent provision fund. The employee has the right to claim his credit at legally specified occasions. If the credit is still available at the employee's retirement, he can also choose to convert it into an additional pension.

Self-employed and other specific groups are covered by different individual social security bodies.

Additionally, the social insurance coverage is regulated by different laws. Most self-employed persons will be covered by the GSVG (= Act on Social Insurance of Entrepreneurs).
The minimum and maximum social security contributions, which are applicable to most self-employed personscan be found in the table below. In contrast to the social security calculations for employees, where the maximum contribution base is divided by 14 monthly periods, the monthly amount for self-employed persons is calculated on a 12 months-basis. Due to this difference, the monthly maximum base amounts differ; on a yearly basis they are equal (EUR 79,380.00 p.a. for the year 2022).

Contributions according to the GSVG for members of the Austrian Chamber of Commerce - figures of 2022

Type of insurance	Base in EUR p.m.	Rate in %	Contribution p.m. in EUR
Health (minimum)	485.85	6.80	33.04
Health (maximum)	6,615.00	6.80	449.82
Pension (minimum)	485.85	18.50	89.88
Pension (maximum)	6,615.00	18.50	1,223.78
Self- employment pension (minimum)	485.85	1.53	7.43
Self- employment pension (maximum)	6,615.00	1.53	101.21
Accident		fixed amount	10.64

Appendix 1: Double tax treaties

The Austrian tax treaty Network

Double Taxation Conventions regarding income and capital (as of June 2022)

Albania	Hungary	Qatar
Algeria	India	Pakistan
Argentina	Indonesia	Philippines
Armenia	Iceland	Poland
Azerbaijan	Iran	Portugal
Australia	Ireland	Romania
Barbados	Israel	Russia
Bahrain	Italy	San Marino
Belarus	Japan	Saudi Arabia
Belgium	Kazakhstan	Serbia
Belize	Korea	Singapore
Bosnia and Herzegovina	Kosovo	Slovakia**
Brazil	Kuwait	Slovenia
Bulgaria	Kyrgyzstan	Spain
Canada	Latvia	Sweden
Chile	Libya*	South Africa
China	Liechtenstein	Switzerland
Croatia	Lithuania	Syria*
CSSR **	Luxembourg	Taiwan
Cuba	Malaysia	Tajikistan
Cyprus	Malta	Thailand
Czech Republic	Macedonia	Tunisia
Denmark	Mexico	Turkey
Egypt	Morocco	Turkmenistan
Estonia	Moldova	United Kingdom
Finland	Mongolia	Ukraine
France	Montenegro	United Arab Emirates
Germany	New Zealand	USA
Georgia	Nepal	Uzbekistan
Greece	Netherlands	Venezuela
Hongkong	Norway	Vietnam

*** not yet in force.**
**** The DTC with the CSSR remains applicable in relation to Slovakia.**

Double Taxation Conventions regarding inheritance and gift taxes (as of June 2022)

Czech Republic (Inheritance & Gift)	The Netherlands (Inheritance & Gift)
France (Inheritance & Gift)	Poland (Inheritance)
Germany (terminated)	Sweden (Inheritance)
Hungary (Inheritance)	Switzerland (Inheritance)
Liechtenstein (Inheritance)	USA (Inheritance & Gift)

Tax information Exchange Agreements (as of June 2022)

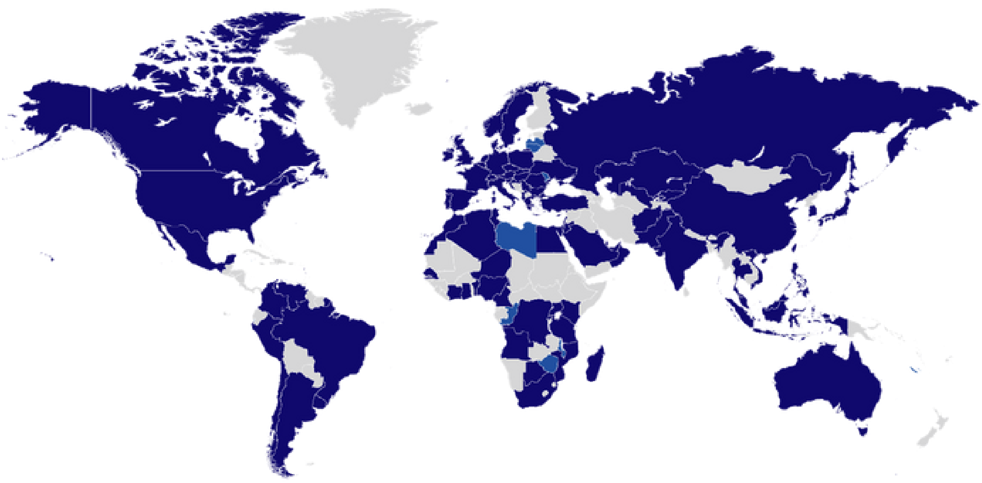
Andorra	Mauritius
Gibraltar	Monaco
Guernsey	St. Vincent & the Grenadines
Jersey	

For further information, please visit the Website of the Austrian Federal Ministry of Finance www.bmf.gv.at

Appendix 2: Mazars around the world

Mazars member firms may be found in 90+ countries and territories around the world

Afghanistan
Albania
Algeria
Angola
Argentina
Australia
Austria
Bahrain
Belgium
Benin
Bermuda
Botswana
Brazil
Bulgaria
Cameroon
Canada
Chile
China
Colombia
Congo (Kinshasa)
Croatia
Cyprus
Czech Republic
Denmark
Egypt
France
Germany
Ghana
Greece
Hongkong
Hungary
India
Indonesia
Ireland
Israel
Italy
Ivory Coast
Japan
Jordan
Kazakhstan
Kenya
Korea
Kosovo
Kuwait
Kyrgyzstan
Lebanon
Luxembourg
Madagascar
Malaysia
Malta
Mauritius
Mexico
Morocco
Mozambique
Netherlands
Niger
Nigeria
Norway
Oman
Pakistan
Palestine
Peru
Philippines
Poland
Portugal
Qartar
Romania
Russia
Rwanda
Saudi Arabia
Senegal
Serbia
Singapore
Slovakia
Slovenia
South Africa
Spain
Sweden
Switzerland
Taiwan
Tanzania
Thailand
Tunisia
Turkey
Uganda
Ukraine
United Arab Emirates
United Kingdom
USA
Uruguay
Uzbekistan
Venezuela
Vietnam



Integrated countries and territories

Non-integrated countries and territories: Mazars correspondents and representative offices

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