

EY Tax Short Cuts - English

Latest tax news for Austria
by EY

COVID-19 Investment premium: implementation of the last investments no later than 28 February 2023.

Content

- 01 COVID-19 Investment premium: implementation of final investments no later than 28 February 2023.
- 02 Draft Eco-Investment Allowance Regulation and Draft Fossil Fuel Facilities Regulation
- 03 MoF: Wage tax issues relating to the provision of company bicycles
- 03 MoF Info on the Municipal Tax Act

The commissioning and payment of investments for which an investment premium has been applied for must take place by 28 February 2023 at the latest (see funding guideline "COVID-19 investment premium for businesses", section 5.3.4.). Only investment premiums with an investment volume of more than EUR 20 million are exempt from this (deadline 28 February 2025). These periods cannot be extended.

At the latest three months after the last commissioning and payment of the investments, which are to be subsidized, the settlement must be made via aws subsidy manager. From a grant amount of EUR 12,000.00, the application must also be confirmed by an auditor, tax advisor or accountant.

Draft Eco-Investment Allowance Regulation and Draft Fossil Fuel Facilities Regulation

Income Tax Act

On 15 February 2023, the Federal Ministry of Finance (MoF) published the draft regulation, which are permissible for the Eco-Investment-Allowance.

For depreciable fixed assets, which were acquired or manufactured after 31 December 2022, an investment allowance of 10% or 15% (Eco-IFB) of the acquisition/manufacturing costs may be claimed as a business expense pursuant to Sec. 11 EStG (Austrian Income Tax Act) for tax purposes in the future (see most recently our Tax Short Cuts No. 25/2022 of 15 November 2022). The requirements under which an asset is to be classified in the area of ecologization, and thus the Eco-IFB of 15% is applicable, are specified by the Eco-Investment Allowance Regulation.

The Eco-Investment-Allowance shall be entitled to the following assets:

- ▶ Assets to which the Environmental Support Act (UFG) or the Climate and Energy Fund Act (KLI.EN-FondsG) apply (see ordinance for more detailed definition);
- ▶ Zero-emission vehicles without combustion engines, as well as e-charging stations where only electricity from renewable energy sources is available to electric vehicles;
- ▶ Bicycles, transport bikes, special bikes each with and without electric drive and bicycle trailers;
- ▶ Assets that serve to shift freight traffic to rail (see regulation for more detailed definition);
- ▶ Assets for the generation of electricity from renewable sources;
- ▶ Facilities for the storage of electricity from renewable sources in the form of a stationary system.

The review period runs until 8 March 2023. Further legislation remains to be seen.

The draft regulation can be accessed under the following link:

https://www.ris.bka.gv.at/Dokumente/Begut/BEGUT_3378AF75_850E_472A_9463_A0E7E9D17B47/BEGUT_3378AF75_850E_472A_9463_A0E7E9D17B47.html

Furthermore, the draft of the Fossil Energy Facilities Regulation was published. It specifies which assets related to fossil fuels are exempt from the investment allowance pursuant to Sec. 11 (3) No. 6 of the Austrian Income Tax Act (EStG). These include facilities that serve the extraction, transport or storage of fossil fuels, as well as facilities that directly use fossil fuels.

Draft Eco-IFB Ordinance and Draft Fossil Fuel Plant Ordinance

The draft ordinance can be accessed under the following link:

https://www.ris.bka.gv.at/Dokumente/Begut/BEGUT_1C122EE4_33E7_4E1F_8224_1856F21A76DB/BEGUT_1C122EE4_33E7_4E1F_8224_1856F21A76DB.html

The review period also runs until 8 March 2023. Further legislation remains to be seen.

MoF: Wage tax issues relating to the provision of company bicycles

Income Tax Act

The Federal Ministry of Finance (MoF) answered various payroll tax questions regarding the use of company bicycles in its reply dated 7 February 2023.

Among other things, it is stated that it is harmless if only the current salary is converted and special payments continue to be granted in the original amount. It is also stated that remuneration in kind, which is to be valued at zero, is also retained if, within the framework of private autonomy, the salary conversion is continued during periods without remuneration (e.g. in the case of maternity leave, weekly allowance, sick leave without remuneration, suspension).

The entire inquiry response can be accessed under the following link:

<https://www.bmf.gv.at/rechtsnews/steuern-rechtsnews/aktuelle-infos-und-erlaesse/Fachinformationen---Ertragsteuern/Fachinformationen---Lohnsteuer/Lohnsteuerliche-Fragen-bei-der-%C3%9Cberlassung-von-Dienstfahr%3%A4dern.html>

MoF Info on the Municipal Tax Act

Municipal Tax Act

On 26 January 2023, the Federal Ministry of Finance published information on the Municipal Tax Act 1993 (2022-0.892.770), in which the Association of Municipalities, the Association of Cities and Towns and the Federal Ministry of Finance express their legal opinion based on case law and legal materials. This information replaces the information previously issued.

The entire MoF info can be accessed under the following link:

<https://findok.bmf.gv.at/findok/resources/pdf/40295b8e-b33a-41d0-89f5-e11777c2efc0/81674.1.1.pdf>

Contact

Feedback

If you have any questions or suggestions or if you would like to be contacted please send an e-mail to: [Feedback](mailto:Feedback@at.ey.com)

Website

Get more information about our services, activities and events on our website: ey.com/at

Archive

Find our previous issues of this newsletter on our [website](http://ey.com/at) or send us an inquiry to newsletter@at.ey.com.

Unsubscribe

If you want to unsubscribe from this newsletter please send an e-mail that contains your name and your e-mail address to ey.crm@ey.com.

Business Tax

Markus Schragl
+43 1 211 70 1268
markus.schragl@at.ey.com

International Tax

Roland Rief
+43 1 211 70 1257
roland.rief@at.ey.com

Transfer Pricing

Andreas Stefaner
+43 1 211 70 1041
andreas.stefaner@at.ey.com

Indirect Tax

Ingrid Rattinger
+43 1 211 70 1251
ingrid.rattinger@at.ey.com

People Advisory Services

Regina Karner
+43 1 211 70 1296
regina.karner@at.ey.com

Global Compliance & Reporting

Maria Linzner-Strasser
+43 1 211 70 1247
maria.linzner-strasser@at.ey.com

Transaction Tax

Andreas Sauer
+43 1 211 70 1625
andreas.sauer@at.ey.com

Editor and owner of the medium:

Ernst & Young
Steuerberatungsgesellschaft
m.b.H. („EY“)
Wagramer Straße 19, IZD-Tower
1220 Vienna

Responsible Partner

Klaus Pflieger
+43 1 211 70 1179
klaus.pflieger@at.ey.com

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

The integrated service portfolio of EY is complemented by comprehensive legal advisory services provided by the international network of EY Law, in Austria represented by Pelzmann Gall Größ Rechtsanwälte GmbH.

In this publication, “EY” and “we” refer to all Austrian member firms of Ernst & Young Global Limited. Each EYG member firm is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. For more information about our organization, please visit ey.com.

Information according to § 25 Austrian Media Act (MedG) can be accessed here.

In Austria, EY has 4 locations.

© 2023 Ernst & Young
Steuerberatungsgesellschaft m.b.H.
All Rights Reserved.

**Ernst & Young
Steuerberatungsgesellschaft m.b.H.**
1220 Vienna, Wagramer Straße 19
4020 Linz, Blumauerstraße 46
5020 Salzburg, Sterneckerstraße 33
9020 Klagenfurt, Eiskellerstraße 5

This publication has been prepared for general informational purposes only and is therefore not intended to be a substitute for detailed research or professional advice. No liability for correctness, completeness and/or currentness will be assumed. Neither Ernst & Young Steuerberatungsgesellschaft m.b.H. nor any other member of the global EY organization can accept any responsibility.

ey.com/at