

Tax Short Cuts

Current tax information for Austria by EY

Tax Amendment Act 2024 published in the Federal Law Gazette

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The Tax Amendment Act 2024 (Abgabenänderungsgesetz, AbgÄG 2024) was published in the Federal Law Gazette I No. 113/2024 on 19 July 2024. The AbgÄG 2024 introduces various amendments to, among others, the Income Tax Act, the Corporate Income Tax Act, the Value Added Tax Act, the Reorganization Tax Act and the Federal Fiscal Code (for more details, see our Tax Short Cuts No. 10/2024 dated 14 May 2024 and No. 14/2024 dated 9 July 2024).

For further details please refer to the German version of our Tax Short Cuts No. 15/2024 dated 23 July 2024.

The entire Tax Amendment Act 2024 can be accessed via the following link (German version only):
https://www.ris.bka.gv.at/Dokumente/BgblAuth/BGBLA_2024_I_113/BGBLA_2024_I_113.pdf

Reorganization Reporting Decree - Draft for review

On 10 July 2024, the Federal Ministry of Finance (MoF) sent the Reorganization Reporting Decree (Umgründungsmeldeverordnung, UmgrMV) for review. The decree is intended to implement the Tax Amendment Act 2023 (Abgabenänderungsgesetz 2023) in Sec 13/1 Reorganization Tax Act (Umgründungssteuergesetz) for a uniform and standardized electronic notification of reorganizations via FinanzOnline.

Reorganization Reporting Decree - Draft for review

For further details please refer to the German version of our Tax Short Cuts No. 15/2024 dated 23 July 2024.

The draft can be accessed via the following link (German version only):
https://www.ris.bka.gv.at/Dokumente/Begut/BEGUT_BE26CDE5_CE13_44C1_AF9F_30380AC32EEA/BEGUT_BE26CDE5_CE13_44C1_AF9F_30380AC32EEA.pdf

ECJ confirms non-taxability of intra-group transactions for VAT groups

Value Added Tax Act

In its decision of 11 July 2024, Finanzamt T (C-184/23), the ECJ confirms the prevailing view in Austria to date, according to which intra-group transactions are not subject to VAT. In its decision, the ECJ states that services provided for consideration between persons belonging to the same VAT group are not subject to VAT even if the recipient of the supply is not entitled to deduct input VAT. With regard to a possible “risk of tax losses” in this case, the ECJ points out, among other things, that within a VAT group, the right to deduct input VAT is conferred on the group itself and not on its members.

CbCR Publication Act published in the Federal Law Gazette

CbCR Publication Act

The CbCR Publication Act (CBCR-Veröffentlichungsgesetz) was published in the Federal Law Gazette I No. 83/2024 on 17 July 2024 without any significant changes to the government bill. Among others, the Act is intended to increase the transparency of the activities of multinational companies with consolidated revenue of more than EUR 750 million and the public scrutiny of companies' income tax information (see our Tax Short Cuts No. 08/2024 dated 16 April 2024 and No. 12/2024 dated 11 June 2024).

The CbCR Publication Act can be accessed via the following link (German version only):
https://www.ris.bka.gv.at/Dokumente/BgblAuth/BGBLA_2024_I_83/BGBLA_2024_I_83.pdf

Changes to the Beneficial Owners Register Act

Beneficial Owners Register Act

The Amendment Act 2023 on the Beneficial Owners Register Act (Wirtschaftliche Eigentümer Registergesetz, WiEReG) was published in July 2023 (Federal Law Gazette I No. 97/2023 of 20 July 2023) and introduced numerous legal innovations. The main objective of the amendment is to strengthen the effectiveness of the register and to implement the National Risk Analysis from 2021. The changes enter into force at different times, some have been in effect since 1 August 2023, while most of the changes entered into force on 1 July 2024, or will only apply as of 10 December 2024.

The most important changes relate to the following:

- ▶ Restriction of access to the register to cases of legitimate interest;
- ▶ Possibility of access to the register by party representatives if their client has an obvious legitimate interest;
- ▶ Mandatory disclosure of relevant trusteeships within the chain of shareholding that are relevant for determining the beneficial owners;
- ▶ Possibility of waiving automatic import of data for domestic foundations and trusts as the ultimate parent entity;
- ▶ Mandatory disclosure of trusteeships for foundations, trusts and comparable legal entities if the founder or beneficiary acts as a fiduciary, as well as disclosure of the respective share of the assets contributed by the founder;
- ▶ Determination of the insolvency administrator as a subsidiary beneficial owner in the absence of other members of the top management level;
- ▶ Clarification that the subsequent entry into force of a reporting exemption of a legal entity that was previously required to report requires a final manual report in order to explicitly claim this reporting exemption towards the register authority;
- ▶ Changes to the financial crimes facts - the financial offence of failure to report a change is now only committed if the omission results in the beneficial owners not being disclosed, while a culpable omission concerning the beneficial owners already reported is "only" a financial regulatory offense;
- ▶ Mandatory delivery to the authorized representative (tax representative) in the coercive penalty procedure, instead of to the legal entities concerned.

The changes, which entered into force on 1 July 2024, must be taken into account for reports after 30 June 2024. The MoF collection of case studies has also been updated to the new legal situation and the updated WiEReG MoF decree is expected to be published in August. Many of the changes mentioned can only be reflected accordingly with the new forms, so the new forms must be used for these cases with immediate effect. An overview of the new changes that entered into force on 1 July 2024 was published by the MoF on 28 June 2024 (2024-0.479.403).

Changes to the Beneficial Owners Register Act

This information letter with step-by-step instructions for the new reporting forms can be accessed via the following link (German version only):
https://www.bmf.gv.at/dam/jcr:1e5a0378-044c-44e3-9d7a-5bb72db99830/Fachliche_News_WiEReG_2024-06-28.pdf

Your EY tax experts are available to discuss any questions and will be happy to assist you with the required WiEReG reports.

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