

Tax Short Cuts

Current tax information
for Austria from EY

FAQs on the Upper Limits Directive published

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The total COVID-19 subsidies granted to a company group must not exceed any of the upper limits set out in Section 3.1 of the Temporary Framework (EUR 2.3 million in total for the subsidies granted by COFAG: Fixed Cost Subsidy 800,000 (Fixkostenzuschuss 800.000), Lockdown Revenue Compensation I and II (Lockdown-Umsatzersatz), Turnover Loss Bonus I, II and III (Ausfallbonus)) or in Section 3.12 of the Temporary Framework (total of EUR 12 million for the subsidies granted by COFAG: Loss Compensation Subsidy I, II and III (Verlustersatz)).

If one of the two upper limits is exceeded within a company group or if the granting of a requested subsidy would lead to one of the two upper limits being exceeded, these subsidies must not be granted in the form applied for due to EU state subsidy law.

For this reason, the Minister of Finance, in agreement with the Vice Chancellor, issued the Directive on the reclassification of COFAG subsidies exceeding the upper limits as compensation for losses, for damages or de minimis aid (Obergrenzenrichtlinie) on 19 June 2024. If the limits according to EU requirements for the total subsidies granted in a company group are exceeded or if the subsidy applied for would be granted in excess of the limit, it can be reclassified as compensation for losses, for damages or de minimis aid (applications possible until 31 October 2024).

FAQs on the Upper Limit Directive and answers to the questions raised by KSW have now been published on the MoF website. According to the MoF, these questions and answers will be expanded on an ongoing basis where necessary.

FAQs on the Upper Limits Directive published

The FAQs and answers to KSW's questions currently cover the following topics in particular:

- ▶ General information on the company group, the application and the confirmations and declarations of commitment in the application
- ▶ Details on reclassification as compensation for losses, for damages and de minimis aid
- ▶ Details regarding repayment

The FAQs and the answers to the questions raised by KSW can be accessed via the following link: <https://www.bmf.gv.at/themen/cofag-abwicklung/obergrenzenrichtlinien.html>

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