

Tax Short Cuts

Current tax information
for Austria from EY

Amendment of the Research Premium Regulation

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The amendment of the Research Premium Regulation (Forschungsprämienverordnung) was published on 17 October 2024 in the Federal Law Gazette II No. 281/2024.

For entrepreneurs, partnerships and unremunerated working shareholders of a corporation, an amount of EUR 50.00 (previously: EUR 45.00) can now be claimed as a notional entrepreneurial salary for each working hour in relevant research and experimental development in the fiscal year, up to a maximum amount of EUR 86,000.00 (previously: EUR 77,400.00) per person per fiscal year.

The amendments are applicable for the calendar year 2024. Special transitional provisions apply to premiums for non-calendar fiscal years 2023/2024.

Amendment of the Remuneration in Kind Regulation, Travel Expense Reimbursement Regulation and Mileage Allowance Regulation published

Income Tax Act

On 24 October 2024 the amendment of the Remuneration in Kind Regulation (Sachbezugswerteverordnung), the Travel Expense Reimbursement Regulation (Fahrtkostenersatzverordnung) and the Mileage Allowance Regulation (Kilometergeldverordnung) were published in the Federal Law Gazette.

For further details please refer the German version of our Tax Short Cuts No. 22 from 29 October 2024).

Deposit on single-use beverage packaging from 1 January 2025

Deposit Regulation on Single-Use Beverage Packaging

A deposit system for single-use beverage packaging will be introduced in Austria on 1 January 2025. The details are regulated in the Deposit Regulation on Single-Use Beverage Packaging (Pfandverordnung für Einweggetränkeverpackungen), which was issued based on the relevant provisions of the Waste Management Act 2002 (Abfallwirtschaftsgesetz 2002).

All single-use beverage packaging made of plastic or metal (PET bottles and cans, with the exception of milk packaging, syrups and tetra packs) with a volume of 0.1 to 3 litres must be labelled with the new deposit logo and provided with a special EAN code.

All commercial distributors along the supply chain must collect a single-use deposit of 25 cents from the respective customer in the name and on the account of the central organisation "EWP Recycling Pfand Österreich" (hereinafter EWP). Smaller sales outlets e.g. bakeries, petrol stations, vending machines and companies that serve free drinks may also be affected.

Foreign companies must appoint an Austrian authorised representative to fulfil the obligations on their behalf.

Single-use beverage packaging must generally be taken back at all points of sale where they are sold in return for the deposit amount. Affected businesses should register with the EWP as a take-back point to order sealed bags and be reimbursed for deposits paid out. Businesses exempt from the take-back obligation must pay a compensation amount to the EWP.

When collecting and repaying single-use deposits, several VAT specialities must be considered. While multi-use deposits are treated as a dependent ancillary service to the beverage delivery, single-use deposits are a non-taxable pass-through item as they are collected in the name and on the

Deposit on single-use beverage packaging from 1 January 2025

account of the EWP. The single-use deposits collected must be shown separately on invoices issued without VAT (in a separate line without VAT - "0%").

COVID-19 Upper Limits Directive: Additional explanations on profit distributions in the event of reclassification as compensation for damages

COVID-19 Upper Limits Directive

With regards to the COVID-19 Upper Limits Directive (Obergrenzenrichtlinien) additional information has been published on the MoF website: When applying for compensation for damages, the calculated compensation amount must be reduced by 10% or 15% of the calculated net profit for the year. In principle, the annual profit of the individual companies in the group are added up to determine the annual profit. However, the double recognition of profit, e.g. once in the net profit of the subsidiary and once - due to a profit distribution - in the net income of the parent company, may be corrected under certain conditions.

For further details please refer the German version of our Tax Short Cuts No. 22 from 29 October 2024).

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