

www.pwc.at

*Tax*i*nformation Austria – 2017*

People and Organisation

*Income tax,
social security
and immigration
in brief*

January 2017

Table of contents

1	Registration and Immigration	5
2	Income tax rate and deductible expenses	6
3	Social security, employer expenses and family allowance	8
4	Double taxation treaties	10
5	International social security agreements	15
6	What we can do for you and your PwC contacts	17

2017 at a glance

January	February	March	April	May	June
1 SUN	1 WED	1 WED	1 SAT	1 MON	1 THU
2 MON	2 THU	2 THU	2 SUN	2 TUE	2 FRI
3 TUE	3 FRI	3 FRI	3 MON	3 WED	3 SAT
4 WED	4 SAT	4 SAT	4 TUE	4 THU	4 SUN
5 THU	5 SUN	5 SUN	5 WED	5 FRI	5 MON
6 FRI	6 MON	6 MON	6 THU	6 SAT	6 TUE
7 SAT	7 TUE	7 TUE	7 FRI	7 SUN	7 WED
8 SUN	8 WED	8 WED	8 SAT	8 MON	8 THU
9 MON	9 THU	9 THU	9 SUN	9 TUE	9 FRI
10 TUE	10 FRI	10 FRI	10 MON	10 WED	10 SAT
11 WED	11 SAT	11 SAT	11 TUE	11 THU	11 SUN
12 THU	12 SUN	12 SUN	12 WED	12 FRI	12 MON
13 FRI	13 MON	13 MON	13 THU	13 SAT	13 TUE
14 SAT	14 TUE	14 TUE	14 FRI	14 SUN	14 WED
15 SUN	15 WED	15 WED	15 SAT	15 MON	15 THU
16 MON	16 THU	16 THU	16 SUN	16 TUE	16 FRI
17 TUE	17 FRI	17 FRI	17 MON	17 WED	17 SAT
18 WED	18 SAT	18 SAT	18 TUE	18 THU	18 SUN
19 THU	19 SUN	19 SUN	19 WED	19 FRI	19 MON
20 FRI	20 MON	20 MON	20 THU	20 SAT	20 TUE
21 SAT	21 TUE	21 TUE	21 FRI	21 SUN	21 WED
22 SUN	22 WED	22 WED	22 SAT	22 MON	22 THU
23 MON	23 THU	23 THU	23 SUN	23 TUE	23 FRI
24 TUE	24 FRI	24 FRI	24 MON	24 WED	24 SAT
25 WED	25 SAT	25 SAT	25 TUE	25 THU	25 SUN
26 THU	26 SUN	26 SUN	26 WED	26 FRI	26 MON
27 FRI	27 MON	27 MON	27 THU	27 SAT	27 TUE
28 SAT	28 DI	28 TUE	28 FRI	28 SUN	28 WED
29 SUN		29 WED	29 SAT	29 MON	29 THU
30 MON		30 THU	30 SUN ²	30 TUE	30 FRI ³
31 TUE		31 FRI ¹		31 WED	

- Filing due date for income tax return 2015**
(filing by an Austrian tax adviser)
- Paper filing for income tax return 2016**
(if not filed by an Austrian tax adviser)
- Electronic filing for income tax return 2016**
(if not filed by an Austrian tax adviser)

2017 at a glance

July	August	September	October	November	December
1 SAT ⁴	1 TUE	1 FRI	1 SUN ⁵	1 WED	1 FRI
2 SUN	2 WED	2 SAT	2 MON	2 THU	2 SAT
3 MON	3 THU	3 SUN	3 TUE	3 FRI	3 SUN
4 TUE	4 FRI	4 MON	4 WED	4 SAT	4 MON
5 WED	5 SAT	5 TUE	5 THU	5 SUN	5 TUE
6 THU	6 SUN	6 WED	6 FRI	6 MON	6 WED
7 FRI	7 MON	7 THU	7 SAT	7 TUE	7 THU
8 SAT	8 TUE	8 FRI	8 SUN	8 WED	8 FRI
9 SUN	9 WED	9 SAT	9 MON	9 THU	9 SAT
10 MON	10 THU	10 SUN	10 TUE	10 FRI	10 SUN
11 TUE	11 FRI	11 MON	11 WED	11 SAT	11 MON
12 WED	12 SAT	12 TUE	12 THU	12 SUN	12 TUE
13 THU	13 SUN	13 WED	13 FRI	13 MON	13 WED
14 FRI	14 MON	14 THU	14 SAT	14 TUE	14 THU
15 SAT	15 TUE	15 FRI	15 SUN	15 WED	15 FRI
16 SUN	16 WED	16 SAT	16 MON	16 THU	16 SAT
17 MON	17 THU	17 SUN	17 TUE	17 FRI	17 SUN
18 TUE	18 FRI	18 MON	18 WED	18 SAT	18 MON
19 WED	19 SAT	19 TUE	19 THU	19 SUN	19 TUE
20 THU	20 SUN	20 WED	20 FRI	20 MON	20 WED
21 FRI	21 MON	21 THU	21 SAT	21 TUE	21 THU
22 SAT	22 TUE	22 FRI	22 SUN	22 WED	22 FRI
23 SUN	23 WED	23 SAT	23 MON	23 THU	23 SAT
24 MON	24 THU	24 SUN	24 TUE	24 FRI	24 SUN
25 TUE	25 FRI	25 MON	25 WED	25 SAT	25 MON
26 WED	26 SAT	26 TUE	26 THU	26 SUN	26 TUE
27 THU	27 SUN	27 WED	27 FRI	27 MON	27 WED
28 FRI	28 MON	28 THU	28 SAT	28 TUE	28 THU
29 SAT	29 TUE	29 FRI	29 SUN	29 WED	29 FRI
30 SUN	30 WED	30 SAT	30 MON	30 THU	30 SAT
31 MON	31 THU		31 TUE		31 SUN ⁶

⁴ **NEW: tax assessment without filing a tax return** (electronic assessment via tax authorities), electronic process starting July 1st, 2017

⁵ as of this date **Assessment of interest** for outstanding tax payments 2016 (since March 16th, 2016 1.38% p.a.)

⁶ **Filing due date for 'Arbeitnehmerveranlagung' 2012** (employment income only)

Registration and Immigration

Residence registration

Persons moving to Austria and establishing a residence in Austria must register at the registration office (municipal office) within three days of arrival. Upon leaving Austria, the person will have to de-register the residential address. The de-registration process needs to be completed within three days before or three days after moving.

Registration certificate

EU/EEA citizens and Swiss nationals need a registration certificate (Anmeldebescheinigung) if they stay in Austria for more than three months. An application for the certificate must be made within a four-month period starting from the applicant's arrival in Austria.

Work and residence permit

Persons who want to pursue professional activities in Austria require a work permit and a residence permit unless they are EU/EEA citizens or Swiss nationals.

Special regulations apply to 'new EU citizens' (from Croatia). These citizens do not require a residence permit, but still need to obtain a work permit.

Prior to the arrival of a third country national, the employer basically has to apply for a preliminary work permit (Einzelsicherungsbescheinigung) with the local labour authority. On the basis of such confirmation, an application for a residence permit can be filed.

Finally, once the residence permit has been granted, an application for a final work permit can be filed with the local labour authority. Only upon issuance of the final work permit a third-country national is legally permitted to pursue professional activities in Austria.

In the event of local employment relations in Austria, it is possible to apply for a combined work and residence permit in the form of the so-called Red-White-Red Card or the Blue Card EU.

Income tax rate

The **tax assessment base** equals the sum of income minus income-related expenses, special expenses, extraordinary burdens and tax free amounts.

<i>Income in EUR</i>	<i>Tax rate</i>
Until 11,000	0%
Above 11,000 up to 18,000	25%
Above 18,000 up to 31,000	35%
Above 31,000 up to 60,000	42%
Above 60,000 up to 90,000	48%
Above 90,000	50%*

On other remuneration, particularly one-time payments (eg. 13th and 14th salary) up to one sixth of the yearly recurring payments (Jahressechstel) the following rates apply:

<i>Other remuneration</i>	<i>Tax rate</i>
For the first EUR 620	0%
For the next EUR 24,380	6%
For the next EUR 25,000	27%
For the next EUR 33,333	35.75%
Above EUR 83,333	50%*

* In the calendar years 2016 until 2020 income above EUR 1 Mio is taxed with a rate of 55%.

Deductible costs

- Employee contributions to a mandatory insurance (also abroad)
- Commuter allowance
- Union contributions and other contributions paid to professional associations and interest groups
- Working equipment (telephone, internet connection and computer costs: 60% deductible for professional use)
- Specialised literature
- Non-refunded travel expenses
- Training expenses
- Language courses
- Moving expenses
- Costs incurred through maintenance of two households
- Lump sum for income-related expenses in any case EUR 132 p.a.
- Child care expenses up to EUR 2,300 p.a. per child below the age of ten payable to institutional bodies
- Tax consultancy fees
- Church tax
- Donations
- etc.

Tax free and deductible amounts

Tax free and deductible amounts	Amount
Transportation tax credit	EUR 400 p.a.
Sole wage earner tax credit with one child	EUR 494 p.a.
With two children	EUR 669 p.a.
For each additional child	EUR 220 p.a.
Children-related tax exempt amount per child	EUR 440 p.a.
If claimed by both parents, per child and per parent	EUR 300 p.a.
External professional education per child	EUR 110 p.m.

Social security and employer expenses

Mandatory insurance contributions – employees

Type of insurance	Social security cap	Employer	Employee
Health	EUR 4,980 p.m.	3.78%	3.87%
Accident	EUR 4,980 p.m.	1.30%	0.00%
Pension	EUR 4,980 p.m.	12.55%	10.25%
Unemployment	EUR 4,980 p.m.	3.00%	3.00%
Other	EUR 4,980 p.m.	0.85%	1.00%
Recurring payments		21.48%	18.12%
Maximum p.m.		EUR 1,069.70	EUR 902.38
Maximum p.a.		EUR 12,836.40	EUR 10,828.56
Special payments		20.98%	17.12%
Maximum p.a.	EUR 9,960 p.a.	EUR 2,089.61	EUR 1,705.15
Total Maximum p.a.		EUR 14,926.01	EUR 12,533.71

Additional labour costs – employer

Employer contribution to family assistance fund (4.1%)
Surcharge to employer contribution to family assistance fund (0.36% – 0.44%)
Employee provision fund (1.53%)
Municipal tax (3%)
Metro tax – only for Vienna (EUR 2 per employee and week)

Family allowance

Family allowance per month and child*							
Age of child	With 1 child	With 2 children	With 3 children	With 4 children	With 5 children	With 6 children	With 7 or more children
Below 3	EUR 170.20	EUR 177.10	EUR 187.20	EUR 196.20	EUR 201.60	EUR 205.20	EUR 221.20
3 – 9	EUR 178.00	EUR 184.90	EUR 195.00	EUR 204.00	EUR 209.40	EUR 213.00	EUR 229.00
10 – 18	EUR 197.20	EUR 204.10	EUR 214.20	EUR 223.20	EUR 228.60	EUR 232.20	EUR 248.20
19 + **	EUR 220.40	EUR 227.30	EUR 237.40	EUR 246.40	EUR 251.80	EUR 255.40	EUR 271.40

*) Together with the family allowance, a **child benefit** of EUR 58.40 per month and child is paid out, which is already included in the figures above. For children between 6 and 15, an additional amount of EUR 100 per year and child is paid in September.

***) Under certain circumstances, it is possible to receive family allowance until the 25th birthday.

Double taxation treaties

<i>Country</i>	<i>183 day basis</i>	<i>Permanent establishment construction / assembly</i>	<i>Method to avoid double taxation¹ tax residency in Austria / abroad</i>	
Albania	12-month period	9 months in calendar year	Exemption	Credit
Algeria	Tax year (corresponds to calendar year)	6 months	Exemption	Credit
Armenia	Tax year (corresponds to calendar year)	9 months	Exemption	Credit
Australia	Tax year (1 July - 30 June)	12 months	Exemption	Credit
Azerbaijan	12-month period	12 months	Exemption	Credit
Bahrain	12-month period	12 months	Credit	Credit
Barbados	12-month period	6 months	Credit	Credit
Belarus	12-month period	12 months	Exemption	Credit
Belgium	Calendar year	12 months	Exemption	Exemption
Belize	Calendar year	12 months	Credit	Exemption
Bosnia & Herzegovina	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Brazil	Tax year (corresponds to calendar year)	6 months	Exemption	Credit
Bulgaria	12-month period	6 months	Exemption	Exemption
Canada	Calendar year	12 months	Credit	Credit
Chile	12-month period	6 months	Exemption	Credit
China	Calendar year	6 months	Exemption	Credit

¹ Referring to employment income

Country	183 day basis	Permanent establishment construction / assembly	Method to avoid double taxation¹ tax residency in Austria / abroad	
Croatia	Calendar year	12 months	Exemption	Credit
Cuba	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Cyprus	Tax year (corresponds to calendar year)	24 months	Exemption	Exemption
Czech Republic	12-month period	12 months	Exemption	Credit
Denmark	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Egypt	Calendar year	6 months	Exemption	Exemption
Estonia	12-month period	9 months	Exemption	Credit
Finland	12-month period	12 months	Credit	Credit
France	12-month period	12 months	Exemption	Credit
Georgia	Tax year (corresponds to calendar year)	6 months	Exemption	Credit
Germany	Calendar year	12 months	Exemption	Exemption
Great Britain	Tax year (6 April - 5 April)	12 months	Credit	Credit
Greece	12-month period	9 months	Exemption	Credit
Hong Kong	12-month period	6 months	Exemption	Credit
Hungary	Tax year (corresponds to calendar year)	24 months	Exemption	Exemption
Iceland ²	12-month period	12 months	Exemption	Credit
India	12-month period	6 months	Exemption	Credit
Indonesia	12-month period	6 months	Exemption	Credit
Iran	12-month period	12 months	Exemption	Credit
Ireland	Tax year (corresponds to calendar year)	12 months	Credit	Credit

¹ Referring to employment income

² Expected to enter into force in 2017

Country	183 day basis	Permanent establishment construction / assembly	Method to avoid double taxation¹ tax residency in Austria / abroad	
Israel	Tax year (corresponds to calendar year)	12 months	Exemption	Exemption
Italy	Tax year (corresponds to calendar year)	12 months	Credit	Credit
Japan	Tax year (corresponds to calendar year)	12 months	Credit	Credit
Kazakhstan	12-month period	12 months	Exemption	Credit
Korea (South)	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Kuwait	Tax year (corresponds to calendar year)	9 months	Exemption	Credit
Kyrgyzstan	12-month period	12 months	Exemption	Credit
Latvia	12-month period	9 months	Exemption	Credit
Libya	Not yet in force			
Liechtenstein	Tax year (corresponds to calendar year)	12 months	Credit	Exemption
Lithuania	12-month period	9 months	Exemption	Credit
Luxembourg	Calendar year	12 months	Exemption	Exemption
Macedonia	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Malaysia	Calendar year	6 months	Exemption	Credit
Malta	Calendar year	12 months	Exemption	Exemption
Mexico	12-month period	6 months	Exemption	Credit
Moldavia	12-month period	12 months	Exemption	Credit
Mongolia	Calendar year	12 months	Exemption	Credit
Montenegro	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Morocco	12-month period	6 months	Exemption	Credit

¹ Referring to employment income

Country	183 day basis	Permanent establishment construction / assembly	Method to avoid double taxation¹ tax residency in Austria / abroad	
Nepal	12-month period	6 months	Exemption	Credit
Netherlands	Calendar year	12 months	Exemption	Credit
New Zealand	12-month period	12 months	Exemption	Credit
Norway	12-month period	12 months	Exemption	Credit
Pakistan	Tax year (1 July - 30 June)	6 months	Exemption	Credit
Philippines	Tax year (corresponds to calendar year)	const. 6 m., assem. 3 m.	Exemption	Credit
Poland	Tax year (corresponds to calendar year)	12 months	Exemption	Exemption
Portugal	Tax year (corresponds to calendar year)	12 months	Exemption	Exemption
Qatar	12-month period	6 m. in 12 m.-period	Credit	Credit
Romania	12-month period	12 months	Exemption	Credit
Russia	12-month period	12 months	Exemption	Credit
San Marino	Tax year (corresponds to calendar year)	12 months	Exemption	Exemption
Saudi Arabia	Tax year (corresponds to calendar year)	6 months	Exemption	Exemption
Serbia	12-month period	12 months	Exemption	Credit
Singapore	12-month period	12 months	Exemption	Credit
Slovakia (DTT CSSR)	Calendar year	12 months	Exemption	Exemption
Slovenia	Calendar year	12 months	Exemption	Credit
South Africa	Calendar year	12 months	Exemption	Credit
Spain	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Sweden	Calendar year	12 months	Credit	Credit

¹ Referring to employment income

Country	183 day basis	Permanent establishment construction / assembly	Method to avoid double taxation¹ tax residency in Austria / abroad	
Switzerland	Tax year (corresponds to calendar year)	12 months	Credit	Exemption
Syria	Not yet in force			
Taiwan	12-month period	6 months	Exemption	Credit
Tajikistan	12-month period	12 months	Exemption	Credit
Thailand	Tax year (corresponds to calendar year)	6 m. in 12 m.-period	Exemption	Credit
Tunisia	Tax year (corresponds to calendar year)	6 months ²	Exemption	Credit
Turkey	12-month period	6 months	Exemption	Credit
Turkmenistan	12-month period	12 months	Credit	Credit
UAE	Tax year (corresponds to calendar year)	12 months	Exemption	Credit
Ukraine	12-month period	12 months	Exemption	Credit
USA	12-month period	12 months	Credit	Credit
Uzbekistan	12-month period	12 months	Exemption	Exemption
Venezuela	12-month period	9 months	Exemption	Credit
Vietnam	Tax year (corresponds to calendar year)	6 months	Exemption	Credit

¹ Referring to employment income

² Assembly under certain conditions 3 months

International social security agreements

Countries to which EU-regulation 883/2004 applies

- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Great Britain
- Greece
- Hungary
- Ireland
- Iceland
- Italy
- Latvia
- Liechtenstein
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland

Social security agreements with countries to which EU-regulation 883/2004 does not apply

Country	Citizenship¹	Health insurance	Pension insurance	Accident insurance	Unemployment insurance²	Family assistance	Duration of assignment in months
Australia	Unlimited		•				60
Bosnia-H.	Unlimited	•	•	•	•		24
Canada	Unlimited		•				60
Chile	Unlimited		•				60
India	Unlimited		•				60
Israel	Unlimited	•	•	•		•	60
Korea	Unlimited		•				60
Kosovo ³	Unlimited	•	•	•	•		24
Macedonia	Unlimited	•	•	•	•		24
Moldavia	Unlimited		•				24
Montenegro	Unlimited	•	•	•	•		24
Philippines	Unlimited		•	•			60
Serbia	Unlimited	•	•	•	•		24
Tunisia	Limited	•	•	•			24
Turkey	Unlimited	•	•	•			24
Uruguay	Unlimited		•				24
USA	Unlimited		•				60

¹ Citizenship: As a rule, the treaty is applicable to all insured persons from both contracting states irrespective of their citizenship if their legal residence is within the contracting state (exception: Tunisia).

² Generally only material regulations concerning the calculation of insurance times

³ Agreement with Yugoslavia; partially suspended

What we can do for you



*Human Ressource Management
Employment Tax and Benefits
Employment Law and Immigration*

Your PwC contacts

Do you have any questions?
We will be happy to assist you:



Claudia Grabner
P&O Leader
+43 1 501 88-1335
claudia.grabner@at.pwc.com

PwC Vienna
People and Organisation
Guglgasse 7 – 9, 6th floor
1030 Vienna
Austria

Global Mobility

Olivia Stiedl
P&O – Global Mobility
+43 1 501 88-3427
olivia.stiedl@at.pwc.com

Consulting

Bianca Flaschner
P&O – Human Resource Management
+43 1 501 88-3541
bianca.flaschner@at.pwc.com

Waltraud Niederleithner
P&O – Employment Tax and Benefits
+43 1 501 88-3535
waltraud.niederleithner@at.pwc.com

Laleh Behrus-Kiennast
P&O – Employment Law and Immigration
+43 1 501 88-3030
laleh.behrus-kiennast@at.pwc.com

Payroll

Cindy Plank
P&O – Payroll
+43 1 501 88-3526
cindy.plank@at.pwc.com

The above information is intended to provide general guidance only. It should not be used as a substitute for professional advice or as the basis for decisions or actions without prior consultation with your advisors. While every care has been taken in the preparation of the publication, no liability is accepted for any statement, opinion, error or omission.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.