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Subsidy for fixed costs Austria



Only operationally necessary fixed costs are eligible, provided they could not have been reduced

Dear clients,

Subsidy to cover fixed costs under the Corona Fund:

✔ to cover fixed costs
✔ non-refundable subsidy
✔ addressed to companies that have suffered significant drop in sales of at least 40% due to the Corona crisis

Companies must fulfill all following required conditions:

✔management or permanent establishment in Austria
✔ fixed costs are the result of operations held in Austria
✔companies that were "healthy" before the Corona crisis
✔ drop in sales of at least 40% due to the Corona crisis
✔all the reasonable measures have been taken to generate sales, to decrease fixed costs and maintain jobs in Austria

What is considered as a fixed cost (overheads)?

✔ rent of business premises
✔ insurance
✔ interest expense
✔ licence costs
✔utilities (electricity and gas) and telecommunications´ costs
✔ other contractual payment obligations
✔ wages for entrepreneurs up to maximum 2 000 euro per month (similar to the Härtefallfond regulations)
✔in addition: loss of value of addled products / seasonal products, in case that during the Corona restrictions, these products had suffered loss off value by at least 50%.

Only operationally necessary fixed costs are eligible, provided they could not have been reduced.

Subsidy for the fixed costs is graduated and depends on the loss in the company´s turnover.

In case of loss in turnover

✔ between 40% to 60%, 25% of fixed costs are substitutable
✔between 60% to 80%, 50% of fixed costs are substitutable
✔between 80% to 100%, 75% of fixed costs are substitutable by subsidy for the fixed costs

Subsidy for fixed costs is limited by 90 million euro per company.

Guidelines are currently being prepared and finalized.

The processing will be encharged to the Corona crisis finance agency, COVID-19 Finanzierungsagentur des Bundes GmbH, shortly COFAG.

✔ registration will be possible from the beginning of May and it is a prerequisite for the later outpayment request. Registration for subsidies for fixed costs is possible until 31 December, 2020.
✔ an online application platform will be available
✔ payments will be made during the application process, once the real economic damage has been determined
✔ subsidy for fixed costs is not subject to taxation, however it reduces deductible expenditures in the particular financial year.
✔ companies may take advantage of both, Corona short-time work and the fixed cost subsidy.

Your Auditorea team