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Subsidy for fixed costs Austria



Excluded are newly founded companies which have not yet generated any turnover before 16.09.2020!

Subsidy for fixed costs 800,000 /SFC/

Companies must fulfil the following conditions:

✓ headquarter or a permanent establishment and operational activities in Austria
✓ no registered office and no establishment in "non-cooperative countries regarding tax purposes"
✓ no tax fraud in the last five years
✓ turnover decline of at least 30% in the wake of the Corona crisis
✓ No pending insolvency proceedings or conditions for the opening of insolvency proceedings by 31.12.2019
✓ On 31 December 2019 or, in the case of an alternative fiscal year ending before 31 December 2019, the company must not have been in financial difficulties
✓ obligation to minimize damage

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What are fixed costs?

✓ Rent of business offices/premises and lease
✓ Depreciation of assets acquired before 16 March 2020.
✓ Company insurance premiums
✓ Interest expenses for loans and credits
✓ Leasing rates
✓ Operating licence fee (but not licence fees within a group of companies)
✓ Expenditures on electricity, gas and telecommunications
✓ loss of value for perishable or seasonal goods (min 50% loss of value)
✓ Appropriate remuneration of entrepreneurs of the companies, who are subjected to income tax (natural persons, sole or joint entrepreneurs). Additional income is to be deducted. In any case EUR 666.66 per month may be applied, however at most EUR 2,666.67 per month.
✓ Managing director's remuneration amounts to EUR 2,666.67 per month at most, given he/she is, at the same time, co-owner of a company with a maximum share of 25%.
✓ Personnel expenses that are incurred exclusively for processing cancellations and reclassifications due to the crisis
✓ Personnel costs for maintaining the minimum operations/business activity
✓ Max EUR 1,000 for the application (except SFC 800,000 > EUR 36,000)
✓ "Frustrated" expenses - expenses incurred between 01.06.2019 and 16.03.2020 in order to generate revenues, which cannot be carried out due to COVID-19.
✓ Other contractual payment obligations

<u>Insurance benefits, which cover these fixed costs in case of an insured event, are to be deducted from the fixed costs.</u>

Tracking periods regarding sales shortfall

There are a total of 10 monthly observation periods, from 16.09.2020 to 30.06.2021, which are compared with the corresponding periods in 2019.

If a lockdown turnover compensation has been applied for for November 2020 - then an application for SFC for this period is not feasible or there must be a partial reduction!

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-> In order to avoid repayments, apply for lockdown-turnover compensation before the SFC!

Determination and amount of the SFC 800,000

✓ The decline of sales amounts at least to 30% / EUR 500
✓ The percentage of decline of sales in the considered periods =rate of the reimbursement of the incurred fixed costs
✓ Flat-rate fixed costs (option) - previous year's turnover < EUR 120,000 + predominant source of income of the entrepreneur = 30% of the decline of turnover as fixed costs, max. EUR 36,000
✓ Newly founded companies may provide a financial plan to be eligible for the SFC

Payment in two tranches

1. Tranche - 80% of the expected SFC 800,000; to be applied for by 30.06.2021 at the latest

2. Tranche - rest + corrections of the 1st tranche; to be applied for from 01.07. until 31.12.2021

Important!

No withdrawals by the owner of the company or profit/dividends payouts between 16.03.2020 and 30.06.2021.

Your Auditorea team