

Tax news Austria 2024



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Personal income tax

The third tax bracket of the personal income tax rate was reduced from 42 % to 40 % as of 1 July 2023. The limit for the basic tax-free allowance (as part of the profit allowance) was increased to € 33,000.00. The child allowance (Kindermehrbetrag) was increased from € 550.00 to € 700.00 and the eligibility requirements were adjusted. The monthly amount of the Family Bonus Plus for adult children was increased from € 54.18 to € 58.34.

Value added tax

VAT for supplies, intra-Community acquisitions, imports and installations of photovoltaic modules is 0% under certain conditions.

Corporate income tax

The corporate income tax rate was reduced to 23 % for 2024. The consequence of the reduction in the minimum share capital of limited liability companies (GmbH) is also a reduction in the minimum corporate income tax from € 1,750.00 to € 500.00 p.a.

Payroll accounting – employee costs

The contribution to unemployment insurance has been reduced by 0.1 percentage points, while the employer's contribution has been increased by 3 percentage points. The new values of benefits in kind for company housing must be taken into account, the interest rate for non-interest-bearing loans from employers was increased to 4.5 %. The first 18 surcharges for

overtime work per month are tax-free up to € 200.00 in 2024. The tax-free amounts for dirty work, hardship and hazard allowances as well as allowances for work on Sundays, public holidays and at night and the surcharges for overtime work related to this work have been increased to € 400.00. Special tax rules enable tax exemption for start-ups and SMEs in case of certain employee's shares. If an employer grants bonus for an employee of up to € 3,000.00 on the basis of a provision in a collective agreement (or similar), this will be tax-free in 2024 under certain conditions.

Social insurance

The maximum assessment base for persons insured in the Social Insurance Institution for the Self-Employed "SVS" (self-employed persons, e.g. also significantly involved managing directors) was set at € 84,840.00 for 2024. This means that the maximum contribution in 2024 is € 22,898.77 p.a. and the minimum contribution is € 1,805.31 p.a.

Corporate law

The minimum share capital of a limited liability company (GmbH) has now generally been reduced to € 10,000.00 (€ 5,000.00 must be paid in) and the "Flexible Company" has been created as a new legal form. This means that the former founding privilege has been standardized as a new general rule.