

AUSTRIA

As per 1 January 2015

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EXPATRIATE AND EMPLOYER TAX COMPLIANCE AND ADVISORY

Tax rate	Progressive tax rate: 0% – 50%, (income below EUR 11,000 will not be taxed).
Tax period	Calendar year.
Tax residency / Domicile according to domestic law	Domicile in Austria or habitual place of residency in Austria. Present for more than 183 days in a calendar year in Austria.
Tax registration	At arrival before the first working day.
Employment income definition	Any remuneration and benefit in cash or in kind received by an employee for services rendered under an employment agreement (e.g. school fee reimbursements, benefits in kind, cost of living allowances, home leave reimbursements, housing allowances).
Examples of tax exemption	Moving expenses reimbursement, moving bonuses are generally not taxable. Employer may pay tax – free per diems up to certain limits.
Specific expatriate concession	If several requirements are met the employer would be allowed to exempt specified expenses (double housing expenses, lump sum school tuition fee, and moving expenses) from payroll withholding tax.
Income of board members	Treated as income derived from independent personal services.
Tax returns	Local employment agreement: the employer is responsible for the monthly tax compliance. An income tax return may be filed voluntarily. Foreign employment agreement: the foreign employer is required to register in Austria should the remuneration be paid to an Austrian tax resident and consequently the employer is responsible for the monthly tax compliance. Persons who are self-employed, freelancers, etc. must file an income tax return until the 30th of April of the following year (30th of June in case of electronic filing).
Tax payments	In case of income from employment the employer is responsible for the payment. Persons who are self-employed, freelancers, etc. are responsible for paying their own taxes and social insurance.

TAX TREATIES

Employment income / income from board members	Art 15/16 Model OECD Tax Convention
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INTERNATIONAL SOCIAL SECURITY

Cross border employments	EU Regulation No 883/2004 and EU regulation No. 1408 / 71.
Exception under Art 16 of Reg. 883/2004 and Art 17 of Reg. 1408/71	Generally applicable.
Social Security Cost as % from gross salary and absolute amounts	For employment income: accident insurance: 1,40 % (thereof payable by employee: 0%)*, health insurance: 7,65% (thereof payable by employee: 3,82%), pension fund: 22,80% (thereof payable by employee: 10,25%), unemployment insurance: 6% (thereof payable by employee: 3%), severance contribution: 1,53% (thereof payable by employee: 0%), Other: 2,05% (thereof payable by employee: 1%).*Since July 1 st , 2014: the rate reduced to 1,30 % (thereof payable by employee: 0 %)

IMMIGRATION

Work permit	Persons with the residence title “long – term resident – EC”, “time-limited right of settlement – unrestricted” or “permanent residence card” do not need any further requirements to take up work. Otherwise: – employment permit; – work permit; – exemption certificate are required.
Visa	EU and EEA nationals do not need a visa to enter Austria. Non EU and EEA nationals need a Visa. The applications have to be lodged at the Austrian embassy or consulate in the country of residence. The application should be presented at least three weeks before the intended travel.
Residency permits / registration certificate	Third- country nationals (citizens of countries which do not belong to either the European Union or the EEA), who remain in Austria for more than 6 months require a residence title (unless they have a right of residence under EU law). Citizens of an EU state, an EEA state or Switzerland do not require a residence title. But they must apply for confirmation of registration within four months of entering Austria.
Driving license	EU and EEA driving licences are valid in Austria and need not be exchanged for an Austrian licence. In general, holders of a driver ´s licence from non – EU or non EEA states must successfully pass a behind-the-wheel driving test and also exchange their licence for an Austrian one within 6 months of taking up residence in Austria. (Certain exceptions for: Croatia, Switzerland, Japan, Monaco, etc.)
STOCK OPTION PLAN	The exercise of a stock option leads to taxable income from employment



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