

# Austrian Tax News

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## Austrian Supreme Administrative Court on corporate shell: change of control below 75% share transfer

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In the case of a corporate shell (Mantelkauf) pursuant to Sec 8/4 /2/c Austrian Corporate Income Tax Act (Körperschaftsteuergesetz, KStG), tax loss carry forwards are forfeited due to a substantial change in the organizational and economic structure in context with a substantial change in the shareholder structure.

In the decision of 24 June 2025 ([Ro 2023/15/0031](#); German version only), the Austrian Supreme Administrative Court (Verwaltungsgerichtshof, VwGH) addressed the criteria for a substantial change in the shareholder structure.

In the case at hand, the sole shareholder and managing director of a virtually inactive company sold 55% of his shares. The Federal Fiscal Court (Bundesfinanzgericht, BFG) denied a substantial change, reasoning that the 75% threshold was not met and the company's business purpose laid down in the articles remained unchanged. The BFG further stated that the shift of business activities within the same industry did not constitute a substantial change.

According to the VwGH decision, however, the formal business purpose is not decisive; rather, the actual business activities must be considered. In this case, these had changed fundamentally - from property development and project sales to purely brokerage activities. These differences affect not only risk and capital commitment but also the nature of the business itself.

With regard to the shareholder structure, the VwGH clarified that a substantial change can occur even with the transfer of less than 75% of shares if the new shareholder effectively gains the ability to determine the organizational and economic direction of the company. In the case at hand, the new shareholder was able to exert significant influence through the appointment of a managing director with sole representation authority.



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The VwGH emphasized that the 75% threshold only serves as a guideline. In the overall appearance weaker indicators can be offset by other significant factors.

Practical takeaway: Even share transfers well below 75% require careful assessment to determine whether the new shareholders' influence combined with changes in actual business activities may constitute a substantial change and therefore could trigger a corporate shell scenario.

## FinanzOnline: login change as of 1 October 2025

*FinanzOnline* Starting 1 October 2025, two-factor authentication (2FA) will be mandatory in FinanzOnline (FON, online platform of the Austrian tax authorities).

This affects all users who do not log in to FON using ID Austria. From 1 October 2025 onwards, anyone logging in with a username and password must additionally use a second factor.

To use 2FA, an additional authenticator app is needed (e.g. Microsoft Authenticator, Google Authenticator, Apple Passwords). Once set up, the app will generate a code that must be entered each time logging into FON. Authenticator apps are also available for desktop computers.

The Chamber of Tax Advisors and Auditors has provided a [practical guide](#) for the transition (German version only).

Tax advisors can continue to represent their clients without this code, as they have their own dedicated access.

## Expansion of the transparency portal

*Freedom of Information Act*

As of 1 September 2025, the Freedom of Information Act (Informationsfreiheitsgesetz, IFG) has entered into force. Authorities and other public bodies are now required to publish information of general interest not only upon request but also proactively. In this context, the [transparency data portal](#) has been expanded. From now on, the transparency portal publicly displays state-funded benefits above EUR 1,500, which are granted to corporations and sole proprietors.

Subsidies granted to private individuals or to those whose disclosure could endanger public order and safety or could cause significant economic or financial damage to a public authority, are excluded from publication.

The transparency portal provides an overview of more than 5,000 state-funded benefits. Information about subsidies and recipients can be accessed via the [search function](#) on the transparency portal.

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