

Austrian Tax News

Latest tax news by EY

Tax Amendment Act 2025 published in the Federal Law Gazette

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On 23 December 2025, the Tax Amendment Act 2025 (Abgabenänderungsgesetz 2025) was published in the [Federal Law Gazette I No. 97/2025](#) (German version only). Compared to the ministerial draft (see our [tax news dated 27 October 2025](#)), amendments were made regarding the depreciation base for old properties, the obligation to issue receipts and the specification of digital receipts, among other things.

For further details on the amendments please refer to the German version of this article dated [13 January 2026](#).

Fraud Prevention Act 2025 published in the Federal Law Gazette

On 23 December 2025, the Fraud Prevention Act 2025 (Betrugsbekämpfungs-gesetz 2025, BBKG 2025) was published in the Federal Law Gazette I, with a few amendments from the Government Bill (Data [No. 96/2025](#); Tax [No. 98/2025](#); Social Security [No. 107/2025](#); German versions only). For the Government Bill see our [tax news dated 1 December 2025](#).

Value Added Tax

The rental of particularly representative properties for residential purposes will, as previously reported, in the future be mandatorily exempt from VAT, without right to input tax deduction.

According to the final version of the BBKG 2025, not only acquisition and production costs but also capitalizable expenses and major repair costs are now to be taken into account in assessing whether a property is particularly representative for residential purposes. According to the Finance Committee's report, the



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Fraud Prevention Act 2025 published in the Federal Law Gazette

respective cost threshold of EUR 2,000,000 is to be understood as an amount excluding VAT.

Motor Vehicle Registration Tax (Normverbrauchsabgabe, NoVA)

Unlike the Government Bill, the final version of the BBKG 2025 does not provide for the complete abolition of the existing NoVA reimbursement system. Instead, this system will remain in place – with restrictions – alongside the newly introduced possibility under the BBKG 2025 to reduce the NoVA at the time of vehicle registration.

Specifically, the newly revised Sec 12a Motor Vehicle Registration Tax Act (Normverbrauchsabgabegesetz) provides for the reimbursement of NoVA paid in the past in the event of proven transfer or supply abroad. This is subject to the condition that the vehicle was used in Austria only temporarily, i.e. for an uninterrupted period of no more than 48 months from the date of initial registration, and that no reduced NoVA was paid at the time of registration.

As under the previous reimbursement system, the vehicle must no longer be registered for use in Austria at the time of the application. The required notification and blocking of the chassis number (vehicle identification number) in the approval database also remain unchanged.

The assessment basis for the reimbursement is the fair market value proven at the time the registration is terminated. If the reimbursement amount exceeds EUR 5,000, the proof must be provided via an expert opinion. The upper limit of the reimbursement is the NoVA originally paid.

The application must be submitted by the person transferring or supplying the vehicle within five years of the realization of the reimbursement event. If the transfer or delivery is carried out by an entrepreneur, the tax office responsible for VAT collection is competent; in all other cases, it is the Tax Office Austria (Finanzamt Österreich).

The above changes will enter into force on 1 July 2026.

EU Mandatory Disclosure Act (EU-Meldepflichtgesetz, EU-MPfG)

As part of the BBKG 2025, also the EU-MPfG has been amended. The DAC6 (EU) Directive and the Austrian implementation act, the EU-MPfG, require that certain cross-border arrangements, which inter alia present a risk of tax avoidance, must be reported to the tax authorities. The reporting obligation primarily applies to so-called intermediaries. These are essentially persons involved in the design, marketing, or organization of the reportable arrangements (Sec 3/3/a EU-MPfG), such as legal advisors, business consultants, tax advisors, banks, or accountants.

Even before the amendment by the BBKG 2025, intermediaries were exempt from the reporting obligation, if they were subject to a statutory confidentiality obligation in Austria and had not been released from it. If this was the case, the exempt intermediary had to inform other involved intermediaries about the exemption so that they could properly fulfill their reporting obligations.

Fraud Prevention Act 2025 published in the Federal Law Gazette

The exemption from the reporting obligation for intermediaries has now been significantly modified due to CJEU jurisprudence: The exemption from reporting was limited to persons authorized to represent in court (CJEU C-623/22, *Belgian Association of Tax Lawyers*, dated 29 July 2024). In CJEU C-694/20, *Orde van Vlaamse Bales*, dated 8 December 2022, the court further clarified that sharing information with potentially other intermediaries violates the Charter of Fundamental Rights.

Until now, the CJEU jurisprudence in Austria has only been reflected in an update of the [information letter regarding the application of the EU-MPfG](#) (German version only), which declared the obligation to inform other intermediaries about an exemption as inapplicable.

With the BBKG 2025, the CJEU jurisprudence has now been transposed into law. As a result, intermediaries are exempt from their reporting obligation (Sec 11/1 EU-MPfG) only in case they are subject to a statutory confidentiality obligation under the Austrian Notaries Order (Notariatsordnung), the Austrian Order on Lawyers (Rechtsanwaltsordnung) or the Austrian Public Accounting Professions Act (Wirtschaftstreuhandberufsgesetz). Consequently, bank secrecy no longer exempts intermediaries from the reporting obligation, contrary to previous understanding. This is now explicitly codified in Sec 38/2/17 of the Austrian Banking Act (Bankwesengesetz).

An information about the exemption from the reporting obligation is now only required to clients (Sec 11/2 EU-MPfG), essentially to persons with whom the exempt intermediary has a legal relationship (Sec 3/13 EU-MPfG).

Furthermore, reports no longer need to include details about exempt intermediaries (Sec 16/1/1 EU-MPfG). Instead, in addition to naming all persons affected by a reportable arrangement and their residency, their tax identification numbers must also be reported (Sec 16/1/12 EU-MPfG).

Amendment to the Austrian CIT Act enters into force: increase of the low taxation threshold to 15%

Corporate Income Tax With the amendment to the Corporate Income Tax Act (Körperschaftsteuergesetz) published on 29 December 2025 in the [Federal Law Gazette I No. 99/2025](#) (German version only), the previously different thresholds for determining low taxation abroad will be raised to an uniform tax rate of 15%.

As already reported in our [article on the Government Bill](#), the amendment aims to harmonise the previously different thresholds for assessing low taxation abroad and is based on the global minimum tax rate (Pillar 2).

Interest and royalty expenses of corporations paid to affiliated corporations will not be tax-deductible for Austrian corporations from 1 January 2026, if the foreign recipient corporation is not subject to a tax burden or tax rate of at least 15% (previously 10%).

Amendment to the Austrian CIT Act enters into force: increase of the low taxation threshold to 15%

Low taxation of foreign corporations regarding profit distributions from international intercompany participations (internationale Schachtelbeteiligungen) now exists the foreign tax burden does not exceed 15% (previously 12.5% - applicable to fiscal years beginning after 31 December 2025).

Crypto Mandatory Reporting Act Implementation Regulation published in the Federal Law Gazette

Crypto Mandatory Reporting Act

The Crypto Mandatory Reporting Act (Krypto-Meldepflichtgesetz, Krypto-MPfG) was published in the [Federal Law Gazette I No. 96/2025](#) (German version only) on 23 December 2025, as part of the Fraud Prevention Act 2025. The Krypto-MPfG regulates the obligations to register and to report information within a certain period of time and to exercise due diligence on the part of reporting providers, as well as the automatic exchange of reported information with the competent authorities of the participating states (DAC8).

On 30 December 2025, the Krypto-MPfG Implementation Regulation (Krypto-MPfG-Durchführungsverordnung) was published in the [Federal Law Gazette II No. 331/2025](#) (German version only). It regulates the documentation requirements for exempting providers from the reporting obligation, as well as the registration procedure for crypto asset operators and the obligation to electronically transmit the report of crypto providers subject to reporting requirements.

The regulation entered into force on 1 January 2026.

Investors must include income from cryptocurrencies in their tax returns (Sec 27b Austrian Income Tax Act, Einkommensteuergesetz). With the implementation of DAC8 (EU) Directive by the Krypto-MPfG in Austria and the exchange of information with EU and third countries, crypto transactions are becoming transparent for tax authorities across borders. Austrian investors should check whether income from cryptocurrencies from domestic and foreign crypto exchanges has already been properly declared. With a timely voluntary disclosure, financial criminal consequences with high penalties can be avoided. The EY tax experts are happy to assist with this.

New reporting obligations for license payments from 2026

Corporate Income Tax

On 30 December 2025 with [Federal Law Gazette II No. 333/2025](#) (German version only) the scope of the regulation for notifications pursuant to Sec 109a Austrian Income Tax Act (Einkommensteuergesetz, EStG) has been expended. In future, license fees within the meaning of the EU Interest and Royalty Directive (Sec 99a/1 EStG) paid to natural persons and associations of persons

New reporting obligations for license payments from 2026

from 1 January 2026, must also be included in the reporting obligation (annually, by the end of February of the following year).

Also on 30 December 2025 with [Federal Law Gazette II No. 330/2025](#) (German version only) the automatic exchange of information under the EU Administrative Assistance Act has been expanded and clarified. License fees have been added to the list of income and assets subject to automatic exchange. The automatic exchange of information on license fees will apply starting 1 January 2026 and affects tax periods from 1 January 2026.

GloBE Model Rules: OECD published Side-by-Side Package

BEPS Pillar II

On 5 January 2026, the OECD published the anticipated new rules on the global minimum tax as part of a comprehensive ["Side-by-Side" \(SbS\) Package](#). The SbS approach reflects the political agreement reached between the United States and the G7 countries in summer 2025, following U.S. threats to impose a punitive tax (Sec 899) should the global minimum tax system remain unchanged. In addition to setting out the framework for the SbS regime, the package includes further simplifications to the highly complex system for determining the effective tax rate and any resulting top up tax.

The SbS Package takes the form of an Administrative Guidance, intended for incorporation into the Commentary of the OECD GloBE Model Rules. Implementation into domestic law by individual tax jurisdictions is expected in the near future. Affected multinational groups should therefore carefully assess the package and closely track legislative implementation in relevant jurisdictions to make informed choices among the growing range of available options.

Overview of the Side-by-Side Package

1. A permanent Simplified ETR Safe Harbour will apply as of 2027 (and, under certain conditions, already in 2026). It introduces an additional computation method – alongside the Simplified ETR Test under the CbCR Safe Harbour and the full GloBE calculation. This method provides meaningful simplification (substantially fewer adjustments to determine GloBE Income and Adjusted Covered Taxes; a “light” version of the full computation) while preserving the integrity of the global minimum tax system.
2. The (temporary) Transitional CbCR Safe Harbour is extended by one year and may now also be applied for 2027. During the overlap period, taxpayers may choose between the new Simplified ETR Safe Harbour and the Transitional CbCR Safe Harbour.
3. A new Substance based Tax Incentive (SBTI) Safe Harbour provides that qualified tax incentives (QTIs) are treated as an increase in Covered Taxes, thereby reducing the top up tax by an amount corresponding to the relevant QTIs. The SBTI Safe Harbour may be elected on a jurisdictional

basis starting in 2026 and offers greater flexibility for countries in designing their tax incentive regimes.

4. Under the Side-by-Side system, two additional permanent Safe Harbours are introduced: the Side-by-Side Safe Harbour and the UPE Safe Harbour. The former causes that, effective from early 2026, groups headquartered in a jurisdiction with a qualified SbS regime (currently only the United States) may elect the SbS Safe Harbour, under which they are not subject to the Income Inclusion Rule (IIR) or the Undertaxed Profits Rule (UTPR). However, such groups remain subject to any applicable Qualified Domestic Minimum Top Up Tax (QDMTT) in jurisdictions where they operate. Consequently, Austrian subsidiaries of U.S. groups continue to fall under Austria's domestic minimum top up tax (QDMTT), which thereby remains the primary mechanism for securing domestic tax revenues. The [OECD Central Record](#) currently lists the U.S. as the only jurisdiction with a qualified SbS regime. The UPE Safe Harbour, which is intended to replace the temporary UTPR Safe Harbour (Sec 57 Mindestbesteuerungsgesetz) from early 2026, imposes stricter eligibility criteria. When applicable, no UTPR top up tax is levied in the jurisdiction of the Ultimate Parent Entity. As of now, the OECD Central Record does not list any jurisdictions with a qualified UPE regime.
5. The SbS Package outlines future OECD work programs aimed at additional simplifications and refinements. These include extending the permanent Simplified ETR Safe Harbour to incorporate a permanent routine profit test and a permanent de minimis test (both expected in the first half of 2026). The OECD will also assess whether certain simplifications can be integrated into the full GloBE calculation. In addition, adjustments to the GloBE Information Return (GIR) are anticipated to incorporate the new safe harbors (first half of 2026). Finally, the OECD underscores the need to safeguard a level playing field and envisages an evidence-based stocktake through 2029 to evaluate potential unintended consequences and interactions across the various rules.

Implications for practice

With the SbS Package, the OECD expands the global minimum tax framework by four new Safe Harbours, which – despite their intended simplification – lead to increased complexity due to the additional elective options.

Existing rules and compliance obligations for fiscal years 2024 and 2025 remain unchanged. A key takeaway from the newly introduced SbS system is that Austrian subsidiaries of U.S. multinational groups are not fully carved out from Pillar Two and remain subject to Austria's domestic minimum top up tax. This underscores the central role of domestic minimum top-up taxes (QDMTTs) as the primary enforcement mechanism under the global minimum tax regime.

For U.S. subsidiaries of Austrian parented groups, the existing global minimum tax rules also continue to apply. Ongoing monitoring of the OECD Central Record is crucial to assess whether jurisdictions beyond the U.S. may, in the future, be regarded as maintaining a qualified SbS system and thus fall within the scope of the newly introduced SbS Safe Harbour.

A favorable development is the extension of the Transitional CbCR Safe Harbour, as it provides groups with additional time to become acquainted with the detailed rules and to evaluate the new simplification measures. Whether the Simplified ETR Safe Harbour will deliver the anticipated reductions in complexity – relative to the full GloBE computation – remains to be seen and will depend heavily on the specific circumstances of each group.

Early engagement with the new framework and its implications is therefore strongly recommended. Our specialists are available to support you throughout this process.

Reorganization Tax Guidelines – Maintenance Decree 2025

Reorganization Tax Act

The Reorganization Tax Guidelines (Umgründungssteuerrichtlinien) were updated with the [MoF Decree from 16 December 2025](#) (2025-0.981.373; German version only). In addition to ongoing maintenance, the Decree contains adjustments and updates due to legal changes that have taken place since the last maintenance, including those resulting from the Tax Amendment Act 2024 (Abgabenänderungsgesetz 2024).

For further details on the amendments please refer to the German version of this article dated [13 January 2026](#).

Amendment to the Cash Register Security Regulation - eIDAS 2.0

Cash Register Security Regulation

The amendment to the Cash Register Security Regulation (Registrierkassensicherheitsverordnung) was published in the [Federal Law Gazette II No. 336/2025](#) (German version only) on 30 December 2025, and entered into force on 31 December 2025. With the amendment there is now a direct reference to the revised [e-IDAS Directive \(EU\) 2024/1183](#) (eIDAS 2.0).

Entrepreneurs who use cash registers must ensure that the security devices used are compatible with the requirements of the eIDAS-Regulation.

Reduction of electricity tax in 2026

Electricity Tax Act

The amendment to the Electricity Tax Act (Elektrizitätsabgabegesetz) was published in the [Federal Law Gazette I No. 95/2025](#) (German version only) on 23 December 2025.

The tax rate of 1.5 cents/kWh under the Electricity Tax Act will be temporarily reduced for 2026 for supplies of electrical energy to private households (i.e. to individuals who meet the requirements of Sec 4/1 of the Electricity Cost

Reduction of electricity tax in 2026

Subsidy Act (Stromkostenzuschussgesetz)) and to 0.82 cents/kWh for other supplies.

Simplification for triangular transactions applicable to 4-party transactions

Value Added Tax In case T 646/24 (MS KLJUČAROVCI) of 3 December 2025, the European General Court (EGC) held that the simplification rule for triangular transactions is also applicable to supply chains involving four parties, provided that the general conditions for the triangular transaction simplification are fulfilled.

In the underlying case, a taxable person registered for VAT in Germany (A) sold goods to a taxable person registered in Slovenia (B). B sold the same goods to a taxable person registered in Denmark (C), and C in turn sold the goods to another taxable person registered for VAT in Denmark (D). The goods were transported on behalf of B directly from Germany to Denmark. The referring court asked the EGC to clarify whether C must actually take physical delivery of the goods, or whether the conditions for the triangular transaction simplification are also satisfied when the goods are transported directly to C's customer.

The EGC stated that the simplification rule is applicable in the given scenario. According to the EGC, it is not necessary for C to obtain actual physical control over the goods or to take physical delivery; rather, what matters is that he is effectively entitled to dispose of the goods as an owner and to resell them if needed. It is irrelevant whether the taxable person claiming the triangular transaction simplification (B) is aware that the goods are physically transported to the fourth party in the chain (D).

However, the EGC pointed out that the simplification rule cannot be applied if the acquirer in the triangular transaction (B) knew or should have known that they were participating in a tax fraud scheme.

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