Austrian Tax News

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Supplementary prepayments of income tax and corporate income tax 2025

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Additional income tax and corporate income tax are subject to interest according to Sec 205 Federal Fiscal Code (Bundesabgabenordnung).

What is the applicable interest rate?
The interest on additional tax payments, which is not deductible for tax purposes, amounts to 2% above the applicable base rate and currently amounts to 3.53% per annum. The interest is calculated on a day-by-day basis. Amounts below EUR 50 will not be charged.

When will interest be levied?
Interest will be levied on any additional income tax or corporate income tax for 2025 that is assessed after 30 September 2026. Later submission of the tax return does not extend this deadline, nor does the application for an extension.

Prevention of interest
Only a supplementary prepayment made before 1 October 2026 in the amount of the expected additional tax payment can prevent interest.

What should be considered regarding the supplementary prepayment and the payment reference?
Any supplementary prepayment must be transferred to the tax office in due time (received by the tax office before 1 October 2026) and stating the correct payment reference. Any supplementary prepayment made after 30 September 2026 will also reduce the interest. Multiple supplementary prepayments can be made, in equal or different amounts. The payment reference must state "E 01-12/2025" for payments relating to income tax and "K 01-12/2025" for payments relating to corporate income tax.

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Supplementary prepayments of income tax and corporate income tax 2025

In case of a tax group according to Sec 9 Corporate Income Tax Act (Körperschaftsteuergesetz), any supplementary prepayment must be made by the group parent. The taxable income of all group members must be considered in the calculation of the payment.

Applications for reduction of income tax and corporate income tax prepayments 2026

Income Tax Act
Corporate Income Tax Act

If the actual income tax or corporate income tax on the estimated taxable income for the fiscal year 2026 (balance sheet date in calendar year 2026) is expected to be lower than the current income tax or corporate income tax prepayments for 2026, a reduction of the income tax and corporate income tax prepayments for 2026 can be requested.

The application can be submitted to the respective tax office by 30 September 2026 at the latest, together with a forecast of the (expected) taxable income for 2026.

In case of a tax group according to Sec 9 Corporate Income Tax Act, the application must be submitted by the group parent. The taxable income of all group members must be considered in the calculation of the prepayment.

Disclosure of financial statements 2026 – deadline and penalties

Commercial Code

Which documents must be disclosed by what deadline?
Pursuant to Sec 277 Austrian Commercial Code (Unternehmensgesetzbuch, UGB), the legal representatives of corporations and partnerships in which no natural person is personally liable (e.g., GmbH & Co KG) are obliged to disclose:

- the annual financial statement (consisting of balance sheet, profit and loss statement, notes, and fixed assets schedule),
- the management report,
- the auditor's report,
- the proposal/decision on the appropriation of the result, and, if applicable,
- the report of the supervisory board,
- the corporate governance report,
- the separate non-financial report and the report on payments to public authorities

to the competent Commercial Register Court no later than nine months after the balance sheet date. For small limited liability companies, only an abridged balance sheet and abridged notes, as well as the auditor's report if an audit is required, must be disclosed.

Disclosure of financial statements 2026 – deadline and penalties

The disclosure must also indicate the classification of the company in the size categories. The provisions on disclosure also apply to the consolidated financial statements, which must be disclosed to the Commercial Register Court at the same time as the annual financial statements.

According to the Regulation on Electronic Legal Data Exchange (Verordnung über den elektronischen Rechtsverkehr), the annual financial statement data to be submitted electronically must, in principle, be transmitted to the Company Register in structured form. Disclosures for small and micro limited liability companies can also be made using the forms provided on JustizOnline as an XML file.

Micro-corporations pursuant to Sec 221 para 1a UGB are not required under Sec 242 UGB to prepare or disclose notes to the financial statements, provided they disclose the total amount of contingent liabilities and other material financial obligations not shown on the liabilities side, as well as the type and form of any collateral provided under the balance sheet. The amounts of advances and loans granted to members of the management board and the supervisory board must also be stated there.

Large stock companies previously also had to submit proof that the annual financial statements were published on the federal government's electronic publication and information platform (Elektronische Verlautbarungs- und Informationsplattform des Bundes, EVI). Due to the Sustainability Reporting Act (Nachhaltigkeitsberichtsgesetz), the obligation to publish on the EVI no longer applies as of 1 April 2026. The transmission of annual financial reports in accordance with Sec 124 Stock Exchange Act (Börsegesetz) must be carried out using the ESEF (European Single Electronic Format).

For corporations with a balance sheet date of 31 December, the deadline for disclosing the annual financial statements as of 31 December 2025 is 30 September 2026. Disclosure must generally be made electronically. Corporations whose sales revenues do not exceed EUR 70,000 in the 12 months prior to the balance sheet date may also submit their annual financial statements in paper form to the competent Commercial Register Court.

Important changes and new specifications as of 2026
For filings received by the commercial register after 30 June 2026, additional mandatory specifications must now be provided as part of the publication, pursuant to the amended provisions of the Sustainability Reporting Act, Federal Law Gazette I No. 6/2026 (German version only). Specifically, the following must now be specified:

- whether the entity is a public-interest entity (and, if so, which type),
- whether a reporting obligation exists or an exemption applies, with regard to
  - the (consolidated) sustainability report,
  - the (consolidated) corporate governance report,
  - the (consolidated) report on payments to governments, and
  - the income tax information report (pursuant to the Public CBCR Publication Act (CBCR-Veröffentlichungsgesetz)),
- as well as whether the entity is a parent company, whether a consolidated reporting obligation applies and whether an exemption is available.

Disclosure of financial statements 2026 – deadline and penalties

Some of these specifications are mandatory for all entities, while others are required only if certain criteria are met.

Penalties for late disclosures
If annual financial statements are not disclosed to the competent Commercial Register Court by the last day of the deadline, a penalty of at least EUR 700 per managing director/board member and per company will be automatically imposed (reduced to EUR 350 for micro-corporations) without prior investigation.

If the disclosure is not made within two months (after the statutory nine-month period), further penalties are automatically imposed at two-month intervals. In this case, the range of penalties in the ordinary proceedings increases per managing director/board member/company to three times (EUR 2,100) in the case of medium-sized corporations (as defined in Sec 221 Commercial Code), and to six times (EUR 4,200) in the case of large corporations.

Domestic branches of foreign corporations
If accounting documents of foreign corporations with a domestic branch are not accessible via the Business Register Interconnection System (BRIS) in German or in a language commonly used in international finance circles, foreign corporations with a domestic branch must generally also disclose their foreign annual financial statements in German or in a language commonly used in international finance circles to the Austrian Commercial Register Court, generally no later than nine months after the balance sheet date, provided that the company's annual financial statements were prepared, audited and disclosed in accordance with the law applicable to the head office (Sec 280a Commercial Code).

In its decision of 11 January 2006 (4 R 343/05y), the Higher Regional Court (Oberlandesgericht) in Vienna ruled that the representatives of the domestic branch office must disclose the foreign annual financial statements to the Austrian Commercial Register Court even if the company is not required to be audited under foreign law. The penalty regime is also applicable to domestic branches.

Valorization of tax brackets and tax deductions as of 2027

Income Tax Act

The progressive income tax rates and fixed deductions result in an annual increase in income tax revenue due to inflation. With the Inflation Relief Package II (Teuerungs-Entlastungspaket II), it was decided in 2022 to compensate for this additional tax burden through the cold progression. Under Sec 33a Income Tax Act (Einkommensteuergesetz), certain marginal and deductible amounts are to be adjusted annually by two-thirds of the inflation rate.

Under the previous legal framework, a separate resolution had to be passed by 15 September of each year to compensate for the remaining third. With the Budget Accompanying Act 2025 (Budgetbegleitgesetz 2025, German version only), this resolution – and thus also the compensation of the remaining third – was suspended for the years 2025 to 2028.

Valorization of tax brackets and tax deductions as of 2027

On 31 August 2026, the Inflation Adjustment Regulation 2027 (Inflationsanpassungsverordnung 2027, German version only) was published in the Federal Law Gazette II No. 260/2026. The regulation increased the marginal and deductible amounts subject to inflation adjustment by 2.27% (i.e. 2/3 of the inflation rate).

Income tax rates for 2027
The following tax brackets therefore apply for the 2027 calendar year:

- Income up to EUR 13,846: 0%
- Over EUR 13,846 up to EUR 22,491: 20%
- Over EUR 22,491 up to EUR 37,285: 30%
- Over EUR 37,285 up to EUR 71,960: 40%
- Over EUR 71,960 up to EUR 107,236: 48%
- Over EUR 107,236 up to EUR 1,000,000: 50%
- Over EUR 1,000,000: 55%.

Input tax refund in the EU for 2025 until 30 September 2026

Value Added Tax

Austrian businesses who purchased supplies or other services subject to local VAT in other EU member states in the calendar year 2025 can still apply for a refund of the related input tax until 30 September 2026. The input tax refund application must be submitted via FinanzOnline.

Prerequisites for the applicability of the procedure are that

- neither a permanent establishment nor the registered office of the business activity,
- nor a VAT registration obligation existed in the relevant EU member state in the respective refund period.

European General Court: No Restriction of VAT Exemption to Certain Assets or Types of Income

Value Added Tax

An individual ("F R") transfers properties which are let subject to VAT to a limited liability company ("R GmbH") by way of a contribution in kind and based on a contribution agreement, without the issuance of new shares. F R is both the sole shareholder and managing director of R GmbH. R GmbH continues to let the properties, that letting remaining subject to VAT.

The tax authorities do not recognize the transaction as a contribution within the meaning of the Reorganization Tax Act (Umgründungssteuergesetz) and therefore as a transaction outside the scope of VAT. Instead, they characterize it as a barter transaction in exchange for the granting of shares. The reasoning

is that the activity constitutes mere asset management rather than a commercial letting activity.

Non-taxability of transfers cannot be restricted to specific transactions
In case T-413/25, Peckeger, dated 2 September 2026, the European General Court held that Member States which have exercised the option to treat transfers of a totality of assets or part thereof as outside the scope of VAT must apply that treatment to every transfer of a totality of assets or part thereof. Restricting the non-taxability to only certain categories of such transfers is not permissible unless the specific conditions exhaustively provided for in the VAT Directive are met.

Under EU law, transfers to non-taxable persons or recipients who act as taxable persons only in respect of part of their activities may be excluded from this treatment where such exclusion serves to prevent distortions of competition or tax avoidance.

Furthermore, the Court clarified that the provision governing the non-taxability of transfers cannot be regarded as a derogation from a tax obligation justifying a restrictive interpretation.

Direct effect of the EU law provision
The Court concluded that the EU law provision concerning the non-taxability of transfers of a totality of assets or part thereof has direct effect. Taxpayers may therefore rely on the more favorable EU law provision, provided that the Member State has generally implemented the rule but has limited its application in a manner not envisaged by EU law.

Transfer without issuance of new shares is not a VAT-taxable supply
According to the Court, the transfer of the properties in the present case does not constitute a supply for consideration because no new shares were issued. Instead, such a transaction would have to be assessed as a deemed self-supply.

Austrian Supreme Administrative Court must now decide
Following the judgment of the European General Court, the Austrian Supreme Administrative Court (Verwaltungsgerichtshof) must now determine whether the transfer of the assets in the specific case is to be treated as a transaction outside the scope of VAT.

Government Bill: Amendment of the Gambling Act

Gambling Act

The Government Bill (German version only) for a comprehensive amendment of the Gambling Act (Glücksspielgesetz) has been available since 5 August 2026 and has been submitted to the European Commission for notification. The proposed changes provide in particular for a reform of online gambling and a strengthening of player protection.

For further details, please refer to the German version of the article.

Increase of court fees due to inflation as of 1 August 2026

Court Fees

On 30 July 2026, the Regulation on the Reassessment of Court Fees (Verordnung über die Neufestsetzung von Gerichtsgebühren) was published in the Federal Law Gazette II No. 227/2026 (German version only), increasing the court fees as of 1 August 2026.

This adjustment is based on the linkage to the consumer price index set out in Sec 31a Court Fees Act (Gerichtsgebührengesetz): if the change in the index since the last adjustment exceeds 5%, a reassessment must mandatorily take place. Decisive for reaching this threshold were the figures reported by Statistics Austria for March 2026.

The adjustment covers the fixed court and judicial administration fees, including the fees for commercial register filings and entries as well as land register matters. Not affected by the increase are the value-based registration fees in the land register, such as the fee for the registration of ownership of 1.1% and the fee for the registration of liens of 1.2% of the value of the registered right.

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