



Austria

Government and institution measures in response to COVID-19.



[Tax measures – Direct and Indirect](#) | [Employment-related measures](#) | [Economic stimulus measures](#) | [Measures to ease the lockdown](#) | [Other measures and sources](#) | [Customs Measures](#)

[Return to homepage](#) | Last updated: 20 May, 2020

Tax measures – Direct and Indirect

(e.g. payment deferrals, rate reductions...)

Click here to see a [comprehensive summary](#) of jurisdictional tax measures and government reliefs in response to COVID-19.

Employment-related measures

(e.g. state compensation schemes, training...)

Short-time work

- The working hours of the employees are reduced between 10% and 90% and their salaries are adjusted accordingly.
- The employer pays the employees a financial support (short-time-work support) for their loss of earnings.
- In total, the employee has to receive at least a certain amount of his previous net salary (“net remuneration guarantee”) during the newly established model of short-time work for the coronavirus-crisis.
- The employer receives a financial support from the Public Employment Service (AMS) on the basis of flat-rates determined by the AMS (short-time-work allowance).
- The company must be affected by temporary economic difficulties which are not seasonal. Economic difficulties caused by the coronavirus are covered.
- A new model for the coronavirus-crisis was established which can be concluded for a maximum of 3 months. If necessary, it can be extended by a further 3 months after discussions with the social partners.

In order to react to the current circumstances regarding shut-downs of businesses, with retroactive effect from 1.3.2020, a new short-time-work model came into force which provides for significant improvements:

- Shortened application periods,
- Higher funding



- Granting of 3 weeks of exceptional leave and coverage of one third of the related costs for any employee faced with the care of a child under 14 years of age;

Self-employed professional & gig workers

- Two billion fund to cover living costs of self employed & gig workers and mini-companies

Sectorial support measures:

- Austria is introducing support measures for sectors heavily affected by the outbreak, such as tourism and air transportation, and uses existing measures to reduce hours worked (Kurzarbeit). EUR 100 million are available for loans to hotels that suffer more than 15% losses in sales. The maximum is 80% of the loan or EUR 500 000.

Loan guarantees:

- The Austria Wirtschaftservice (AWS) is providing new guarantees for SMEs worth EUR 10 million up to 80% of the loan amount or EUR 2,5 million for 5 years. The guarantees will have a one-time processing fee starting with 0.25 % of the amount to be financed and a guarantee fee, starting with 0.3 % p.a. (variable to risk) of outstanding liability.

Crisis management fund:

- On 15 March, a COVID-19 crisis management fund was announced, with EUR 4 billion in funding. On 18 March, a further EUR 38 billion support fund was announced. The measures include:
 - EUR 9 billion in guarantees and warranties;
 - EUR 15 billion in emergency aid;
 - EUR 10 billion in tax deferral.

Start-ups:

Loans do not work for many startups because the criteria disqualify quite a few:

- Bridge loans
- Loan guarantees for SMEs: Worth EUR 10 million up to 80% of the loan amount or EUR 2,5 million for 5 years.
- Crisis management fund: EUR 4 billion in funding. On 18 March, a further EUR 38 billion support fund was announced (EUR 9 billion in guarantees and warranties, 15 billion in emergency aid; 10 billion in tax deferral)

Economic stimulus measures

(e.g. loans, moratorium on debt repayments...)

Sectorial support measures:

- Austria is introducing support measures for sectors heavily affected by the outbreak, such as tourism and air transportation, and uses existing measures to reduce hours worked (Kurzarbeit). EUR 100 million are available for loans to hotels that suffer more than 15% losses in sales. The maximum is 80% of the loan or EUR 500 000.



million up to 80% of the loan amount or EUR 2,5 million for 5 years. The guarantees will have a one-time processing fee starting with 0.25 % of the amount to be financed and a guarantee fee, starting with 0.3 % p.a. (variable to risk) of outstanding liability

Crisis management fund:

- On 15 March, a COVID-19 crisis management fund was announced, with EUR 4 billion in funding. On 18 March, a further EUR 38 billion support fund was announced. The measures include:
 - EUR 9 billion in guarantees and warranties;
 - EUR 15 billion in emergency aid;
 - EUR 10 billion in tax deferral.

Measures to ease the lockdown

Public parks, small shops, DIY and gardening supply stores reopened with strict distancing rules and masks. Larger shops and hairdressers are due to open from 1 May. Restaurants in mid-May. On 14 April, small shops (under 400 square metres), as well as hardware stores and garden centres will open. Masks will be compulsory inside, with a maximum of one person per 20 square metres. On 1 May, all shops will open unless decided otherwise, and restaurants and hotels will follow by mid-May at the earliest. However, the government reserves the right to pull the “emergency brake” at any time and reverse the openings if the numbers demand it. There will still be no events until the end of June and schools will continue with homeschooling until mid-May. For students, the current semester will probably be completely digital, and examinations and research at universities will continue to take place, as long as it remains possible. The issue of freedom to travel has become a particularly hotly debated topic and Kurz caused a stir at the weekend with a broadcast message announcing that freedom to travel will only be granted once a vaccine is ready for use.

Other measures and sources

Main sources of information

- [Austria: Additional tax relief, in response to coronavirus \(COVID-19\)](#)
- [Austria: Tax relief measures regarding coronavirus \(COVID-19\)](#)
- [Covid-19 overview](#)

Customs Measures

Duty Relief:

- Exemption from import duties for disaster victims: In the case of goods of any kind which are made available free of charge to victims of disasters (e.g. protective masks, protective suits, respiratory equipment, etc.), the duty-free importation may also take place where the goods are acquired against payment.

Beneficiaries:



- According to a press release, supplies of goods - such as protective clothing, masks, etc., needed to combat the effects of the COVID 19 outbreak in 2020 – within Austria and within the EU will be exempt from duties and VAT.
- KPMG is currently clarifying with the ministry how / whether this exemption will also apply to imports for commercial importers (e.g. retail trade), as in the commission decision 2020/491 only following bodies and organizations are mentioned: “by or on behalf of State organizations including State bodies, public bodies and other bodies governed by public law or by or on behalf of organizations approved by the competent authorities in the Member States.”

Customs audits

- The submission of accompanying documents in paper form is waived. Documentary checks are suspended to this extent, where it is not possible for the economic operator to access the documents (teleworking).
- Therefore, until further notice, all external audit activities, inspections and surveys of failure, suspension or interruption of any resources on the part of those concerned necessary. It is therefore not necessary to establish prima facie evidence, it must be assumed officially that no obligations to cooperate on the part of the companies can be fulfilled.

Payment facilities

- Payment facilities - security deposit - interest on loans: Also in the area of customs, interest for deferral and late payment surcharges will be reduced to an amount of up to zero euros or not set at all if there is a specific case of concern. Payment facilities (e.g. payment by instalments) may be granted and payment deadlines may be suspended if the party involved is threatened with irreparable damage due to the pandemic. Interest on arrears for late payments until 31 May 2020 will generally be suspended due to the pandemic.
- The security deposit may be waived if this would lead to considerable economic or social difficulties due to the pandemic. In the event of a liquidity bottleneck due to the SARS-CoV-2 virus, the provision of security must be waived or no interest on loans will be charged.
- Failure to apply for remission and refund (the right to apply for remission and refund does not lapse in the event of unforeseeable circumstances or force majeure). If certain customs formalities, such as the export of the goods within the deadline, are linked to the application, this deadline does not expire due to unforeseeable circumstances or force majeure.
- Security deposits: If the reference amount set by the customs offices with the companies has changed due to a pandemic, the holders of an authorisation to provide a comprehensive guarantee may request that the reference amount be changed and adapted to the circumstances.
- Administrative charges: Customs offices do not charge administrative fees for handling pandemic-related delays in the above-mentioned cases.

Extension of deadlines:

- If deadlines are not met due to pandemic-related circumstances, the deadlines are still considered to have been met or applications may be submitted after the regular application deadline. Applications for exceeding or extending the deadlines must be justified accordingly. There are facilitations for the following cases:
 - Exceeding the obligation to present the goods under the transit procedure (corresponding simple declaration by the carrier or the holder of the procedure (even retrospectively) with a brief explanation of how the delay occurred)



- Returned goods: If the three-year period for free of duty re-importation of returned goods is exceeded due to a pandemic, this shall be considered a special circumstance and shall be reviewed“
- Interruptions to deadlines : in the tax proceedings and in the financial criminal proceedings, the course of important deadlines is therefore interrupted in the area of legal protection. This includes the deadlines for appeals, objections, submissions and measures, which were still open on 16 March 2020 or which started between 16 March and 30 April. These deadlines are interrupted until 1 May 2020.

Excise

- Amendment of Section 17(1) and (3) of the Alcohol Tax Act:
 - owners of user companies are allowed to carry out certain denaturing (e.g. for disinfectants) themselves on request without the presence of customs authorities.
- Amendment of §§ 116l, m and n of the Alcohol Tax Act:
 - if a product used for the production of disinfectants for hand disinfection and surface disinfection, and which has been taxed at the standard rate, is taken into an establishment of use, a tax refund shall be granted for the period of increased demand. In addition, due to the urgency of the current demand, a simplified denaturing method will be determined by law, which can be carried out without a permit and without the presence of customs authorities (validity 1.3.2020 to 31.8.2020).
 - a free license can be issued retroactively for production after 31.1.2020 and before 15.3.2020.

Other measures and sources

Main sources of information

- Austria chamber of commerce Notice of 24th of March 2020
- Austria Customs authorities' Notice of 27 march 2020
- [Austria: Tax relief measures regarding coronavirus \(COVID-19\)](#)
- [Austria: Additional tax relief, in response to coronavirus \(COVID-19\)](#)

Contact us

Tax: Christoph Plott – cplott@kpmg.at

Restructuring: Michael Nayer – mnayer@kpmg.at

Legal: Dieter Buchberger – dbuchberger@kpmg-law.at / Wendelin Ettmayer – wettmayer@kpmg-law.at





[Return to homepage](#)

An overview of government and institution measures around the world in response to COVID-19.





Jurisdictional tax measures in response to COVID-19

An overview of tax developments being reported globally by KPMG member firms.



Legal	Privacy
Accessibility	Sitemap
Help	Glossary
Events	Contact
Locations	Contact us
Media	Press releases
Social media	Alumni
Contact Alumni	



Find out how KPMG's expertise can help you and your company.

© 2020 KPMG International Cooperative (“KPMG International”), a Swiss entity. Member firms of the KPMG network of independent firms are affiliated with KPMG International. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm. All rights reserved.

Member firms of the KPMG network of independent firms are affiliated with KPMG International. KPMG International provides no client services. No member firm has any authority to obligate or bind KPMG International or any other member firm vis-à-vis third parties, nor does KPMG International have any such authority to obligate or bind any member firm.