

# Filling-in help for the income tax return (E 1) for 2024 and the attachment to the income tax return for individual entrepreneurs (business income) for 2024 (E 1a)

Quotations from the law without further description refer to the Income Tax Act 1988 (Income Tax Act 1988) in the version applicable for 2024. **Earnings** are the **profit** for income from agriculture and forestry, self-employment and business operations; in case of other types of income they are the **excess of income over income-related expenses**. Detailed tax information can be found in the Austrian Income Tax Guidelines 2000 (EStR 2000) at [bmf.gv.at/Steuern/Findok](http://bmf.gv.at/Steuern/Findok).

## A) Explanatory notes on the income tax return (E 1) for 2024

**1** For children staying in Austria, the **single-earner tax credit** pursuant to section 33 para. 4, annually **572 euros** for one child and **774 euros** with two children. The amount of **774 euros** increases for the third and each additional child by **255 euros**.

The condition for the single-earner tax credit is that you were married or in a registered partnership for more than six months in the respective year, did not live permanently separated from your partner, received family allowance for at least one child for at least seven months in the respective year, and the total income of your partner does not exceed **6,937 euros**. The single-earner tax credit is also available in a cohabitation that has existed for more than six months in the respective year if one of the partners has received family allowance for at least one child for at least seven months. Insofar as reference is made below to "(marriage) partner", this includes married persons as well as life partners and registered partners with at least one child. The single-earner tax credit is only granted once per (marriage) partnership, namely the (marriage) partner with the higher income; if the income is the same, in case of doubt, the (marriage) partner who manages the household. Income from capital assets must also be taken into account when calculating the earnings threshold for the single earner tax credit if it is subject to final taxation with the capital gains tax deduction or is subject to a special tax rate of 25% or 27.5%.

You are entitled to the **single-parent tax credit** if you have not lived in a community with a (spouse) partner for more than six months in the respective year and for at least seven months have received family allowance for at least one child. The same regulations apply to the amount of the single-parent tax credit as to the single-earner tax credit.

**2** The **additional child allowance** is due if the following requirements are met:

- In 2024, income from employment or non-self-employed work was received for at least 30 days or throughout the entire calendar year only through benefits according to the Child Care Benefit Act, maternity allowance, or care leave benefits.
- Income in 2024 did not exceed a certain limit; this limit depends on the number of children for whom family allowance was received for more than six months. It is:
  - With one child: 16,316 euros (income tax below 700 euros)
  - With two children: 19,816 euros (income tax below 1,400 euros)
  - With three children: 22,483 euros (income tax below 2,100 euros)
  - With four children: 24,817 euros (income tax below 2,800 euros)
  - With additional children, the income limit increases accordingly; an increase in income tax of 700 euros must be taken into account for each child.

- There is an entitlement to the single-earner tax credit or the single-parent tax credit or the (marriage) partner does not have the above-mentioned income limits either exceeded. In this case only the person who received family allowance for the child is entitled to the additional child allowance.

In order for the additional child allowance to be taken into account in the notice of assessment, you must confirm that the requirements are met. You must therefore make the declaration provided for in point 4.2.1 or in point 4.2.2.

If the additional child allowance is due, it will be automatically calculated and taken into account.

**3** You are entitled to a **multiple-child bonus**, if you alone or together with the other parent received family allowance for at least three children in 2024 and the (family) income for the year 2024 of **55,000 euros** was not exceeded. You will receive the **multiple-child bonus for 2025** with the income tax assessment for the year **2024**. The taxable income is to be used as the family income. The income-related expenses, special expenses and extraordinary burdens to be taken into account in the assessment are to be deducted when determining the taxable income. Your taxable income and the taxable income of your (marriage) partner must always be added together to determine the amount of family income. There will be no aggregation if you have not lived with your (marriage) partner in the same household for more than 6 months in 2024 or if the income of one of the (marriage) partners is negative. In principle, the family allowance recipient is entitled to the multiple-child bonus. The (marriage) partner of the recipient of family allowance can also apply for the multiple child allowance in his or her assessment (form L 1 or E 1) or with form E 4. In this case, the recipient of the family allowance must submit a statement of waiver to the tax office upon request. If both parents receive family allowance for the children in the same household, one of the two parents can apply for the multiple-child bonus if the other parent gives their consent.

**4** If you use the **regular tax option for capital yields** including cryptocurrencies, your final taxable domestic capital gains (with capital yields tax deduction) and/or the foreign capital gains to be included in the investment (without capital yields tax deduction) to which a special tax rate applies is taxed according to the general tax scale. The standard taxation option can only ever be exercised for all (business and private) capital yields. In this case, all domestic investment income for which final taxation is intended with the capital gains tax deduction must be included in the declaration (codes **780/782/784** or **917/ 918/919** for operational capital yields or recording of private capital yields in attachment E 1kv). The withheld capital yields tax is offset against the tax incurred in the assessment. Note,

- that you have to assess yourself whether standard taxation is more favourable for you (no automatic favourable comparison),

- the refund of capital yields tax is limited in cases in which a single-earner tax credit or child deduction is mediated (see point 3 of attachment E 1kv) and
- a deduction of income-related expenses is not permitted (except for income from cryptocurrencies).

The standard taxation option for capital yields can be exercised independently of the standard taxation option for income from real estate sales.

**5** If you use the **standard taxation option** for **income** from real estate sales and withdrawals from company real estate to which the special tax rate applies, this income is taxed according to the general tax scale. The standard taxation option can only ever be exercised for all (business and private) income. In this case, all such income must be included in the declaration (codes **500/501/502** for business income or codes **985/986/987** and **572/573/574** for personal income). Any real estate income tax withheld or a special advance payment made will be offset against the tariff tax incurred in the assessment. Please note that you must assess yourself whether standard taxation is more favourable for you (no automatic comparison of favourable conditions). The standard taxation option for real estate can be exercised independently of the standard taxation option for capital yields.

**6** If you use the **standard taxation option** for **income from management rights**, from which a withholding tax of 10% has been withheld, is taxed according to the general tax scale. If the income is not set at 33% of the amount paid out, its amount must be verified by an expert opinion. The standard taxation option can only ever be exercised for all (business and possibly private) income. In this case, all such income must be included in the declaration (code **9326** in E1a for business income or code **547** for income from renting and leasing). The withholding tax to be credited pursuant to section 107 must be entered in the code **286/287/288** for business income; in the case of income from letting and leasing, it must be entered under code **596**.

**7** Enter income from **agriculture and forestry** here. If you are an **individual entrepreneur** and use the **consolidation into lump sum** to determine your agricultural and forestry income, enclose attachment E 1c. Any additional attachments (form Komb 24, Komb 25 or Komb 26) must only be submitted upon request by the tax office. Determine the profit by means of accounting or a complete cash basis accounting, enclose attachment E 1a or E 1a-K. Balance sheet accountants must also submit the balance sheet and profit and loss statement. Please note that the result from attachment(s) E 1a, E 1a-K, E 1c or E 11 is **complete** must be stated (profit/loss or lump-sum profit plus any capital gains and transition profits). In the case of **participations** in a partnership, the result from attachment E 11 must be recorded in point 10.2. Any distribution of income or the application of half the tax rate with regard to investment income must be made in the income tax return.

**8** The income earned by members of the liberal professions (e.g. doctors, lawyers, artists), and income from other **self-employed work** (for example supervisory board remuneration) should be reported here. In addition to this, sickness benefits of a self-employed person from pension institutions should also be listed here. If you are an individual entrepreneur, enclose attachment E 1a or E 1a-K. Balance sheet accountants must also present the balance sheet and profit and loss statement.

If the income includes final taxable domestic and/or foreign investment income or capital yields relating to business premises that can be taxed at a special tax rate, always enter the profit/loss (share) under point 11.1 or 11.2 **without** such income. Foreign capital yields that can be taxed at the special tax rate must be either entered under code **947** (taxation at 27.5%) or under code **783** (taxation at 25%) or, when exercising the standard taxation option pursuant to point 8.1, must be entered together with domestic taxable capital yields and capital yields under code **782**. Business premises relating to capital yields must be entered under code **962** (taxation at 30%) or code **552** (taxation at 25%) or must be recorded under code **501** when exercising the standard taxation option pursuant to point 8.2.

In the case of **participations** in a partnership, the result from attachment E 11 must be recorded in point 11.2. Any distribution of income or the application of half the tax rate with regard to investment income must be made in the income tax return.

**9** Enter here the income generated from **commercial operations**. Furthermore, sickness benefits of a tradesman from pension institutions should also be listed here. If you are an individual entrepreneur, enclose attachment E 1a or E 1a-K. Balance sheet accountants must also present the balance sheet and profit and loss statement.

If the income includes final taxable domestic and/or foreign investment income (usufruct and capital) or capital yields relating to business premises that can be taxed at a special tax rate, always enter the profit/loss (share) under point 12.1 or 12.2 **without** such income. Foreign capital gains that can be taxed at the special tax rate are either to be entered in code **948** (taxation at 27.5%) or under code **785** (taxation at 25%) or, when exercising the standard taxation option pursuant to point 8.1, must be entered together with domestic taxable capital yields and capital yields under code **784**.

Business premises relating to capital yields must be entered under code **963** (taxation at 30%) or code **553** (taxation at 25%) or upon exercise of the standard taxation option pursuant to point 8.2 under code **502**.

In the case of **participations** in a partnership, the result from attachment E 11 must be recorded in point 12.2. Any distribution of income or the application of half the tax rate with regard to investment income must be made in the income tax return.

**10** A **three-year distribution** is for disposal profits and certain compensations (section 37 para. 2 item 2).

Capital gains, i.e. profits from the sale (the abandonment) of the entire business, a part of the business or a share of a co-entrepreneur, must be recorded in full under code **9020** in attachment E 1a. In the case of sale or abandonment of the entire business, an allowance of up to 7,300 euros (or a pro-rata allowance in the case of sale of a partial business/co-entrepreneurial share) can be entered under code **9021** of attachment E 1a. If this option is not exercised, the capital gain can be spread over three years if the business has existed for at least seven years and has not been sold for a pension. In this case, enter 2/3 of the capital yield under code **311/321/327**. In certain cases (especially if a taxpayer over 60 years of age stops gainful employment as part of the sale/abandonment), instead of the tax exempt amount and the three-year distribution, half the tax rate can also be claimed (see also note **45**).

**11** A **five-year distribution** is available for gains from "**compensation for expropriation**"; these are profits from the elimination of assets due to official intervention or to avoid such an intervention. If you claim the distribution, enter the 4/5 to be eliminated under code **312/322/328**.

**12** Positive income from **self-employed artistic and/or literary activity** in 2024 can be distributed evenly over the assessment year and the two previous years on the basis of an irrevocable application. In this case, the assessments of the two previous years are resumed to take account of the respective thirds. Distribution is only possible if the balance of all income from artistic and/or literary activity is positive.

The income to be distributed must initially be stated without deduction, 2/3 of which must be entered under code **325** and is thus eliminated.

The right to choose three-year distribution also applies to foreign income from artistic and/or literary work. If another country has the right to tax based on a double taxation agreement, the three-year distribution within the framework of the progression proviso (code **440**) must be taken into account. When using double taxation agreement with the credit method, the three-year distribution must also be observed for the codes **395, 396**. The simultaneous request for the non-assessment of interest claims (section 205 para. 6 FFC) ensures that there will be no imposition of interest claims in the case of (re)assessment of income tax for previous years due to the three-year distribution.

**13** Under codes **314/324/326**, enter the 1/3, 1/5 amounts of the profits distributed over 3 or 5 years in the previous year (in previous years) that are attributable to the year of assessment. If use is made of the distribution privilege for artistic and/or literary income in the following year or the second following year, the 1/3 amount attributable to the assessment year must also be entered here.

**14** Codes **780/782/784** should only be filled out if you have exercised the standard taxation option for capital yields (item 8.1). Domestic capital gains that are subject to final taxation with capital yields tax as well as foreign business capital yields and (assessable) capital yields from business capital investments, which are otherwise subject to taxation at a special tax rate, are taxed in this way according to the general tax scale. Such income must not be included in the result from attachment E 1a (exclusion via codes **9283** or **9289** under point 4 of the attachment E 1a). Income from participations (attachment E 11) must be recorded without such income in items 10.2, 11.2 or 12.2. Please note that when exercising the standard taxation option, **all** private domestic and foreign capital income that is subject to capital gains tax or that can be taxed at a special tax rate must also be included in the assessment according to the general tax scale. The capital gains tax to be offset against domestic operating capital yields must be entered under code **955/956/957** or **580/581/582**.

**15** Code **917/918/919** must only be filled out if you have exercised the standard taxation option for capital yields (point 8.1). Business capital yields (usufruct and capital), on which a foreign withholding tax must be credited, are taxed in this way according to the general tax scale. The foreign withholding tax to be offset must be recorded under code **958/959/960** or **923/924/925**. Foreign withholding taxes that can be refunded abroad may not be entered. Foreign withholding taxes can only be credited to the extent that the foreign state has a right to tax at source on the basis of double taxation agreement.

**16** Codes **500/501/502** should only be filled in if you have exercised the **standard taxation option** pursuant to point 8.2. Capital yields from business real estate that would otherwise be subject to taxation at the special tax rate (see note **20**) are taxed in this way according to the general tax scale. The result from attachment E 1a must not include such income (exclude via code **9316** of attachment E 1a). Income from participations (attachment E 11) must be recorded without such income in items 10.2, 11.2 or 12.2. Please note that when exercising the standard taxation option, **all** private income from real estate sales to which the special tax rate applies (codes **985/986/987** and **572/573/574**) must be included in the assessment according to the general tax scale. A real estate income tax to be offset against business income from property sales must be entered under codes **964/965/966** or **583/584/585**, the special advance payment to be offset must be entered under codes **967/968/969** or **589/589/591**.

**17** Certain **income from agriculture and forestry** can, upon application, be taken into account for tax purposes, **one third each** in the assessment year and the two following years. Exceptions to this are, in particular, income that was determined using a full flat-rate, income from hunting, a sideline or a sideline activity, preferential income from special forest uses, income from the sale of land or income from the sale or termination of a business. If not all income must be distributed, the records must clearly show which income was included in the distribution and how it was determined.

If you wish to claim the distribution, check the box provided for the request (first time claim only). The application applies to all distributable income, is binding for the following years and therefore does not have to be submitted again. The distribution ends, among other things, with the announcement of the termination. In this case, the relevant box must be ticked.

If the assessment year is at least the second following the first distribution, you can apply for third-party amounts that have not yet been taken into account

- this year and the three following years must be equally distributed in quarters each (item 9.3.1) or that
- the third amounts not yet taken into account in the assessment year must be recorded in full (item 9.3.2).

If you do not submit such an application, half of the third amounts that have not yet been taken into account will be recognised from the second year after the first distribution in the year of termination and half in the following year. If the year of termination is the year after the start of the distribution, the total amount from the two-thirds amounts still to be taken into account must always be recorded in the year of termination.

The positive balance of the business income to be distributed is to be distributed, but no more than the total positive income generated by the business. The income to be distributed must be entered under code **151**. The income from agriculture and forestry in the assessment year is reduced by 2/3 of the value from this indicator. The eliminated two thirds are then **automatically included in the assessments of the following years**.

**18** Codes **946/947/948** or **781/783/785** must be completed if domestic and foreign operating capital yields on which the special tax rate of 27.5% or 25% is applicable, should be taxed at the special tax rate (no exercise of the standard taxation option pursuant to point 8.1). The result from attachment E 1a must not contain such income (exclude via the codes **9283** or **9289** of attachment E 1a ). Participation income (attachment E 11) must be recorded without such income in point 10.2, 11.2 or 12.2.



**19** Enter under code **949/950/951** or **920/921/922** the operating capital yields against which a foreign withholding tax must be credited, if this income is subject to the special tax rate of 27.5% or 25%. The foreign withholding tax to be offset must be recorded under code **958/959/960** or **923/924/925**. Foreign withholding taxes that can be refunded abroad may not be entered. Foreign withholding taxes can only be credited to the extent that the foreign state has a right to tax at source on the basis of double taxation agreement.

**20** Codes **961/962/963** or **551/552/553** must be filled out if capital yields relating to business premises to which the special tax rate applies, must be taxed at this tax rate (no exercise of the standard taxation option pursuant to point 8.2). The result from attachment E 1a must not contain such income (exclude via code **9316** of attachment E 1a). Income from participations (attachment E 11) must be recorded without such income under items 10b, 11b or 12b.

The special tax rate is 30%; it is 25% if the sale took place before 01.01.2016. A real estate income tax to be offset against business income from property sales must be entered under codes **964/ 965/966** or **583/584/585**, the special advance payment to be offset must be entered under codes **967/ 968/969** or **589/589/591**.

**21 Non-compensable losses** from companies whose business focus is on the management of intangible assets or in located in the commercial rental of economic goods, must be entered under code **341**. Losses of the current year must always be stated in full within the framework of the corresponding code (**310, 320** or **330**). The non-compensable portion attributable to them must be entered under code **341**.

**22 Non-compensable** operational losses from participations, where the focus is on obtaining tax advantages or non compensable losses included in **operating income from participations** from enterprises whose business focus is on the management of intangible assets or the commercial leasing of assets (section 2 para. 2a), must be entered under code **342**. Losses from investments in the current year must always be stated in full. The non-compensable portion attributable to them must be entered under code **342**.

**23 Non-compensable** losses of the same company from **previous years** (corresponding to note 20) must be entered under code **332** if a profit was made from the same business in the current year (section 2 para. 2b); this profit must be stated in full under the relevant code (**310, 320, 330**).

**Non-compensable losses** from previous years from **income from participations** (see note 21) must be recorded under code **346** if a profit share has been drawn from the same participation in the current year (section 2 para. 2b); this profit share must be recorded in full under the corresponding code (**310, 320, 330**).

**24** Enter under code **509** a restricted investment loss carryforward from participation in a partnership as a capitalist shareholder (section 23a), which can be offset against income other than the respective participation income as a result of a contribution or assumption of liability. The settlement is made up to the amount of the total amount of income.

**25** Any **non-compensable losses** from participations included in non-business income, where the aim is to obtain tax advantages (section 2 para. 2a), must be entered under code

**371**. Losses of the current year must always be stated in full under the corresponding code and additionally recorded under **371** with the non-compensable portion attributable to them.

**26** Non-compensable losses from **previous years** included in non-business income from participations for which the main purpose is to obtain tax advantages (section 2 para. 2a), must be entered under code **372** for loss offsetting, at most in the amount in which a surplus share is drawn from the same participation in the current year; this surplus share must be stated in full under the relevant code.

**27** Enter here income that is tax-exempt on the basis of **international arrangements**. Such income (including the tax-free income to be entered under code **440** on the basis of intergovernmental arrangements) must be treated as taxable income for the purpose of determining the extent of an income refund (section 33 para. 8).

**28** Point 15 includes **income-related expenses** that your employer could not yet take into account or only within the framework of an exemption notice. There are special flat-rate advertising costs for the professional groups listed in Form E 1, Item 16.2.11.

Further information on income-related expenses can be found in the "Tax book" (bmf.gv.at - employee tax assessment).

**29** Enter here expenses for **ergonomically suitable furniture** (in particular desk, swivel chair, lighting) of a workplace set up in the home outside of a study that is recognised for tax purposes. The prerequisite is that in 2024 at least 26 home office days pursuant to section 26 item 9 litera a have been worked. Only the amounts **paid in 2024** may be entered. They must always be entered in full.

The expenses are deductible within a maximum amount of **300 euros** in the 2024 assessment. Amounts that have to be taken into account in the 2024 assessment due to the maximum amount being exceeded in a previous year will be automatically taken into account and may not be entered. A depreciation for wear must not be taken into account for ergonomically suitable furniture.

**30** When exercising the standard taxation option pursuant to point 8.3 (see note 6), enter under code **547** income received from an infrastructure operator from the areas electricity, gas, oil and district heating for the granting of a **management right** on a property that it is not part of business assets (section 107). If the income is not set at 33% of the amount paid out, its amount must be verified by an expert opinion.

**31** Income from **private property sales**, is generally subject to taxation using a special tax rate. If no real estate income tax was paid on the income, the income recorded under codes **985, 986** or **987** or **572, 573** or **574** must be assessed in any case (obligation to declare).

If real estate income tax has been paid, the income tax on the private sale of real estate is thereby settled, unless the information on which the self-calculation of the real estate income tax by the party representative is based does not correspond to the actual circumstances. If real estate income tax has been paid correctly, such income must no longer be recorded in the tax return. However, they may be included in the assessment voluntarily on the basis of a **standard taxation option** (see point 8.2 of the declaration and note 5) or an assessment option (section 30b para. 3).

The **assessment option** is exercised by entering the income for which real estate income tax has already been paid under codes **985, 986** or **987** or **572, 573** or **574** without exercising the rule taxation option pursuant to point 8.2. This makes sense, for example, if a loss from a property sale is offset against a surplus from another property sale for which real estate income tax was paid, and taxation at the special tax rate must be maintained. In this way, excess real estate income tax can be reimbursed (in whole or in part) or offset against income tax on other income.

*Example: Property A was sold in 2024 for €20,000, real estate income tax of €840 (4.2% of the sale proceeds) was paid. A loss of €1,000 was made on the sale of property B; real estate income tax was not incurred here. By exercising the investment option, a loss compensation can be made:*

|   |            |         |
|---|------------|---------|
| Flat-rate income from real estate sales (14% of the sales proceeds) | <b>985</b> | 2,800   |
| Income from the sale of real estate that was not disposal           | <b>987</b> | - 1,000 |
| Total   |            | 1,800   |
| of which 30% income tax   |            | 540     |
| Creditable real estate income tax                                   | <b>988</b> | 840     |
| Refund of real estate income tax                                    |            | 300     |

In contrast to the standard taxation option, the assessment option can remain limited to individual sales transactions, so not all income from property sales to which the special tax rate is applicable. In such a case, however, only real estate income tax may be entered under code **988** or **576** that is attributable to actually assessed income. However, loss compensation can also take place within the framework of tariff taxation, taking real estate income tax into account; in this case, the standard taxation option pursuant to point 8.2 must be exercised (see note 5).

**32** The special tax rate for profits from real estate sales is **30%**, if the sale took place after 31.12.2015.

**33** The special tax rate for gains from the real estate sale is **25%** if the sale took place before 1.1.2016, but the income must be recorded in calendar year 2024 due to inflow.

**34** If the sold property was no longer subject to taxation as of 31.03.2012 (acquisition before 31.03.2002 based on a ten-year speculation period, so-called "old assets"), the income can be determined as a lump sum: 86% of the proceeds from the sale must be considered as acquisition costs. The income therefore amounts to 14% of the sale proceeds; they increase by half of the manufacturing expenses deducted in partial amounts in accordance with section 28 para. 3, provided they have been taken into account for tax purposes within the last 15 years before the sale. In this case, the check box must be ticked. Enter the income under code **985** or **572**. They amount to 14% of the sales proceeds (sales proceeds less flat-rate acquisition costs amounting to 86% of the sales proceeds) without subsequent recognition of preferential production costs. Income-related expenses may not be taken into account. The income is subject to the special tax rate, unless the standard taxation option pursuant to point 8.2 (see Note 5) is exercised.

**35** If the sold property was no longer subject to taxation as of 31.03.2012 based on a ten-year speculation period, so-called "old assets") and if it") was **converted** into building land after

31.12.1987 (as a rule), the income can be determined on a flat-rate basis: 40% of the sales proceeds are to be set as acquisition costs; they increase by half of the manufacturing expenses deducted in partial amounts in accordance with section 28 para. 3, provided they have been taken into account for tax purposes within the last 15 years before the sale. In this case, the check box must be ticked. Enter the income under code **986** or **573**. They amount to 60% of the proceeds from the sale (sales proceeds less flat-rate acquisition costs of 40% of the proceeds from the sale), without subsequent recognition of preferential production costs. Income-related expenses may not be taken into account. The income is subject to the special tax rate, unless the standard taxation option pursuant to point 8.2 (see Note 5) is exercised.

**36** Enter under code **987** or **574** income from real estate sales that

- may not be determined across the board (for the general determination, see Notes 35 and 36, relates to so-called "new assets", essentially for purchases made after 31.03.2002) or the
- "old assets" and those affected by the flat-rate taxation (code **985/572** or **986/573**) that are not used.

In this case, the income must be determined in accordance with section 30 para. 3 and is subject to the special tax rate, unless the regular taxation option is exercised pursuant to point 8.2 (see note 5).

**37** The balance from codes **985/986/987** or from codes **572/573/574** represent the income from private property sales to which the special tax rate of 30% or 25% is applicable. If the standard taxation option is not exercised, a positive balance of 30% (25%) of the income – if necessary after compensation for losses with a negative balance of the income at 30% (25%) – is taxed at the special tax rate.

If a negative balance remains after any loss compensation, this must be reduced to 60% (even if the standard taxation option is exercised). This reduced loss can only be offset against income from renting and leasing pursuant to points 18.1, 18.2, 18.3. Upon application, the entire reduced loss can be taken into account by entering it under code **974**. If no application is made in this regard, the reduced loss must be taken into account at a rate of one-fifteenth starting with the year of assessment. In this case, the fifteenth amount (4% of the total loss) must be entered under code **973**. If necessary, fifteenth amounts from property sales in the previous year are also to be recorded here.

**38** Enter income from property sales against pension. These are always taxed according to the general tariff and are not subject to real estate income tax.

**39 Recurring payments** (particularly pensions ) are based on a special obligation (e.g. on a contract or on another uniform claim), regularly recurring payments, whereby the duration of the obligation and thus (in contrast to instalments) the total of the payments is uncertain. Inflows from private pensions that do not relate to property sales (code **575**) must be recorded here. For the tax treatment of pensions, see margin notes 7001 et seq. of the Austrian Income Tax Guidelines 2000. For the calculation of the pension present value, see "bmf.gv.at - calculation programs".

**40** Income from the sale of private assets must be recorded here if they are sold within one year of their acquisition (**income from speculative business**). Also to be entered here is income from a sale of an investment within the meaning of section 31 as amended before 01.04.2012 before 1st Stability Law 2012 and which must be recorded in 2024 due to the inflow. This affects holdings in a corporation in which at the time of the sale or within the last five years there was a holding of at least 1%. This income is subject to half the tax rate and must also be recorded under code **423**.

**41** Code **503** includes income from the sale of debt securities and derivatives that were acquired between 01.10.2011 and 31.03.2012. You are taxed using the tax rate of 27.5%, unless the standard taxation option pursuant to point 8.1 is exercised; in this case, taxation is based on the general tax scale.

**42** Income from **services** is, in particular, that from occasional brokerage and rental movable objects. This income is not taxable if it does not exceed 220 euros per calendar year (exemption limit). For more information, see margin notes 6607 et seq. of the Austrian Income Tax Guidelines 2000. If the maximum amount is exceeded, taxable income from an honorary allowance (section 3 para. 1 item 42) must be recognised here.

**43 Function fees** are fees of functionaries of public-law corporations who are vested with a certain decision-making power (e.g. remuneration of chamber functionaries, remuneration of audit commissioners and remuneration and allowances for members of various commissions, see Annex II to the Austrian Income Tax Guidelines 2000). Remuneration for secondary employment by civil servants represents income from employment.

**44 A foreign loss** that has been offset against domestic income pursuant to section 2 para. 8 must be subsequently taxed to the extent that the loss was (also) offset or could have been offset abroad (see margin note 187 et seq. of the Austrian Income Tax Guidelines 2000). However, recognised losses from countries with which there is no comprehensive administrative assistance increase the total amount of income no later than in the third year after recognition. The additional tax amount must be recorded under code **792**.

**45** Enter here income that is taxable at **half the tax rate**, e.g. certain capital gains and transitional profits, especially if a taxpayer over 60 years of age ceases gainful employment (see also note 10), or income from the exploitation of patent rights, income from special forest uses for which half the tax rate is claimed is not to be entered here, but under code **167**.

**46** Enter income from forest use as a result of force majeure or income from extraordinary forest use for which half the tax rate is claimed. Cf. in particular margin notes 7324 et seq. of the Austrian Income Tax Guidelines 2000.

**47** In cases of debt relief within the meaning of section 36 (fulfilment of a restructuring plan or a comparable out-of-court restructuring, fulfilment of a payment plan or granting an exemption from residual debt after carrying out a levy procedure), the income tax due on the debt reduction must not be determined in the amount of the reduced quota (see margin notes 7269 et seq. of the Austrian Income Tax Guidelines 2000).

**48** Here you can enter, for example, income (e.g. capital yields) against which real estate transfer tax must be offset.

**49** Pursuant to section 6 item 6 lit c to d, in the event of the transfer of assets or the relocation of businesses or establishments as defined in item (a) or the restriction of Austria's right of taxation as defined in item (b), the tax liability shall be paid in **instalments** if the transfer/relocation takes place to an EU Member State or an EEA State or the restriction of the right of taxation vis-à-vis such a State takes place.

The tax liability for the **fixed assets** must be paid evenly over a period of **five years**, with the first instalment at the end of a month after notification of the tax assessment notice and the other instalments are due on 30 June of the following years. Deviating from this, open instalments are due insofar as

1. Economic goods, businesses or business premises are sold, withdraw in some other way or are combined in states outside the EU/EEA area or relocated,
2. the place of management of a corporation is relocated to a country outside the EU/EEA area,
3. the taxpayer files for insolvency or is being wound up or
4. the taxpayer fails to pay an instalment within twelve months of the due date or pays an insufficient amount.

The occurrence of these circumstances must be reported to the responsible tax authority within three months of occurrence.

The tax liability on the **current assets** must be paid evenly over a period of **two years**, with the first instalment being paid at the end of one month after notification of the tax assessment and the second instalment is due on 30 June of the following year. Since this is a flat-rate distribution, early withdrawal does not have to be reported and does not lead to outstanding instalments falling due prematurely.

Enter under code **978** the total amount for which the tax must be paid in instalments. With regard to this amount, a corresponding entry under code **235 (990)** or **991** distributes the resulting tax liability over five (seven) years or two years and the first instalment is prescribed as part of the assessment notice that is issued.

If one of the circumstances mentioned in points 1 to 3 has already occurred in the current assessment year, no entry in code number **978** needs to be made.

**50** Due to reorganisations within the meaning of the Austrian Reorganisation Tax Act, Austria's taxation right is restricted in relation to an EU/EEA state, the assessed tax liability can be paid in instalments upon request. The instalment payment concept of section 6 item 6 lit c to d of the Income Tax Act (EStG) must be applied accordingly (payment in 5 or 2 annual instalments as well as circumstances that lead to an early maturity); see Note 50 for details. In the case of contributions, the instalments are due early pursuant to section 16 para. 1 sentence 3 of the Austrian Reorganisation Tax Act even if the consideration is subsequently sold by the contributor. Due to the analogous application of section 6 item 6 Income Tax Act, this must be reported to the tax authority within 3 months.

In case of a partial restriction of the taxation right due to contributions within the meaning of Article III Austrian Reorganisation Tax Act, pursuant to section 16 para. 1 fourth sentence, the special tax rate pursuant to section 27a para. 1 item 2 of the Income Tax Act (27.5%) must be applied to the determined profit. Payments that are still outstanding are only due early if the consideration is sold; due to the analogous application of section 6 item 6 Income Tax Act, this must be reported to the tax authority within 3 months.

**51** Pursuant to section 27 para. 6 item 1, circumstances that lead to a restriction of Austria's taxation rights with regard to economic goods, within the meaning of section 27 para. 3 and 4 of the Income Tax Act, are deemed to be sales.



Pursuant to section 27 para. 6 item 1 lit., in the event of the actual **departure** of a natural person or in the event of the **gratuitous transfer** (donation) of capital shares to natural persons in another EU/EEA country, the tax liability is not assessed until the actual sale, departure or transfer to a third country on the basis of an application made in the tax return. If such an application is made (by ticking, the amount subject to non-assessment, which must not have reduced income, must be entered under code **806**. The assessment tax liability is thereby reduced by the tax due on this amount.

**52** Pursuant to section 27 para. 6 item 1, circumstances that lead to a restriction of Austria's taxation rights with regard to economic goods, within the meaning of section 27 para. 3 and 4 of the Income Tax Act, are deemed to be sales.

Pursuant to section 27 para. 6 item 1 litera d in conjunction with section 6 item 6 litera c and d of the Income Tax Act, the tax liability is in all cases not covered by litera a (no departure and no free transfer) on the basis of an application made in the tax return to be paid in instalments if the right to tax is restricted in relation to an EU/EEA country. If such a request is made (by ticking), the **instalments** are to be paid over a period of **five years**, with the first instalment at the end of one month after notification of the tax assessment and the further instalments become due on the 30 July of the following years. Deviating from this, open instalments are due insofar as capital shares

1. are sold,
2. transferred to a country not covered by the regulation, or
3. an instalment is not paid within twelve months of the due date or is paid in an insufficient amount.

The occurrence of these circumstances must be reported to the responsible tax authority within three months of occurrence.

Enter under code **980** the total amount for which the tax must be paid in instalments. With regard to this amount, the tax due on it is spread over five years and the first instalment is prescribed as part of the assessment notice that is issued.

Should one of the circumstances mentioned under point 1 or 2 occur in the current assessment year, no entry under code **980** needs to be made.

**53** Pursuant to section 103 and the related immigration beneficiaries regulation 2016, Federal Law Gazette II no. 261/2016, an immigration privilege can be obtained by applying a tax exempt amount (section 103 para. 1a). If you make use of the allowance for immigration, enter this under code **983**. Please note that this entry is also required if the employer has already taken the tax-free allowance into account as part of the payroll accounting. As part of the income tax assessment, it is checked whether the requirements for the benefit in the year in question are met. You must submit a list for this purpose (section 7 para. 2 of the mentioned Ordinance).

**54** Pursuant to section 103 and the related immigration beneficiaries regulation 2016, Federal Law Gazette II no. 261/2016, an immigration privilege can be obtained by applying a preferential tax rate (section 5 of the Ordinance). As part of the income tax assessment, it is necessary to check whether the requirements for the privilege are met in the year in question. You must submit a list for this purpose (section 7 para. 2 of the mentioned Ordinance). If you are taking advantage of the tax rate reduction, check the box; under code **375**, enter the amount by which the standard tax is reduced when applying the preferential tax rate due to a relocation privilege.

**55** Under code **375** a creditable real estate transfer tax, a creditable capital gains tax on distributions from shares and profit participation rights of SME financing companies benefiting from preferential tax treatment or the amount by which the rateable tax is reduced in application of the preferential tax rate on the basis of preferential tax treatment can be entered (see note 55).

**56** Enter under code **395** the **taxable foreign income** taxable in Austria when using the credit method for tax relief, insofar as the income is not recorded in other codes (codes **917/918/919** or **949/950/951** or **920/921/922**, form E 1kv or code **359** in attachment L 1i). The foreign tax to be offset against this income in order to avoid double taxation must be stated under code **396**.

**57** Enter **tax-free positive foreign income** here, which is to be taken into account when determining the tax rate as part of the application of the progression proviso. This applies in cases in which the progression proviso is to be applied in Austria on the basis of a double taxation agreement or the ordinance to section 48 FFC or if the national progression proviso is applied on the basis of unlimited tax liability. Foreign losses may not be entered here, but must be entered under code **746** or **944**.

**58** Foreign losses that, pursuant to section 2 para. 8 have been offset with domestic income to an extent no greater than the loss determined under Austrian tax law must be entered here.

Foreign losses from countries with which there is comprehensive administrative assistance must be entered under code **746**.

Foreign losses from countries with which there is no comprehensive administrative assistance must be entered under code **944**. Such losses must be taxed at the latest in the third year after their recognition under code **792**. A final list of those states with which comprehensive administrative assistance exists can be found in the Federal Ministry of Finance's information "Comprehensive administrative assistance in the area of income taxes (1st January 2024)", BMF-2023-0.865.58 from 6.12.2023 at [bmf.gv.at/taxes/Findok](https://bmf.gv.at/taxes/Findok).

**59** You can find more detailed information on the **special editions** in the "Tax Book", on the Federal Ministry of Finance homepage.

**60** Enter operating losses that can be carried forward under code **462** always in **full amount**.

Losses can only be carried forward if they have been determined through proper bookkeeping or proper cash basis accounting.

**61** If there is dependent income and no advance payments can be **determined**, a **discretionary assessment of evidence** and a notification for the employer are generally issued for certain increased income-related expenses, tax-effective special expenses and certain extraordinary burdens. By presenting this notification to the employer, it will be taken into account when deducting wage tax. The discretionary assessment of evidence based on the 2024 assessment applies to 2026. You can also apply to have the tax-free amount set lower than the amount resulting from the 2024 assessment. In such a case, the desired amount must be specified. However, a lower allowance can still be taken into account if you indicate this on the "Notification for submission to the employer". No tax exemption notice will be issued without a corresponding application.

## B) Explanations for attachment E 1a for 2024

Passages highlighted in grey only apply to **balance sheet accountants** and are therefore irrelevant for cash-basis accountants. If reference is made to legal provisions without further specification, this means the Austrian Income Tax Act 1988 in the version applicable for 2024.

### 1 General information

**1.1** Attachment **E 1a** to the income tax return (Form E 1) must be used by individual entrepreneurs for the determination of profits within the scope of income from agriculture and forestry (para. 21), self-employment (section 22) or commercial operations (section 23) if the profit (loss) is determined by:

- **Accounting**
- **Complete cash-basis accounting**
- **Non-agricultural partial lump sum deduction** according to section 17 (statutory lump sum deduction), according to the flat-rate for the hospitality industry (Ordinance Federal Law Gazette II No. 2012/488), the Commercial agent flat rate (Federal Law Gazette II Ordinance No. 2000/95), artist/writer flat rate (Federal Law Gazette II Ordinance No. 2000/417), chemist flat rate (Federal Law Gazette II Ordinance No. 1999/229), athletes flat rate (Federal Law Gazette II Ordinance No. 2000/418) or the ordinance concerning non-accounting traders (Ordinance Federal Law Gazette No. 1990/55).
- **Commercial full lump sum deduction for grocery retailers and general goods retailers** (Ordinance Federal Law Gazette II No. 1999/228). In this case, only the information specified in Item 6 of attachment E 1a is to be provided with regard to the determination of income.

**1.2** Attachment E 1a must **not** be used:

- When using an **agricultural and forestry consolidation into a lump sum** as an **individual entrepreneur**. In such cases, the attachment **E 1c** should be used.
- When claiming the **small business exemption** (Annex E 1a-K), except in the case of the sale or discontinuation of a business and/or transitional profit/loss and/or withdrawal of land at book value (see Note 12).

**1.3** A separate Enclosure E 1a must be submitted for **each domestic company** (source of income) for which a separate profit determination must be carried out.

For small businesses, attachment E 1a-K can be completed instead of attachment E 1a if the requirements specified there are met.

**1.4** For **foreign companies**, a fully completed attachment E 1a must also be submitted.

- In cases where a profit (determined according to the provisions of Austrian tax law) is earned from the foreign operation and Austria has **no** right of taxation for this profit (e.g. in the case of double taxation agreements with an exemption method), the tax-exempt profit must also be entered under code **9030** and is thus eliminated. In such cases, the foreign profit must be entered in the income tax return (Form E 1) under code **440** in order to assert the progression proviso.
- In cases where a **loss** (determined according to the provisions of Austrian tax law) is made from the foreign operation and this loss is compensated with domestic income (cf. margin notes 187 et seq. of the Austrian Income Tax Guidelines 2000), code **9030** should not be filled out. In such cases, the foreign loss must also be reported in the income tax return (Form E 1) under code **746** or **944**. An entry of the loss under code

**9030** is only necessary if the foreign loss must not be offset against domestic income (cf. margin note 210 of the Austrian Income Tax Guidelines 2000).

- In cases where the income from the foreign operation (calculated according to the provisions of Austrian tax law) is **taxable** in Austria (e.g. in the case of double taxation agreements with crediting method), code **9030** must not be filled out. The foreign income and any foreign tax to be offset must be entered in the income tax return (Form E 1) under codes **395, 396**.

**1.5** No separate attachment E 1a needs to be filled out for **foreign establishments**. Insofar as foreign permanent establishment results of a domestic company must be excluded from the basis of taxation due to double taxation agreements, this must be indicated by entering the permanent establishment result under code **9030**.

**1.6** A separate attachment E 1a must be submitted for **each business year**. If several financial years are recorded in an assessment (e.g. when the balance sheet date changes), several attachments E 1a must be submitted according to the number of recorded business years.

**2** In case of profit determination by **accounting** (business asset comparison), a copy of the statement of assets (annual financial statements, balance sheet) and the profit and loss statement must be submitted to the tax office. This can also be done electronically ("E-Bilanz").

The profit must be determined pursuant to **section 5** if according to section 189 of the Austrian Commercial Code (UGB) or other federal regulations there is an accounting obligation and earnings from commercial operations (section 23) are generated. If the requirements for accounting pursuant to section 5 Austrian Income Tax Act 1988 are not met, the accounting is carried out pursuant to **section 4 para. 1**.

**3** Profit determined by complete cash-basis accounting means that no lump sum is used and the operating expenses are fully recorded. The operating income is in accordance with codes **9040** to **9093** and the operating expenses in accordance with codes **9100** to **9233**. The code **9259** (flat-rate operating expenses) must not be filled out.

**4** The choice between "gross VAT system" or "net VAT system" must always be specified in the case of cash basis accounting or with a consolidation into a lump sum, that systematically corresponds to cash basis accounting (see comments 18.3 and 18.4 for further information). If all turnover is non genuinely VAT exempt (e.g. **small entrepreneur**), check "Gross system".

**5** When using the **lump sum deduction**, the operating income is fully recorded, but the operating expenses are recorded as a flat rate with **12%** or **6%** of the turnover deducted.

In addition to the lump sum, only the following may be deducted:

- expenditure on goods, raw materials, semi-finished products, auxiliary materials and ingredients,
- wage expenses (including non-wage labour costs),
- expenditure on third-party wages, insofar as these go



directly into benefits that business purpose of the company (e.g. made-to-order production of goods),

- social security contributions and contributions to self-employed pension scheme,
- the workplace flat rate,
- 50% of the cost of a weekly, monthly or annual mass transit ticket, and
- travel expenses, insofar as they are offset by a reimbursement of costs in the same amount; these travel and commuting expenses reduce the turnover relevant for the assessment of the lump sum.

All other operating expenses are covered by the operating expenses flat rate, which must be recorded in code **9259** (see note 52).

**6** The **hospitality lump sum** can be used by licensed hospitality businesses. The **basic lump sum (15%** of sales, at least 6,000 euros) includes all operating expenses with the exception of

- those covered by the other two packages and
- those that are to be considered separately in any case, even in the case of lump sums.

The **mobility lump sum (2% to 6%** of turnover) includes

- all motor vehicle costs and operational costs for use of other means of transport as well as
- travel expenses.

The **energy and space lump sum (8%** of turnover) includes all costs related to the use of premises. The (entire) lump sum must be entered in code **9259**.

In addition, the basic allowance and certain operating expenses remain fully deductible: Cost of goods, wages and non-wage labour costs, social security amounts, training and further education of employees, depreciation for wear, maintenance and repair, rent and lease of real estate, borrowing costs. More information can be found in the Austrian Income Tax Guidelines 2000, margin notes 4287 et seq.).

**7** The **chemists lump sum** corresponds to the basic lump sum deduction in terms of content, see Note 5.

**8** According to the **artist/writer consolidation into a lump sum ordinance** certain operating expenses can be taken into account as a flat rate of **12%** of the turnover, up to a maximum of 8,725 euros under code **9259**.

The flat rate includes: Expenses for common technical aids (especially computers, sound recordings including recording and playback devices); expenses for telephone and office supplies; expenses for specialist literature and entrance fees; operational expenses for clothing, cosmetics and other expenses related to appearance; per diem allowance; Expenses for rooms located in the apartment complex (especially study, studio, recording studio, rehearsal rooms); expenses for entertaining business associates; usually non-verifiable operating expenses. The expenses not covered by the flat rate are to be entered in the respective codes.

**9** According to the **sales representative consolidation into a lump sum** certain operating expenses can be taken into account at a flat rate of **12%** of the turnover, up to a maximum of 5,825 euros under code **9259**.

The flat rate includes: per diem allowance; Expenses for rooms located in the apartment complex (especially storage and office space); expenses for entertaining business associates; Business expenses that usually cannot be documented, such as tips. The expenses not covered by the flat rate are to be entered in the respective codes.

**10** Under the **ordinance on the consolidation into a lump sum for athletes** internationally active athletes who are subject to unlimited tax liability in Austria (on the basis of their domicile or habitual residence) and who, in the calendar year, predominantly perform in the context of sporting events (competitions, tournaments) abroad, may, upon application, have their income from sporting activities, including advertising activities, taxable in Austria assessed at 33% of all (domestic and foreign) such income. However, the earnings excluded from the tax base (67%) must be taken into account when determining the tax for the remaining earnings (entry under code **440** in Form E 1). It is not possible to offset foreign taxes against the flat-rate income.

When using the flat rate, only 33% of the operating income and operating expenses are to be recorded under the respective codes; the 67% to be eliminated may not be entered under code 9259.

**11** The lump sum ordinance for **non-accounting traders**, Federal Law Gazette No. 55/1990, provides for a total of 54 trades in each case an industry-specific flat rate for operating expenses. In addition, the following operating expenses can be taken into account:

Purchase of goods, raw materials, auxiliary materials, semi-finished products and ingredients (according to the goods receipt book); Salary expenses (according to the wage account), employer's contribution to statutory social security, contribution to housing subsidies, employer's contribution to the family burden equalisation fund; depreciation; expenses for rent or lease, energy, heating, post and telephone; VAT paid (excluding VAT on own consumption) and VAT (input tax) for expenses that must be capitalized; Contributions to compulsory insurance in the statutory health, accident and pension insurance as well as the basic allowance.

**12** For the **small entrepreneur consolidation into a lump sum**, attachment E 1a-K should be used. Only in cases in which, in addition to the profit determined on a flat-rate basis, a capital gain/loss, a gain/loss on disposal, a transitional gain/loss or a property withdrawal at book value is to be recognised, supplement E 1a-K must be used instead of attachment E 1a. The operating expenses flat rate must then be recorded under code 9259.

**13** Enter the type of activity here in the form of a three-digit **industry code** (ÖNACE 2008). You can find more detailed explanations in Note 99. The following applies to **mixed farms**: A mixed operation exists if at least 20% of the operational turnover cannot be assigned to the specified industry code. In this case, the industry code of the majority of turnover must be specified and the existence of a mixed operation indicated.

**14** Taxpayers who are no longer subject to accounting due to falling below the turnover limits of section 189 of the Commercial Code and receive income from commercial operations (section 23) can request to **continue** determining profits according to section 5 para. 1. The application must be submitted for the year in which the business year ends for which no accounting obligation exists for the first time. The application binds the taxpayer until revoked; in this case, the relevant box must be ticked. The application expires automatically if you re-enter the accounting obligation according to section 189 of the Austrian Commercial Code (UGB).

**15** Enter the start or end of the economic year even if it begins or ends during a month.

**16** The **Ordinance of the Federal Law Gazette II No. 2002/474** provides, in the absence of a double taxation agreement under the specified conditions, relief from **relief from double taxation** through tax exemption or crediting of foreign taxes. If such a relief has been claimed, indicate this by ticking the box.

## 17 To "4th profit determination"

**17.1** In case of **balance sheet accountants** with profit determination according to **section 5**, the income and expenses to enter under "3. Profit determination" must correspond to the estimates of the profit and loss statement according to the company balance sheet. Any corrections must be made under "4. Corrections and additions to the profit determination according to point 3 (tax increase/decrease calculation)".

**17.2** In case of **balance sheet accountants** with profit determination according to **section 4 para. 1** the income and expenses to enter under "3. Profit determination" may correspond to the estimate of the profit and loss statement of a company balance sheet. In this case, any corrections must be entered under "4. Corrections and additions to the profit determination according to point 3 (tax increase/decrease calculation)". However, all income and expenses must be entered under "3. profit determination" with the relevant tax values. In this case, no corrections under point 4 must be made in this regard.

**17.3** For **Cash basis accountants**, two options for entry under "3. Profit determination" are available:

in principle, the operating income and operating expenses to be entered under "3. Profit determination" must be entered with the values relevant for **tax** purposes.

Corrections under 4. Corrections and additions to the profit determination according to point 3 (tax increase/decrease calculation)" must then not be made in this regard.

If, in the case of cash-basis accountants, the operating income and operating expenses to be entered under "3. Profit determination" are not entered with the values relevant for tax purposes, the necessary corrections must then be made under point 4.

**17.4** **Balance sheet accountants** shall, insofar as accounts of the **Austrian Chart of Accountants (EKR)** are addressed, only take into account the expenses/income or balance sheet items to be recorded in the expressly designated accounts under the corresponding code. If the content of a code does not correspond completely to expenses/income according to the EKR, this is expressly highlighted. Revenue that must not be recorded under codes **9040** through **9080** must be entered under code **9090**. Expenses that must not be recorded in the respective expense codes, must be entered under code **9230**.

**17.5** **Cash-basis accountants** shall enter the operating income, which should not be entered under codes **9040** to **9080**, under code **9090**. Operating expenses that must not be recorded under the respective operating expenses codes or under code **9259** must be entered under code **9230**.

**17.6** Earnings/operating income and expenses/operating expenses must always be entered **unsigned**. This means that income/operating income is recorded as positive values and expenses/operating expenses as negative values. If the income/operating income or expenses/operating expenses result in a negative value for a code (e.g. for expense/income adjustments), enter a negative sign ("-").

## To "Earnings/income"

**18** **Code 9040: Revenues (proceeds from goods/services) without section 109a of the Austrian Income Tax Act 1988, EKR 40 - 44**

**18.1** Under code **9040** enter turnover obtained by **balance sheet accountants** (excluding value added tax, EKR 400 - 439, see note 18.5) after deducting revenue reduction (EKR 440 - 449, see note 19.6). Domestic revenues that are recorded in a notification according to section 109a must only be entered under code **9050**.

**18.2** In case of **cash-basis accounting**, domestic (accrued) revenues (see Note 19.5) after deduction of sales deductions (see Note 19.6) must be entered here. Domestic revenues that are recorded in a notification according to section 109a must only be entered under code **9050**. Cash-basis accountants can choose the gross or net method with regard to sales tax (cf. in particular margin notes 744 to 762 of the Austrian Income Tax Guidelines 2000).

**18.3** Under the **gross VAT system** the VAT invoiced by an input-tax amount must be treated as business income at the time of receipt and as operating expenses at the time of payment to the tax office. The input tax amounts charged to the cash-basis accountants are operating expenses at the time of payment and operating income at the time of offsetting with the tax office. Operating income and operating expenses are therefore to be stated including value added tax (**gross VAT representation**, see below). When acquiring (manufacturing) assets that must be capitalised, the deductible input taxes are to be separated from the acquisition (manufacturing) costs, which are to be deducted through depreciation. The total of the VAT payment charges paid in the assessment year is an operating expense (to be entered in code **9230**), the sum of any VAT credits is a business income to be entered under code **9090**. If there are both VAT payment charges and VAT credits, they must be netted; in the case of a credit overhang, this must be entered under code **9090**, in the case of a payment charge overhang, this must be entered under code **9230**.

In the case of the VAT gross system, there are **two** options for presentation, namely the

- **gross presentation** (see above) and the
- **net presentation** of operating income/expenses with separate VAT ID (see Note 24).

**18.4** With the **net VAT system** the value added tax, which is treated as a transitory item (section 4 para. 3 third sentence), is not taken into account on the revenue side as well as on the expenditure side. All revenue and deductible expenses are therefore only stated net. The net system is only permitted for those taxpayers for whom the sales tax can generally have a transitory character. Net settlement is therefore not possible:

- In cases in which an entrepreneur makes non-genuine tax-exempt sales (e.g. small entrepreneurs with annual sales of less than 35,000 euros, unless they have opted for tax liability).
- In cases of claiming an input VAT consolidation into a lump sum, except if the input VAT consolidation into a lump sum according to section 14 para. 1 item 1 Austrian Value Added Tax Act 1994 is claimed and at the same time the consolidation into a lump sum according to section 17 para. 1 to 3 Austrian Income Tax Act 1988 (code **9259**) is applied.

Ancillary sales tax fees, such as late payment surcharges and deferral interest, remain deductible as operating expenses even with the net method.

If the input VAT is deductible, capital goods are to be included with the net values in the list of investments (section 7 para. 3). If the input VAT is not deductible, it should be treated as part of the acquisition (manufacturing) costs. Operating expenses only represent the net amounts spent, the value added tax for circulating goods is not included. If the turnover tax does not have a transitory character (e.g. expenses in connection with the operation of cars), it is to be deducted as a business expense when it is spent.

All income and expenditure items resulting from sales tax offsetting with the tax office are not taken into account: Sales tax credits are not operating income, and payments made to the tax office are not operating expenses. As with the gross system, withdrawals are to be stated net. It is not necessary to correct the payment charge for the self-supply value added tax contained therein.

**18.5** Turnovers are the typical proceeds from the usual business activities of an entrepreneur from the sale and the transfer of use of products and goods as well as from services. In addition, this includes, in particular, income from the typical sale of scrap, waste products, raw materials and supplies that are no longer required and income from participation in joint ventures (e.g. construction industry). Rental and lease income, licenses and commissions should only be recorded here if they are typical of the business. If the income is occasional and small in volume, this should be entered under code **9090**.

**18.6 Sales reductions** are, in particular, customer discounts, sales commissions, quantity discounts, bonuses, loyalty bonuses, reimbursed fees for returned goods and defects.

## **19 Code 9050: Operating income/earnings, for which a notification according to section 109a Austrian Income Tax Act 1988, was issued, EKR 40 - 44**

Income/operating income to be recorded for the respective assessment, for which a notification according to section 109a was issued, must be entered here. The separate identification results from section 4 of the Ordinance Federal Law Gazette II No. 417/2001 issued on section 109a and is only required if the taxpayer affected by the notification has been made aware of the content of the notification. For the notification obligation according to section 109a cf. margin notes 8300 et seq. of the Austrian Income Tax Guidelines 2000. Information on the notification obligation pursuant to section 109a can be found in the "Tax book", to be found on the Federal Ministry of Finance homepage.

For income shown in a notification on the basis of a **freelance service contract** pursuant to section 4 para. 4 Austrian General Social Security Act, the following applies: The amount recorded in the notification must be entered in code **9050** without deducting retained employee contributions to social security and without deducting contributions to pension funds; these deductible items must be entered as business expenses under code **9225**; this also applies when using the basic flat rate pursuant to section 17 para. 1.

## **20 Code 9060: Fixed income/withdrawal values of fixed assets, EKR 460 - 462 before any resolution to 463 - 465 or 783**

**20.1** Here **balance sheet accountants** must enter proceeds from the disposal of fixed assets (EKR 460 - 462), except for financial assets, before any release to EKR 463 - 465 or EKR 783. Capital yields relating to business premises are also to be recorded here, to which the special tax rate of 25% is applicable. Any necessary corrections must be made in the tax increase/decrease calculation (point 4 of the form).

**20.2 Cash-basis accountants** only have to enter operating income (proceeds) from the disposal (sale, withdrawal) of fixed assets. Insurance compensation must be entered under code **9090**. Capital yields relating to business premises, to which the special tax rate is applicable, must also be recorded here. Any necessary adjustments must be made in the tax increase/decrease calculation (point 4).

**20.3 Withdrawals** of assets must be assessed at the tax-relevant withdrawal value pursuant to section 6 item 4, which is basically the current market value at the time of the withdrawal. Partial value is the value that an asset has for the company (coherent value, section 6 item 1). For tax purposes, real estate must be taken at book value, unless there is an exception to the special tax rate. The same applies to the removal of company buildings after 30.6.2024.

## **21 Code 9070: Internally produced and capitalised assets, EKR 458 - 459**

**21.1** This code must only be filled out by **balance sheet accountants**. Internally produced and capitalised assets for self-produced fixed assets and for starting and expanding a company should be entered here.

**21.2 In case of cash-basis accounting**, self-produced fixed assets must be included in the list of fixed assets (section 7 para. 3) with the production costs, unless - in the case of low-value assets (section 13, see code **9130** and margin note 3893 of the Austrian Income Tax Guidelines 2000) - the possibility of immediate withdrawal is exercised. The operating expenses for codes **9100** to **9230** must be corrected according to the production costs. In the case of depreciable fixed assets, the production costs must be deducted by way of the depreciation for wear (Depreciation for Wear, section 7). The depreciation for wear must be recorded under code **9130**.

## **22 Code 9080: Inventory changes, EKR 450 - 457**

**22.1** This code must **only** be filled out by **balance sheet accountants**. These have to record changes in inventories of finished goods and work in progress as well as services that cannot yet be billed. Increases in inventory are to be stated without a sign, decreases in inventory with a negative sign.

**22.2** Changes in value due to unusual depreciation (cf. section 231 para. 2 item 7 litera b of the Austrian Commercial Code (UGB), to be recorded under code **9140**) and changes in inventories of an extraordinary nature (cf. section 233 of the Austrian Commercial Code (UGB), to be recorded under code **9090** as "extraordinary income" or under code **9230** as "extraordinary expenses") must not be recorded here.

## **23 Code 9090: Other income/operating income (including financial income)**

**23.1 Balance sheet accountants** shall enter here the total of all income generated in the business year with the exception of the codes **9040** to **9080**. This includes, in particular, income from the write-up of fixed assets (EKR 466 - 467), income from the reversal of provisions (EKR 470 - 479), other operating income (EKR 480 - 499) and all financial income (EKR 8). Other operating income (EKR 480 - 499) includes all income not posted in account groups 40 - 47, such as, in particular, income from transactions that may not be posted as sales revenue, payments received on receivables previously written off, debt discounts, income from the reversal of bad debt allowances, exchange rate gains from foreign currency transactions, Income from social welfare institutions, income from transactions and services



not typical for the business (e.g. income from renting flats and from lease and licence agreements not typical for the business), reimbursement of expenses and damages, write-off of unpaid and statute-barred liabilities, subsidies from public funds, insofar as they are not to be deducted from the acquisition or production costs in the case of investment.

**23.2 Foreign investment income and realised capital yields from business capital assets**, which can be taxed at a special tax rate, must always be recorded here, while **domestic investment income that is subject to the final taxation** must only be recorded if the standard taxation option is exercised (item 8.1 in Form E 1). Any necessary adjustments must be made in the tax increase/decrease calculation (point 4).

**23.3 Cash-basis accountants** must enter here the sum of all operating income (accrued in the calendar year) with the exception of the operating income that must be entered under codes **9040, 9050** and **9060**. For the treatment of value added tax, see Notes 18.3 and 18.4.

Foreign capital yields and realized increases in value of business capital assets, which can be taxed at a special tax rate, must always be recorded here, final taxable domestic capital yields only if the standard taxation option is exercised (point 8.1 in Form E 1). Any necessary adjustments are to be made in the tax increase/decrease calculation (item 4 of the form).

## **24 Code 9093: VAT collected with VAT gross system**

This code may only be filled out by cash-basis accountants with a gross VAT system, if they use the **net representation** of the operating income/expenses with a separate VAT ID (see note 18.3). In this case, the operating income and operating expenses are stated net (without VAT) under the relevant codes. The VAT received is entered under code **9093**, the spent (deductible or non-deductible) VAT under code **9233**. The VAT payment charge is entered in code **9230**, any VAT receivable is entered in code **9090**.

## **To "Expenses/Operating expenses"**

### **25 Code 9100: Goods, raw materials, auxiliary materials EKR 500 - 539, 580**

**25.1 Balance sheet accountants** have to record here:

- cost of goods sold (EKR 500 - 509),
- consumption of raw materials (EKR 510 - 519),
- consumption of purchased finished and individual parts (EKR 520 - 529),
- consumption of auxiliary materials (EKR 530 - 539),

after deducting cash discounts on cost of materials (EKR 580).

**25.2 Cash-basis accountants** have to record here:

- expenditure on the purchase of goods,
- expenditure on raw materials,
- expenditure for finished and individual parts,
- expenditure on auxiliary materials,

after deducting cash discounts on the purchase of material.

These expenses can also be deducted separately within the framework of the statutory lump sum deduction (section 17). Insofar as the ban on deducting current assets pursuant to section 4 para. 3 applies, no entry may be made.

**25.3** Consumption (purchase) of supplies (EKR 540-549), consumption (purchase) of tools and other production aids (EKR 550-559) and consumption (purchase) of combustibles

and fuels, energy and water (EKR 560-569) must be recorded under code **9230**.

### **26 Code 9110: Provided personnel (external personnel), EKR 570 - 579, 581, 750 - 753**

**26.1 Balance sheet accountants** must enter here expenses that are on the accounts "Other purchased production services" (EKR 570 - 579, see note 27.3) after deducting cash discounts on other related production services (EKR 581) and "Expenses for provided personnel" (EKR 750 - 753, see note 27.4).

**26.2 Cash-basis accountants** must enter here expenses for external personnel. Notes 27.3 and 27.4 apply accordingly. Not to be entered are those expenses for external human resources that must be "capitalised" (included in the list of fixed assets pursuant to section 7 para. 3) as production costs of fixed assets.

**26.3 "Other purchased manufacturing services"** (for balance sheet accountants: EKR 570 - 579) are all other related manufacturing services such as in particular expenses/expenses for material processing, material finishing, other work services and the provision of personnel in the manufacturing area.

**26.4 "Expenditure for staff provided"** (for balance sheet accountants: EKR 750 - 753) includes expenses of the account 750 EKR. Commissions to third parties (for balance sheet accountants: EKR 754 - 757) must be recorded under code **9190**.

### **27 Code 9120: Personal expenses („own staff“), EKR 60 - 68**

**27.1 Balance sheet accountants and cash basis accountants** must record here expenses/expenses for wages and salaries as well as non-wage labour costs, namely:

- wages (for balance sheet accountants: EKR 600 - 619, see note 28.2),
- salaries (for balance sheet accountants: EKR 620 - 639, see note 28.3),
- expenses for severance payments (for balance sheet accountants: EKR 640 - 644, see note 28.4),
- retirement benefit expenses (for balance sheet accountants: EKR 645 - 649, see note 28.4),
- statutory social security costs for workers (for balance sheet accountants: EKR 650 - 655, see note 28.5),
- statutory social security expenses for employees (for balance sheet accountants: EKR 656 - 659, see note 28.5),
- statutory social security costs for workers (for balance sheet accountants: EKR 660 - 665, see note 28.6),
- salary-related taxes and compulsory contributions (for balance sheet accountants: EKR 666 - 669, see note 28.6) and
- other social security expenses (for balance sheet accountants: EKR 670 - 689, see note 28.7).

**27.2 As "Wages"** (for balance sheet accountants: EKR 600 - 619) basic wages (manufacturing wages, auxiliary wages, remuneration for temporarily employed workers), allowances for wage earners (overtime bonuses, holiday pay, shift allowances, hardship allowances, bonuses and commissions) and non-performance wages (holiday wages, leave, sick pay, other absentee wages, holidays and Christmas bonuses and other extra payments) must be recorded. Wage tax and social security contributions on wages that are exceptionally not withheld from the employee's wages/salaries (e.g. additional claims on the occasion of wage tax audits that

cannot be passed on to the employee) must also be recorded here. Contributions to a provident fund should also be listed here.

**27.3 As "salary"** (for balance sheet accountants: EKR 620 - 639) basic salaries, overtime bonuses, holiday pay, bonuses and commissions, 13th and 14th salary and other special payments must be recorded. The same applies to anniversary expenses, voluntary travel and meal allowances and benefits in kind. Amounts of income tax on salaries that are exceptionally not withheld from the employee's wages (e.g. additional claims on the occasion of payroll tax audits that cannot be passed on to the employee) must also be recorded here. Contributions to a provident fund should also be listed here. Wages and salaries do not include reimbursement of travel expenses and daily and overnight accommodation allowances that are paid to compensate for expenses incurred by the employee on business trips. These must be recorded under code **9160**.

**27.4 As "Expenses for severance payments "** (for balance sheet accountants: EKR 640 - 644) or **"Retirement benefit expenses"** (for balance sheet accountants: EKR 645 - 649) both severance payments and pension payments as well as the change in severance payment provisions and - only for balance sheet accountants - the change in pension provisions, must be recorded; the same applies to contributions to pension funds and other contributions to employee pension schemes.

**27.5 As "statutory social security workers"** (for balance sheet accountants: EKR 650 - 655) and **"Statutory social security employees"** (for balance sheet accountants: EKR 656 - 659) all social expenses to be paid to the social security agency (employer's share) including the contribution under the Continued Pay Act and the contribution to housing subsidies must be recorded.

**27.6 As "Wage-related taxes and compulsory contributions "** (for balance sheet accountants: EKR 660 - 665) and **"Salary-related taxes and compulsory contributions"** (for balance sheet accountants: EKR 666 - 669) all other charges and compulsory contributions dependent on remuneration must be recorded. These include, above all, the employer's contribution to the equalization fund for family allowances, the surcharge on the employer's contribution, the municipal tax and the Vienna employer's tax (subway tax).

If the municipal tax and the Vienna employer's tax (metro tax) are recorded under "Other taxes" (EKR 710 - 719) by balance sheet accountants, they must be included under code **9230**.

**27.7 As "Other social security expenses"** (for balance sheet accountants: EKR 670 - 689) voluntary social expenses that are not attributable to the individual employee as a component of remuneration, such as contributions to the works council fund and to support funds (not pension funds), expenses for company outings, for Christmas gifts to employees and for various company events for the benefit of the workforce, must be recorded. Expenses caused by social institutions must be recorded under the key figures assigned to the corresponding expense types (e.g. the material consumption of the company kitchen under **9100**, maintenance of the kitchen premises under code **9150**).

**28 Code 9130: Depreciation on assets (e.g. depreciation, low-value assets), EKR 700 - 708, unless they must be recorded under code 9134 and/or 9135**

**28.1 Balance sheet accountants** should enter here (scheduled and unscheduled) depreciation on fixed assets, except financial assets (EKR 701 - 708), not to be recorded under code **9134** and/or **9135**. Furthermore, write-downs on capitalised expenses for the start-up and expansion of an operation (EKR 700) must also be entered here. Under code **9130** both the allocation and the liquidation of a valuation reserve (e.g. low-value assets, investment grants, transfer of section 12 reserve to valuation reserve) must be taken into account.

**28.2 Cash-basis accountants** should enter here depreciation on fixed assets (sections 7, 8) not to be recorded under code **9134** or **9135**, including early and accelerated depreciation and immediately deducted low-value fixed assets (section 13). Low-value assets are those whose acquisition or production costs do not exceed 1,000 euros in individual cases. They can either be deducted via the depreciation for wear or written off immediately (right to choose).

**29 Code 9134: Degressive depreciation for wear (section 7 para. 1a) for assets that were purchased or manufactured after 30.6.2020**

Depreciation for wear can also be made in declining annual amounts according to an unchangeable percentage of a maximum of 30% (**degressive depreciation for wear**). This percentage is to be applied to the respective book value (residual book value) and results in the respective depreciation annual amount. Certain assets (e.g. buildings, non-emission-free motor vehicles, used assets, installations that serve to extract, transport or store fossil fuels and installations that use fossil fuels directly, see section 7 para. 1 a item 1) are exempt from degressive depreciation for wear. Any corrections must be made under code **9268**.

**30 Code 9135: Accelerated building depreciation (section 8 para. 1a)**

Without proof of useful life, the depreciation for wear for **buildings** that were purchased or developed after 30.06.2020 is:

- In the year of first consideration, no more than **7.5%**. Deviating from this, the depreciation for wear for buildings used for residential purposes is set to a maximum of **4.5%**.
- In the following year, the depreciation amounts to a maximum of **5%** and for buildings used for residential purposes to a maximum of **3%**.

The regulation on the half-year depreciation for wear does not apply. Any corrections must be made under code **9269**. If use is made of the extension of accelerated depreciation for residential buildings completed in the years 2024 to 2026 (section 124b item 451 Austrian Income Tax Act 1988), the depreciation must also be entered here.

**31 Code 9140: Depreciation from current assets, insofar as these are in the company exceed normal depreciation - EKR 709 - and value adjustments to receivables; if they must not be recorded in code 9142**

This code must **only** be filled out by **balance sheet accountants**. They have to enter here the depreciation of current assets - both for accounting pursuant to section 5 and accounting pursuant to section 4 para. 1 - insofar as these exceed the usual depreciation in the company (EKR 709, section 231 para. 2 item 7 of the Austrian Commercial Code (UGB)). Allocations of specific value adjustments to receivables (EKR 208, 209, 213, 214, 218, 219, 223, 224, 228, 229, 248, 249) must also be entered here. Dissolutions must be entered under code **9090**. To correct the entry see code **9250**.

### **32 Code 9142: Allocation/dissolution of flat-rate value adjustments to receivables**

Pursuant to section 6 para. 2 lit. a of the Austrian Income Tax Act 1988, a flat-rate valuation adjustment of receivables is permissible under the conditions of section 201 para. 2 item 7 of the Austrian Commercial Code (UGB). Accordingly, the determination of a value, which is only possible on the basis of estimates, must be based on prudent judgement (principle of reliable estimates). If there are statistically determinable empirical values from similar circumstances, these must be taken into account in the prudent assessment pursuant to section 201 para. 2 item 7 of the Austrian Commercial Code (UGB) (e.g. statistically determined probabilities of default), i.e. they must be included in the estimate in this case.

### **33 Code 9150: Maintenance (maintenance expenditure) for buildings, EKR 72**

**33.1 Balance sheet accountants and cash-basis accountants** must enter here expenses/expenditures for maintenance, insofar as these concern **buildings**. Maintenance of other assets and expenses for cleaning by third parties, disposal and lighting must not be entered here.

**33.2 "Maintenance"** includes all expenses (expenses) that serve to do so to maintain the usability of a building (maintenance costs) and which do not lead to a change in the nature of the building (in this case, production costs would have to be capitalised). Maintenance expenses must be entered here without distinction between "maintenance expenses in the narrower sense" and "repair expenses " (cf. the term section 4 para. 7). Repair expenses pursuant to section 4 para. 7 must be recorded with the fifteenth amount for the business year. (see margin note 1398 and margin note 6460 et seq. of the Austrian Income Tax Guidelines 2000).

### **34 Code 9160: Travel and commuting expenses including mileage allowance and allowances (without actual motor vehicle costs), EKR 734 - 737**

**34.1 Balance sheet accountants and cash-basis accountants** must enter here travel and travel expenses/ expenses (for balance sheet accountants: EKR 734 - 735), daily and accommodation allowances (for balance sheet accountants: EKR 736 - 737) and mileage allowance (for cars: 0.42 euros per kilometre) must be entered here. Both your own expenses and those borne for employees must be entered. The flat rate of 50% of the cost of a weekly, monthly or annual ticket for a means of mass transport should not be entered here, but in code **9165**. Actual motor vehicle costs must be entered under code **9170**.

**34.2 Travel expenses** (for balance sheet accountants: EKR 734 - 735) in addition to the expenses paid directly to the travel company, also include travel expenses (daily and accommodation allowances) and reimbursement of travel expenses, insofar as they represent compensation for actual expenses (e.g. mileage allowance).

**34.3 Travel expenses** include the flat-rate additional meal expenses (per diem allowance: 26.40 euros per day, less than 12 hours 2.20 euros per hour started if the journey lasts more than 3 hours) as well as the costs for overnight stays, which are either a flat rate (15 euros per overnight stay including the costs for breakfast) or in the amount to be proven (section 4 para. 5 in conjunction with section 26 item 4). See also margin note 1378 of the Austrian Income Tax Guidelines 2000 in connection with margin notes 278 et seq. of the Austrian wage tax guidelines 2002.

**34.4** When using the basic lump sum, travel expenses are deductible separately, provided they are offset by reimbursement of the same amount.

### **35 Code 9165: Flat rate of 50% of the costs one week, month or annual mass transit pass**

If it can be credibly demonstrated that the card was also used for business trips during the fiscal year, 50% of the expenses for a non-transferable weekly, monthly or annual ticket for public transport can be taken into account as business expenses.

### **36 Code 9170: Motor vehicle costs (without depreciation for wear, leasing and mileage allowance), EKR 732 - 733**

**Balance sheet accountants and Cash basis accountants** must enter here the **actual** motor vehicle costs (for balance sheet accountants: EKR 732 - 733) must be entered here. If the motor vehicle costs are claimed via the mileage allowance (see margin note 1612 f of the Austrian Income Tax Guidelines 2000), this must be entered under code **9160**. Actual motor vehicle costs include maintenance expenses relating to the vehicle, operating materials, repair and service costs, insurance premiums and taxes. This does not include depreciation (to enter under code **9130**) and leasing expenses/expenses (to enter under code **9180**).

### **37 Code 9180: Rental and lease expenses, Leasing, EKR 740 - 743, 744 - 747**

**Balance sheet accountants and cash-basis accountants** must enter here the expenses or expenditures for rent and lease (for balancers: EKR 740 - 743) as well as for leasing (for balance sheet accountants: EKR 744 - 747). Expenditure/expenses for heating, lighting, for cleaning rented rooms and operating costs must not be entered here. It should be noted that, pursuant to section 4, para. 6, advance payments of rental costs from cash-basis accounting must be distributed evenly over the period of the advance payment if they do not only relate to the current and the following calendar year (cf. margin notes 1381 et seq. Austrian Income Tax Guidelines 2000). In such cases, the annual amount for the business year must be recorded here.

### **38 Code 9190: Commissions to third parties, licence fees, EKR 754 - 757, 748 - 749**

**Balance sheet accountants and cash-basis accountants** must enter here expenses/expenditures for commissions to third parties (for balance sheet accountants: EKR 754 - 757) as well as licence fees (EKR 748 - 749).

### **39 Code 9200: Corrections to advertising and representation expenses, donations, tips (EKR 765 - 769)**

**Balance sheet accountants and cash-basis accountants** must enter here expenses/expenditures for advertising and representation (for balance sheet accountants: EKR 765 - 768) as well as donations and tips (for balance sheet accountants: EKR 769).

If the corporate law approach or the entry in this code does not correspond to the value permitted for tax purposes (e.g. section 20 para. 1 item 3, see margin note 4808 Austrian Income Tax Guidelines 2000), the corrections must be entered under code **9280**.

### **40 Code 9210: Book value of disposed assets, EKR 782**

**Balance sheet accountants and cash-basis accountants** must enter here the sum of the book values of assets disposed of in the business year, with the exception of financial assets (for balance sheet accountants EKR 782). Unscheduled or extraordinary depreciation (e.g. as a result of the destruction of an asset, cf. section 8 para. 4) must be entered under code **9130**.



#### **41 Code 9275: Study room**

Expenses for a study set up in the private home, including furnishings, are generally not deductible. Deductible expenses are only present if the office is used (almost) exclusively for business purposes and is the focus of all business activities. This is the case, for example, with writers, painters, composers or experts.

Operating expenses in connection with a study room can be considered in particular proportionate rental costs, operating costs (heating, lighting, insurance, etc.), depreciation, financing costs. Please only enter the expenses for the study room under code **9275**, without recording them under other codes. More information about the office can be found in the income tax guidelines, margin notes 324 et seq.

#### **42 Code 9215: Small workplace flat rate (300 euros for a full business year)**

The workplace flat rate is due if no other room is available to carry out the operational activity. The consideration of a study excludes the workplace flat rate. The **small** workplace allowance is **300 euros** for a full business year if other income from active employment of more than 12,816 euros was achieved, for which another room is available outside the apartment. In addition to the small workplace allowance, only expenses for ergonomically suitable furniture are deductible (code **9216**). The amount of 300 euros must be aliquoted if necessary (25 euros per month). If there are several companies, the workplace allowance is only payable once and must be divided according to the ratio of company income.

#### **43 Code 9216: Expenditure on ergonomically suitable furniture**

Expenses for ergonomically suitable furniture for a workplace set up in the apartment can be taken into account as operating expenses up to a maximum of **300 euros**. Any maximum amount overrun from a previous year must also be recognised here within the maximum amount of EUR 300 (not automatically taken into account).

#### **44 Code 9217: Large workplace allowance (1,200 euros for a full business year)**

The workplace flat rate is due if no other room is available to carry out the operational activity. The consideration of a study excludes the workplace flat rate. The **large** workplace flat rate amounts to **1,200 euros** for a full fiscal year if no other income from active employment of more than 12,816 euros was achieved in the calendar year for which another room outside the home is available. With the workplace flat rate, all expenses arising from the operational use of the apartment are taken into account. The amount of 1,200 euros must be aliquoted if necessary (100 euros per month). If there are several companies, the workplace allowance is only payable once and is to be divided according to the ratio of company income.

#### **45 Code 9220: Interest and similar expenses, EKR 828 - 834**

**45.1 Balance sheet accountants** must record here: Interest on business bank credits, loans, mortgages, payment and commitment commissions for a loan or credit line, overdraft commissions, freight deferral fees, write-offs on capitalised discounts, money procurement costs, discount on bills of exchange, insofar as these are not offset by offsettable discount income, as well as separately invoiced interest on supplier credit. If a discount (damnum) was not capitalised (section 198 para. 7 of the Austrian Commercial Code (UGB)) or if the money procurement costs were

immediately deducted under company law, the procedure (correction) corresponding to section 6 item 3 must be carried out under code **9290**.

**45.2 Cash-basis accountants** must enter here expenditure for the expenses mentioned under item 38.1. It should be noted that, pursuant to section 4, para. 6, prepayments of borrowing costs are to be distributed evenly over the period of the prepayment if they do not only relate to the current and the following calendar year (on this, margin notes 1381 et seq. Austrian Income Tax Guidelines 2000). In such cases, the annual amount for the business year must be recorded here. A discount (damnum) is subject to section 4 para. 6 of the cash-basis accounting. Money procurement costs exceeding the threshold of 900 euros (see margin note 2464 of the Austrian Income Tax Guidelines 2000) must be distributed over the loan term as per margin note 2463 of the Austrian Income Tax Guidelines 2000. In such cases, the annual amount for the business year must also be entered here.

#### **46 Code 9258: Profit shares of genuine silent partners**

Enter here, profit shares of true silent partners to be taken into account as operating expenses, which must be recorded in the income tax return of the recipient as income from capital assets (code **856** of attachment E 1kv) or - if it is a company participation - to be recorded under the code **9090**.

#### **47 Code 9225: Own compulsory insurance, contributions to pension and support institutions and contributions to self-employed provision**

Here enter those expenses that were paid by the entrepreneur for himself/herself as contributions to compulsory insurance or to a pension and support scheme pursuant to section 4 para. 4 item 1 lit. a and b. Contributions to the self-employed pension scheme must also be entered here. These expenses may be recorded in addition to the lump sum pursuant to section 17 para. 1.

#### **48 Code 9243, 9244, 9245, 9246, 9206, 9207, 9208, 9209 (company donations)**

Donations made from the company's assets to the donation recipients named in the respective codes are to be entered in these codes. Any corrections must be recorded under code **9317**.

#### **49 Code 9261 (donations to a charitable foundation)**

Contributions to the endowment of assets of a charitable foundation must be entered here. For the requirements for deductibility see section 4b Austrian Income Tax Act 1988. Any corrections must be recognised in code **9322**.

#### **50 Code 9262 (donations to the Innovation Foundation for Education)**

Donations to the Innovation Foundation for Education and its sub-foundations must be entered here. For the requirements for deductibility see section 4c of the Austrian Income Tax Act 1988. Any corrections must be recorded under code **9325**.

#### **51 Code 9230: Other operating expenses - balance**

The total of all operating expenses incurred or paid out in the calendar year is to be recorded here with the exception of the operating expenses to be entered in the previous codes. A flat rate for operating expenses must not be entered here, but in code **9259**.

## 52 Code 9259: Flat-rate operating expenses

If a consolidation into a lump sum is used, the lump sum for operating expenses must be entered here. **No** entry is required here in cases where an **agricultural and forestry flat rate** is claimed. In such cases, attachment E 1c (individual entrepreneur) should be used. **No** entry is also required here in case when the **commercial full flat rate** for food retail and general goods trade is claimed; in this case, only point 6 of the declaration needs to be completed.

For claiming the **small entrepreneur consolidation into a lump sum**, use attachment **E 1a-K**. Only in cases where, in addition to the profit determined as a lump sum, a gain/loss on disposal, gain/loss on disposal, profit/loss from a transfer must be recorded, use attachment E 1a instead of attachment E 1a-K (see note 12).

Cash-basis accountants that make use of the **lump sum deduction** option according to section 17 para. 1 must enter here the flat-rate operating expenses of 6% or 12%. When using the basic flat rate, in addition to code **9230**, only codes **9100, 9110, 9120, 9160, 9165, 9215, 9217** and **9225** must be entered.

The lump sum deduction is applicable if the turnover in the previous year was not more than 220,000 euros. When applying the consolidation into a lump sum, the operating income is recorded in full, but the operating expenses are deducted at a flat rate of 12% of the turnover. For the following earnings, the flat rate is only 6% of turnover: Freelance or commercial income from commercial or technical consulting, an activity within the meaning of section 22 item 2 (e.g. managing directors of limited liability companies with a significant shareholding, supervisory board members) as well as income from writing, lecturing, scientific, teaching or educational activity.

In addition to the lump sum, only the following may be deducted:

- Expenses for the receipt of goods, raw materials, semi-finished products, auxiliary materials and ingredients (to be entered under code **9100**),
- Expenditure on wages (including non-wage labour costs, must be entered under code **9120**),
- Expenses for third-party wages, insofar as these go directly into services that form the business of the company (e.g. made-to-order production of goods, must be entered in code **9110**),
- social security contributions (must be recorded under code **9225**) and
- contributions to self-employed provision (to be recorded under code **9225**)
- travel expenses, insofar as they are offset by a reimbursement of costs in the same amount; these travel and commuting expenses reduce the turnover relevant for the assessment of the lump sum.
- Workplace flat rate (**9215** or **9217**)
- 50% of the cost of a weekly, monthly and annual mass transit card (**9165**)

All other operating expenses are covered by the operating expenses flat rate. This applies, for example, to depreciation (sections 7, 8 and 13), residual book values of disposed assets, borrowing costs, rent and lease, post and telephone, supplies (combustible fuels), energy and water, advertising, legal and consulting costs, commissions (except quantity-dependent purchase commissions - see margin note 4117 Austrian Income Tax Guidelines 2000), office expenses, premiums for company insurance, company taxes, maintenance, cleaning by third parties, vehicle costs, travel expenses (including daily and accommodation allowances) or tips.

If the **net VAT system** is selected (see note 18.4 above), neither the VAT owed on the basis of supply of goods or

other services nor the sales tax paid to other entrepreneurs is included value added tax (input VAT) nor a VAT payment charge. The operating expenses flat rate is to be valued as a net amount. Irrespective of whether an input VAT flat rate has been selected for the VAT in accordance with section 14 para. 1 item 1 Austrian Value Added Tax Act 1994 or whether the actual input taxes have been applied, no VAT may be deducted from the operating expenses flat rate.

In case the **gross VAT system** was selected (see note 18.3), both the VAT owed on the basis of the supply of goods or other services (under code **9040** or **9050** or – in the case of VAT net representation – under code **9093**) as well as the input VAT paid to other entrepreneurs (under code **9100** and with regard to third-party services, if applicable under code **9110** or – in the case of VAT net representation – under code **9233**) must be taken into account. A VAT payment charge must be entered under code **9230** or a VAT credit under code **9090**. Since the operating expenses allowance must be regarded as a net amount,

- the input VAT attributable to operating expenses" deducted for income tax purposes,
- and in the case of claiming the input tax allowance according to section 14 para. 1 item 1 of the Austrian Value Added Tax Act 1994 the input tax allowance as well
- the input tax attributable to asset acquisitions

must be shown separately as operating expenses under code **9230**.

When claiming the athlete flat rate, the income that is not to be recorded (67%) must not be separated via code 9259. See Note 10.

**53** The determined profit/loss shall be transferred to form E 1 (points 10a, 11a or 12a), unless corrections or additions are made pursuant to point 4.

## 54 To "5th Corrections and additions to the profit determination according to point 4 (tax increase/decrease calculation)"

**54.1 Balance sheet accountants** with profit determination according to **section 5** have to make the necessary corrections to the corporate law approaches to determine the correct taxable profit. Unless special codes are provided for the corrections, they must be recorded under code **9290**.

**54.2 Balance sheet accountants** with profit determination according to **section 4 para. 1** and **cash-basis accountants** must make the corrections and additions necessary to determine the correct taxable profit when the entries made in "4. Profit determination" do not correspond to the values relevant for tax purposes. Unless special codes are provided for the corrections, they must be recorded under code **9290**.

**54.3** Enter here also adaptations that result from the possibility of taxing operating capital yields (usufruct and capital yields) or capital yields relating to business premises with a special tax rate or that must not be recorded in the assessment.

## 55 Code 9276: Investment allowance (10%)

When purchasing or producing depreciable fixed assets, an **investment tax exempt amount** (section 11) can be claimed to reduce profits (see also margin note 3801 et seq. Austrian Income Tax Guidelines 2000). In general, it amounts to **10%** and for assets that can be attributed to the area of environmentalisation, **15%**. The investment

allowance (IFB) can only be claimed for a total of a maximum of 1 million euros in acquisition or production costs in the fiscal year. Assets that have a normal useful life of at least four years and are attributable to domestic companies or domestic permanent establishments are eligible. Certain assets are excluded, e.g. assets that are used to cover an investment-related tax-free profit allowance, buildings, used or low-value assets.

The **10%** investment allowance of the acquisition or production costs must be entered under code **9276**.

### **56 Code 9277: Investment allowance (15%)**

The **15%** investment allowance of the acquisition or production costs for assets that are attributable to the field of environmentalisation, must be entered under code **9277**. The content and procedural requirements for this are regulated in the Eco-IFB Regulation, Federal Law Gazette II No. 155/2023 (see also margin note 3808 et seq. Austrian Income Tax Guidelines 2000).

### **57 Code 9337: Investment allowance subject to subsequent taxation**

If assets for which an investment allowance has been claimed are removed from the business assets before the end of four years or if they are transferred abroad, the investment allowance must be retaxed in the year of removal or transfer and recognised as an increase in income in code **9337**. Subsequent taxation does not apply in the event of withdrawal due to force majeure or official intervention or if the asset is transferred to a member state of the European Union or a member state of the EEA in return for payment.

### **58 Code 9338: Eco-surcharge**

In the case of buildings used for residential purposes, an eco-surcharge of 15% can be recognised as an operating expense for expenses incurred in the assessment year for thermal-energy renovations or for the replacement of a fossil heating system with a climate-friendly heating system.

### **59 Code 9240 Corrections on depreciation on fixed assets (e.g. depreciation, low-value assets, EKR 700 - 708) - Code 9130**

In particular, those corrections made that result from section 8 (e.g. mandatory minimum useful life under tax law for buildings) must be entered here. Depreciation for wear corrections related to accelerated building depreciation must be entered under code **9269**. Depreciation for wear corrections relating to motor vehicles must be made under code **9260**.

### **60 Code 9273: Value adjustment fifths amount ("old receivables")**

For business years that start before 1st January 2021, flat-rate bad debt allowances may also be made; the value adjustment amounts to be taken into account are to be distributed evenly over the business year that begins after 31 December 2020 and the following four business years.

### **61 Code 9274: Reservation fifth amount ("old amounts")**

For business years that start before 1st January 2021, lump sum provisions may also be formed; the reserve amounts to be taken into account must be distributed evenly over the business year beginning after 31 December 2020 and the following four business years.

### **62 Code 9260: Corrections to motor vehicle expenses**

All corrections made with regard to motor vehicles are to be entered here, in particular depreciation corrections resulting from the application of the useful life of eight years, under tax law, corrections resulting from the application of the so-called „luxury tangent“ for motor vehicles and corrections resulting from the consideration of a leasing asset.

### **63 Code 9270: Corrections to rental and lease expenses, leasing (EKR 740 - 743, 744 - 747) – Code 9180**

Any corrections from the private use of rented/leased or leased assets are to be entered here. Corrections in relation to motor vehicles (allocations to a leasing asset item in accordance with section 8 para. 6 item 2) must be entered under code **9260**.

### **64 Code 9280: Corrections to advertising and representation expenses, donations, tips (EKR 765 - 769) - Code 9200**

In particular, those corrections made that result from section 20 para. 1 item 3 (cf. margin note 4808 et seq. of the Austrian Income Tax Guidelines 2000) must be entered here.

### **65 Code 9257: Corrections regarding remuneration for work and work services**

From section 20 para. 1 item 7 and 8, it follows that wages, certain personnel costs, pensions and pension severance payments as well as voluntary severance payments are no longer fully deductible. If the deduction restriction applies, enter the non-deductible amount to correct the value under code **9120** or **9110** under code **9257**.

**66** All income from an operational **capital transfer** (usufruct, not capital gains) including ongoing income from cryptocurrencies that can be taxed at a special tax rate, must be excluded from the tax result of attachment E 1a under code **9283**. This applies both to domestic capital assets subject to final taxation with capital yields tax, provided that this is included in the result of the profit determination according to point 3, as well as to foreign investment income and current income from cryptocurrencies, regardless of whether capital yields tax was withheld. When exercising the standard taxation option pursuant to point 8.1 of Form E 1, this income must be transferred to codes **780/782/784** or **917/918/919**. Otherwise, domestic income that is finally taxed with capital gains tax is not to be included in the Form E 1 at all, foreign income that is to be taxed at a special tax rate, and current income from cryptocurrencies must be included in the code numbers provided for this purpose in the Form E 1.

**67** Income from capital yields realised in the course of business, from derivatives as well as from realised capital yields of cryptocurrencies is generally taxable at the special tax rate, unless the standard taxation option pursuant to item 8.1 of form E 1 is exercised. section 6 item 2 litera c provides for an offsetting in the event of a coincidence of capital yields and losses. Codes **9305** (see note 66) and **9289** (see note 67) are used to implement this taxation sequence.



**68** Under **9305** it is possible to make any corrections that result from the correct determination of capital gains/losses that affect business capital assets, with regard to which the special tax rate is applicable. This may be necessary, for example, if the capital gain under corporate law recorded in point 3 differs from the tax due to differences in the contribution valuation (fair value on the one hand or limitation with the acquisition costs pursuant to section 6 item 5 on the other). The result that may have to be adapted here regarding gains/losses in substance is subsequently decisive.

**69** Code **9289** has a double function:

On the one hand, it serves to implement the offsetting provision of **section 6 item 2 litera c**. According to this, losses from the sale, redemption and other breakdown of assets and derivatives, to the income of which the special tax rate is applicable, are to be offset primarily against positive income from realized increases in value of such assets and derivatives as well as with write-ups of such assets. A remaining negative overhang may only be offset up to 55%.

The capital yields and capital losses are to be recorded in the pre-columns and the balance is to be formed from them. If this is **negative**, only 55% of this may be offset against the other earnings of the business. In this case, 45% of the negative balance must be entered under the **9289** code with a **positive** sign. This means that 45% of the loss is added and the result from point 3 (possibly corrected using the code **9305**) is corrected in accordance with section 6 item 2 litera c.

If the balance of capital gains and capital losses is **positive**, these capital gains are eliminated via code **9289** because they can be taxed at the special tax rate and must therefore be eliminated from the result of attachment E 1a (such as code **9283** with regard to the preferential income from an operational capital transfer). In Form E 1, when exercising the standard taxation option, this income is included under codes **780/782/784** or **917/918/919**, otherwise must be transferred to the codes intended for taxation with the special tax rate.

**70** Capital yields/losses realised in connection with **business properties** are subject to taxation at a special tax rate, unless there is an exception specified in section 30a, para. 3 and 4. However, the standard taxation option can be applied if exercised pursuant to point 8.2 of Form E 1. section 6 item 2 letter d prescribes offsetting if capital gains and losses coincide. Codes **9285** (see note 69) and **9316** (see note 70) are used to implement this taxation sequence.

**71** Enter under **9285** any corrections that may be necessary to ensure correct balancing pursuant to section 6 item 2 litera d or correct tax registration of a capital yields. This may be necessary, for example, because operational real estate using section 30 para. 4 must be taxed at a flat rate, or there are differences between the company law and tax assessment of the contribution and these circumstances have not been reflected in the profit determination pursuant to point 3, because the company law result has been recorded there. If the real estate income tax was taken into account to reduce profits, this must also be corrected here. The result regarding capital gains/losses, which may have to be adapted here, is subsequently decisive.

**72** Code **9316** has a double function:

On the one hand, it serves to implement the offsetting provision of **section 6 item 2 litera d**. According to this, partial value depreciation and losses from the sale of company properties, on whose value increases the special tax rate is applicable, must be offset with priority against positive income from the sale or write-up of such properties of the same company. Any remaining negative surplus may only be compensated for half.

The capital yields and capital losses are to be recorded in the pre-columns and the balance is to be formed from them. If this is **negative**, only 60% of this may be offset against the other earnings of the business. In this case, 40% of the negative balance must be entered in the **9316** code with a **positive** sign. This means that 40% of the loss is added and the result from point 3 (possibly corrected using the code **9285**) is corrected in accordance with section 6 item 2 litera d.

If the balance of the capital gains and substance losses is **positive**, these capital gains are eliminated via code **9316** because they can be taxed at a special tax rate and must therefore be excluded from the result of attachment E 1a (such as code **9289** with regard to the preferential income from realised capital gains and derivatives in business capital assets). In Form E 1, this income must be transferred to the codes **500/501/502** when exercising the standard taxation option, otherwise to the codes provided for taxation with the special tax rate.

**73** If the **standard taxation option** is exercised for **income from management rights**, from which a withholding tax of 10% has been withheld (item 8.3 in Form E 1), this income is taxed at the general tax scale. Enter the income under code **9326**; if they are not set at 33% of the payment amount, their amount must be verified by an expert opinion.

**74** Code **9010**: A change of the method for determining the profit (section 4 para. 10) was made:

Enter under code **9010** - always in the full amount - a **transitional profit** to be recorded in the respective assessment. A transitional loss must only be entered here in full if it is not to be spread over seven years (e.g. business closure). Transitional losses, which must be spread over seven years, must be taken into account with one seventh under code **9242**.

**75** Code **9242**: **Sevenths amounts of a transitional loss of the current year and/or of a previous year**:

The sevenths of the amounts attributable to the respective business year for a transitional loss of the current year or a previous year relating to the business must be entered here.

**76** Code **9247**: **Surcharge/discount pursuant to section 4 para. 2**:

Pursuant to section 4 para. 2 item 2 of the Austrian Income Tax Act 1988, cross-period errors originating in 2003 or a later year may be corrected ex officio or upon application by means of an addition or deduction in the first year not subject to the statute of limitations, provided that they relate to periods subject to the statute of limitations and the error may have an effect on a period not subject to the statute of limitations. For more information, see margin notes 650 et seq. of the Austrian Income Tax Guidelines 2000.

**77** Code **9290**: **Other changes - balance**

Changes that are not assigned to other codes must be recorded under code **9290**.

## 78 Tax-free profit allowance

Note, in the event of the presence of capital **gains** from business premises and operating capital assets: If such capital gains are taxed at the special tax rate (non-exercise of the standard taxation option pursuant to point 8.1 or point 8.2 of Form E 1 and entry in the code numbers provided for the application of the special tax rates), the tax-free profit allowance attributable to these gains must be deducted from this income bring and must not reduce the income subject to tariff tax. Under codes **9221**, **9227** and **9229**, only the tax-free profit attributable to the income subject to tariff tax may be taken into account in this case. In this case, the value reduced by the applicable tax-free profit allowance must be entered in form E 1 under the relevant codes.

## 79 Code 9221: Basic allowance

A basic allowance of 15% of the profit (excluding capital gains), but no more than EUR 4,950 per person and year of assessment.

## 80 Waiver of basic allowance

Since the basic allowance is generally granted in the income tax procedure without filing an application, you have the option of waiving it.

## 81 Code 9227: Investment-Related Profit Allowance for Tangible Assets

Insofar as the profit (excluding capital gains) exceeds the assessment basis of the basic tax-free allowance, an investment-related tax-free profit allowance can be claimed insofar as this is covered by the acquisition or manufacture of certain tangible assets (see margin note 3828 of the Austrian Income Tax Guidelines 2000).

The tax base for the tax-free profit allowance always includes capital yields on business capital assets and business real estate, while capital gains eligible for final taxation (usufruct, not capital) are only included if they are taxed at the standard rate on the basis of a standard taxation application (item 8.1 of form E 1) and are recorded in form E 1 under codes **780/782/784** or **917/ 918/919**. The percentage of the profit-free amount is staggered (section 10 para. 1). In code **9227**, enter the amount that is to be taken into account as an exemption pursuant to section 10.

## 82 Code 9229: Investment-related tax-exempt amount for securities

Insofar as the profit (excluding capital gains) exceeds the assessment basis of the basic tax-free profit allowance, an investment-related profit tax-free allowance can be claimed insofar as this is covered by the purchase of securities (section 14 para. 7 item 4).

The tax base for the tax-free profit allowance always includes capital yields on business capital assets and business real estate, while capital gains eligible for final taxation (section 27 para. 2 item 1 and 2) are only included if they are taxed at the standard rate on the basis of a standard taxation application (point 8.1 of form E 1) and are recorded in form E 1 under codes **780/782/784** or **917/918/919**. The percentage of the tax-free profit allowance is staggered (section 10 para. 1). In code **9229**, enter the amount that is to be taken into account as an exemption pursuant to section 10.

## 83 Code 9234: Post tax-free profit allowance (section 10)

Enter a tax-free profit allowance that is subject to

subsequent taxation. For subsequent taxation, see in particular margin note 3860j of the Austrian Income Tax Guidelines 2000.

## 84 Code 9020: Sale/closing of business

Under code **9020**, a capital gain or capital loss must be entered in full, regardless of tax benefits.

## 85 Code 9021: Tax exempt amount for capital gain

If the entire business is sold or given up, an allowance of up to EUR 7,300 (or a pro rata allowance for the sale of a part of the business/co-entrepreneur share) can be taken into account under code **9021**. The tax exempt amount may not be higher than the capital gain pursuant to code **9020**. If this option is exercised, distribution of the capital gains over three years is not permitted. If the conditions for the application of half the tax rate are met or if the business is sold for a pension, no allowance may be taken into account.

## 86 Code 9030: Amount of profit or loss to be eliminated

See also Note 1.4. In particular, under code **9030**, enter **foreign profits** (foreign profits related to permanent establishments) - without a sign - which are tax-free in Austria and are therefore **not** included in the income tax base. **Foreign losses** (losses related to the foreign establishment) - with a negative sign - should also be entered here, if they should not be included in the income tax assessment basis (cf. margin note 210 of the Austrian Income Tax Guidelines 2000). Entries without a sign (profits or portions of profits) reduce the taxable profit (however, they must be taken into account by entering them under code **440** of the income tax return for the progression proviso); entries with a negative sign (losses or parts of losses) reduce the taxable loss (and must not be included under code **746** or **944** of the income tax return ).

An entry is made here for:

- Foreign profits that are tax-free in Austria due to a double taxation agreement and
- Foreign losses that should not be included in the income tax assessment basis (cf. margin note 210 of the Austrian Income Tax Guidelines 2000).

If the entire profit is tax-exempt, the amount to be entered in code **9030** corresponds to the determined taxable profit. If the entire loss must not be compensated, the loss to be entered in code **9030** coincides with the calculated tax loss. If only part of the operating profit is tax-exempt (e.g. the profit from the foreign branch), the branch profit to be excluded is separated by entering it under code **9030**. If a loss attributable to a foreign permanent establishment must not be compensated pursuant to margin note 210 of the Austrian Income Tax Guidelines 2000, this permanent establishment loss is excluded (added) by entering it under code **9030**.

Enter also under this code, those profit/loss shares that are attributable to the legal successor or legal predecessor in cases of a **free transfer of the business** due to an aliquot income deferral (see margin note 109 of the Austrian Income Tax Guidelines 2000). In such cases, a complete attachment E 1a must be completed by both the legal predecessor and the legal successor; in the case of the legal predecessor, the share attributable to the legal successor must be excluded under code **9030** the legal successor must exclude the share attributable to the legal predecessor under code **9030**.

**87** The determined **taxable profit/loss** without tax-deductible capital yields (usufruct and capital) and realised increases in the value of the business real estate, must be included in form E 1 in points 10.1, 11.1 or 12.1.

## To "6. Balance sheet items (ONLY for balance sheet accountants pursuant to section 4 para. 1 or 5)"

Only balance sheet accountants as per the balance sheet, are required to enter information under code **9300** to **9370**:

### **88 Code 9300: Private withdrawals (less Private deposits), EKR 96**

Here is the total of private withdrawals recorded on accounts EKR 960 - 969 ("Private and clearing accounts for sole proprietorships and partnerships") must entered after deduction of private contributions. If private deposits exceed private withdrawals, the surplus should be entered with a negative sign.

### **89 Code 9310: Real estate (EKR 020 - 022)**

Enter here the sum of the values on the accounts EKR 020 ("undeveloped land"), 021 ("developed land") and 022 ("agricultural land"). The accounts EKR 031 - 039 must not be recorded.

### **90 Code 9320: Building on own property (EKR 030, 031)**

Enter here the value on account EKR 030 ("Operational and commercial building on own property") and EKR 031 ("Residential and social building on own property"). The accounts EKR 032 - 039 must not be recorded. If indirect depreciation is chosen, the acquisition or production costs or the partial value must be shown in this code; if direct depreciation is chosen, the respective residual book value must be shown. Once the depreciation method has been chosen, it should be retained.

### **91 Code 9330: Financial assets (EKR 08 - 09)**

Enter here the sum of the values on accounts EKR 08 - 09. Specifically, this affects the accounts: 080 ("Shares in affiliated companies"), 081 ("Shares in joint ventures"), 082 ("Participations in affiliated [associated] companies", 083 ("Other investments"), 084 ("Loans to affiliated companies"), 085 ("Loans to affiliated companies"), 086 („Other loans"), 087 („Shares in non-participating corporations"), 088 („Shares in non-participating partnerships"), 090 ("Cooperative shares without holding character"), 091 ("Proportion e to investment funds"), 092 - 093 ("Fixed-interest securities", 094 - 097 ("Other financial assets, book-entry securities"), 098 ( "Prepayments made") and 099 ("Accumulated depreciation").

### **92 Code 9340: Stocks (EKR 100 - 199)**

Enter here the sum of the values on accounts EKR 100 - 199. Specifically, this affects the accounts: 100 - 109 ("purchase calculation"), 110 - 119 ("raw materials"), 120 - 129 ("purchased parts"), 130 - 134 ("auxiliary materials"), 135 - 139 ("consumables" ), 140 - 149 ("work in progress"),

150 - 159 ("finished goods"), 160 - 169 ("goods"), 170 - 179 ("services not yet billable"), 180 ("prepayments made ") and 190 - 199 ("value adjustments").

### **93 Code 9350: Receivables from supply of goods and services (EKR 20 - 21 )**

Enter here the sum of the values on accounts EKR 20 - 21. Specifically, this affects the accounts: 200 - 207 ("Receivables from domestic supply of goods and services"), 208 ("Individual allowances for receivables from domestic supply of goods and services"), 209 („General value adjustment for receivables from domestic supply of goods and services"), 210 - 212 („Receivables from supply of goods and services within the currency union" ), 213 ("Individual allowances for receivables from supply of goods and services within the currency union"), 214 ( "General value adjustment for receivables from supply of goods and services within the currency union"), 215 - 217 ("Receivables from supply of goods and services to other foreign countries"), 218 ("Individual general value adjustments for receivables from supply of goods and services to other foreign countries") and 219 ("General value adjustment for receivables from supply of goods and services within the currency union to other foreign countries").

### **94 Code 9360: Other provisions (excluding provisions for severance payments, pensions and taxes) EKR 304 - 309**

Enter the sum of the values on the accounts EKR 304 - 309 ("Other provisions").

### **95 Code 9363: General provisions for other contingent liabilities**

For business years beginning after 31 December 2022, flat-rate provisions are also permissible for tax purposes under the conditions of section 201 para. 2 item 7 of the Austrian Commercial Code (UGB).

### **96 Code 9370: Liabilities to credit institutions and financial institutions EKR 311 - 319**

Enter here the sum of the values on accounts EKR 311 - 319. Specifically, this affects accounts 311 - 317 („Liabilities to credit institutions") and 318 - 319 ("Liabilities to financial institutions").

**97** In the case of claiming the full commercial flat rate for **grocery retailers**, complete (only) point 6 of attachment E 1a. The information from point 6 (codes **9006, 9010, 9242, 9020** and **9021**) must be included in point 12a of form E 1.

### **98 Property withdrawn at book value**

If a property was withdrawn from the business assets at book value, it must be recognised here with the data provided. In the case of undeveloped land, the book value attributable to the building is not stated. If more than three properties have been removed, please indicate this with the number of properties removed. If the option pursuant to section 24 para. 6 is exercised, no entries are to be made here for the property concerned.



## 99 Industry Key Figures

The industry indicators (BKZ) were derived from ÖNACE 2008 (Austrian version of NACE = European classification of economic activities). Enter the three-digit number (BKZ) in the space provided on forms E 1a, E 1a-K, K1 or K 2a.

The three-digit industry code corresponds to the first three digits (with a leading zero) of ÖNACE. As a rule, this can be seen from the notification from the Federal Statistics Office in Austria, so that it can be easily assigned.

In the 2nd column (ECONOMIC ACTIVITIES) of the following table you will find the corresponding text of the economic activity assigned to this three-digit industry code.

If, exceptionally, there is no notification from Statistics Austria, a specific assignment of an activity to the industry code can be found at the Internet address [statistic.at](http://statistic.at) in the area "Classifications - Classification database - Economic sectors - ÖNACE 2008". The display can be searched using the ÖNACE structure.

An alphabetical table is available for download under "Downloads". You can use the "Search" function to find all of ÖNACE's economic activities (occupations) in a directory containing around 29,000 terms. The code found in this way, consisting of a combination of letters and numbers, enables assignment to the correct industry code.

Example: "Freshwater fishing" – ÖNACE code "A 03.12" corresponds to BKZ 031 (fishing) or "chimney sweeps" – ÖNACE code "N 81.22-1" corresponds to BKZ 812 (cleaning of buildings, streets and means of transport).

Economic activities are divided into sections in the table below.

Please also note the explanations on mixed farms in Note 13 section B of this form.

| BKZ      | ECONOMIC ACTIVITIES   |
|----------|---|
| <b>A</b> | <b>Agriculture and forestry, fisheries</b>  |
| 011      | Cultivation of annual plants  |
| 012      | Cultivation of perennial plants   |
| 013      | Operation of tree nurseries and cultivation of plants for propagation purposes  |
| 014      | Livestock farming   |
| 015      | Mixed Farming   |
| 016      | Provision of agricultural services  |
| 017      | Hunting, trapping and related activities  |
| 021      | and forestry  |
| 022      | logging   |
| 023      | Collecting wild products (excluding wood)   |
| 024      | Provision of forestry and logging services  |
| 031      | Fisheries   |
| 032      | Aquaculture   |
| <b>B</b> | <b>Mining and quarrying of stone and earth</b>  |
| 051      | Coal mining   |
| 052      | Lignite mining  |
| 061      | Extraction of petroleum   |
| 062      | Extraction of natural gas   |
| 071      | Iron ore mining   |
| 072      | Non-ferrous metal ore mining  |
| 081      | Extraction of natural stones, gravel, sand, clay and kaolin   |
| 089      | Other mining; Quarrying of stone and earth (not otherwise specified)  |
| 091      | Provision of services for the extraction of oil and natural gas   |
| 099      | Provision of services for other mining and quarrying  |
| <b>C</b> | <b>Manufacture of goods</b>   |
| 101      | Slaughtering and meat processing  |
| 102      | Fish processing   |
| 103      | Fruit and vegetable processing  |
| 104      | Manufacture of vegetable and animal oils and fats   |
| 105      | Milk processing   |
| 106      | Grinding and hulling mills, manufacture of starch and starch products   |
| 107      | Production of baked goods and pasta   |
| 108      | Manufacture of other foods  |
| 109      | Production of animal feed   |
| 110      | Beverage production   |
| 120      | Tobacco processing  |
| 131      | Textile processing and spinning   |
| 132      | Weaving   |
| 133      | Finishing of textiles and clothing  |
| 139      | Manufacture of other textile goods  |
| 141      | Manufacture of clothing (excluding fur garments)  |
| 142      | Manufacture of fur garments   |
| 143      | Manufacture of clothing from knitted and crocheted fabrics  |
| 151      | Manufacture of leather and leather goods (excluding manufacture of leather clothing)                                    |
| 152      | Manufacture of shoes  |
| 161      | Sawmills, planers and wood impregnation plants  |
| 162      | Manufacture of other wood, cork, wicker and wicker products (excluding furniture)                                       |
| 171      | Production of wood and pulp, paper, cardboard and paper board   |
| 172      | Manufacture of goods from paper, cardboard and cardboard  |
| 181      | Production of printed matter  |
| 182      | Duplication of pre-recorded sound, image and data carriers  |
| 191      | Coking plant  |
| 192      | Petroleum processing  |
| 201      | Manufacturer of chem. raw materials, fertilisers and nitrogen compounds; Plastic and synthetic rubber in primary moulds |
| 202      | Manufacture of pesticides, plant protection and disinfectants   |
| 203      | Manufacture of paints, printing inks and putties  |
| 204      | Manufacture of soaps, detergents, cleaning and body care products and fragrances  |

| <b>BKZ</b> | <b>ECONOMIC ACTIVITIES</b>   |
|------------|--|
| 205        | Manufacture of other chemical products   |
| 206        | Manufacturing of chemical fibres   |
| 211        | Manufacture of pharmaceutical raw materials  |
| 212        | Manufacture of pharmaceutical specialities and other pharmaceutical products                               |
| 221        | Manufacture of rubber goods  |
| 222        | Manufacture of plastic goods   |
| 231        | Manufacture of glass and glassware   |
| 232        | Manufacture of refractory ceramic materials and goods  |
| 233        | Manufacture of ceramic building materials  |
| 234        | Manufacture of other porcelain and ceramic products  |
| 235        | Manufacture of cement, lime and fired plaster  |
| 236        | Manufacture of products from concrete, cement and plaster  |
| 237        | Machining and processing of natural stones and stones (not mentioned elsewhere)                            |
| 241        | Production of hot metal, steel and ferro-alloys  |
| 242        | Manufacture of steel pipes, pipe fittings, pipe plugs and pipe connectors made of steel                    |
| 243        | Other first processing of iron and steel   |
| 239        | Manufacture of abrasives and coated abrasives and other non-metallic minerals (not otherwise specified)    |
| 244        | Production and initial processing of non-ferrous metals  |
| 245        | Foundries  |
| 251        | Steel and light metal construction   |
| 252        | Manufacture of metal tanks and containers; Manufacture of radiators and boilers for central heating        |
| 253        | Manufacture of steam boilers (excluding central heating boilers)   |
| 254        | Manufacture of weapons and ammunition  |
| 255        | Manufacture of forged, pressed, drawn and stamped parts, rolled rings and powder metallurgy products       |
| 256        | Surface finishing and heat treatment; Mechanics (not mentioned elsewhere)                                  |
| 257        | Manufacture of cutlery, tools, locks and fittings of base metal  |
| 259        | Manufacture of other metal goods   |
| 261        | Manufacture of electronic components and printed circuit boards  |
| 262        | Manufacture of data processing equipment and peripheral equipment  |
| 263        | Manufacture of devices and equipment for telecommunications technology                                     |
| 264        | Manufacture of consumer electronics devices  |
| 265        | Manufacture of measuring, control, navigation and similar instruments and devices; Manufacture of clocks   |
| 266        | Manufacture of radiation and electrotherapy devices and electromedical devices                             |
| 267        | Manufacture of optical and photographic instruments and devices  |
| 268        | Manufacture of magnetic and optical data carriers  |
| 271        | Manufacture of electric motors, generators, transformers, electricity distribution and switching equipment |
| 272        | Manufacture of batteries and accumulators  |
| 273        | Manufacture of cables and electrical installation material   |
| 274        | Manufacture of electric lamps and lights   |
| 275        | Manufacture of household appliances  |
| 279        | Manufacture of other electrical equipment and devices (not mentioned elsewhere)                            |
| 281        | Manufacture of non-sector-specific machines  |
| 282        | Manufacture of other non-sector-specific machines  |
| 283        | Manufacture of agricultural and forestry machinery   |
| 284        | Manufacture of machine tools   |
| 289        | Manufacture of machines for other specific industries  |
| 291        | Manufacture of automobiles and automobile engines  |
| 292        | Manufacture of bodies, superstructures and trailers  |
| 293        | Manufacture of parts and accessories for motor vehicles  |
| 301        | Ship and boat building   |
| 302        | Rail vehicles construction   |
| 303        | Aerospace engineering  |
| 304        | Manufacture of military combat vehicles  |
| 309        | Manufacture of vehicles (not mentioned elsewhere)  |
| 310        | Manufacture of furniture   |
| 321        | Production of coins, jewellery and similar products  |
| 322        | Manufacture of musical instruments   |
| 323        | Manufacture of sports equipment  |
| 324        | Manufacture of toys  |
| 325        | Manufacture of medical and dental apparatus and materials  |
| 329        | Manufacture of products (not mentioned elsewhere)  |
| 331        | Repair of metal products, machines and equipment   |
| 332        | Installation of machinery and equipment (not mentioned elsewhere)  |
| <b>D</b>   | <b>Power supply</b>  |
| 351        | Electricity supply   |
| 352        | Gas supply   |
| 353        | Heat and cooling supply  |
| <b>E</b>   | <b>Water supply; Sewage and waste disposal and clean-up of environmental pollution</b>                     |
| 360        | Water supply   |
| 370        | Sanitation   |
| 381        | Collection of waste  |
| 382        | Waste treatment and disposal   |
| 383        | Recovery   |
| 390        | Clean-up of environmental pollution and other waste disposal   |
| <b>F</b>   | <b>Construction</b>  |
| 411        | Property development; Property developer   |
| 412        | Construction of buildings  |
| 421        | Construction of roads and railway lines  |

| <b>BKZ</b> | <b>ECONOMIC ACTIVITIES</b>  |
|------------|---|
| 422        | Civil engineering and sewage treatment plant construction   |
| 429        | Other civil engineering   |
| 431        | Demolition work and preparatory site work   |
| 432        | Construction installation   |
| 433        | Other expansions  |
| 439        | Other specialised construction activities   |
| <b>G</b>   | <b>Trade; Maintenance and repair of motor vehicles</b>  |
| 451        | Trading in motor vehicles   |
| 452        | Maintenance and repair of motor vehicles  |
| 453        | Trading in motor vehicle parts and accessories  |
| 454        | Trading in motorcycles, motorcycle parts and accessories; Maintenance and repair of motorcycles         |
| 461        | Commercial mediation  |
| 462        | Wholesale of agricultural commodities and live animals  |
| 463        | Wholesale of food, beverages and tobacco products   |
| 464        | Wholesale trade in consumer goods   |
| 465        | Wholesale of information and communication technology equipment   |
| 466        | Wholesale of other machines, equipment and accessories  |
| 467        | Other wholesale   |
| 469        | Wholesale without a distinct focus  |
| 471        | Retail sale of goods of various kinds (in sales rooms)  |
| 472        | Retail sale of food, beverages and tobacco products (in sales rooms)                                    |
| 473        | Motor fuel retail (petrol stations)   |
| 474        | Retail sale of information and communication technology devices (in sales rooms)                        |
| 475        | Retail sale of other household appliances, textiles, do-it-yourself and furnishing needs (in showrooms) |
| 476        | Retail of publishing products, sports equipment and toys (in store)                                     |
| 477        | Retail sale of other goods (in sales rooms)   |
| 478        | Retailing at stalls and markets   |
| 479        | Retail, not in sales rooms, stalls or markets   |
| <b>H</b>   | <b>Transportation and storage</b>   |
| 491        | Long-distance passenger transport   |
| 492        | Goods carriage by rail  |
| 493        | Other land passenger transport  |
| 494        | Road transport of goods, removal transport  |
| 495        | Transport in long-distance pipelines  |
| 501        | Passenger transport in sea and coastal shipping   |
| 502        | Goods transport in sea and coastal shipping   |
| 503        | Passenger transport in inland waterways   |
| 504        | Goods transport in inland waterways   |
| 511        | Passenger transport in aviation   |
| 512        | Cargo transportation in aviation and space transport  |
| 521        | Storage   |
| 522        | Provision of other transport services   |
| 531        | Postal services provided by universal service providers   |
| 532        | Other postal, courier and express services  |
| <b>I</b>   | <b>Accommodation and gastronomy</b>   |
| 551        | Hotels, inns and guest-houses   |
| 552        | Holiday dwellings and similar accommodation facilities  |
| 553        | Camp-sites  |
| 559        | Other accommodation facilities  |
| 561        | Restaurants, pubs, snack bars, cafés, ice cream parlours, etc.  |
| 562        | Caterer and provision of other catering services  |
| 563        | Dispensing of drinks  |
| <b>Y</b>   | <b>Information and communication</b>  |
| 581        | Publishing of books and magazines; Other publishing (without software)                                  |
| 582        | Publishing of software  |
| 591        | Production of films and television programs, their rental and distribution, cinemas                     |
| 592        | Recording studios; Production of radio contributions; Laying of pre-recorded sound carriers and music   |
| 601        | Radio broadcaster   |
| 602        | Broadcaster   |
| 611        | Wired Telecommunications  |
| 612        | Wireless telecommunications   |
| 613        | Satellite telecommunications  |
| 619        | Other telecommunications  |
| 620        | Provision of information technology services  |
| 631        | Data processing, hosting and related activities; Web portals  |
| 639        | Provision of other information services   |
| <b>K</b>   | <b>Provision of financial and insurance services</b>  |
| 641        | Central banks and credit institutions   |
| 642        | Holding companies   |
| 643        | Trusts and other funds and similar financial institutions   |
| 649        | Other financing institutions  |
| 651        | Insurances  |
| 652        | Reinsurance   |
| 653        | Pension funds and pension funds   |
| 661        | Activities related to financial services  |
| 662        | Activities related to insurance services and pension funds  |
| 663        | Fund management   |



| <b>BKZ</b> | <b>ECONOMIC ACTIVITIES</b>  |
|------------|---|
| <b>L</b>   | <b>Real estate and housing</b>  |
| 681        | Purchase and sale of own land, buildings and apartments   |
| 682        | Rental, leasing of own or leased land, buildings and apartments   |
| 683        | Brokerage and management of land, buildings and apartments, for others  |
| <b>M</b>   | <b>Provision of freelance, scientific and technical services</b>  |
| 691        | Legal advice  |
| 692        | Auditing and tax advice; Accounting   |
| 701        | Administration and management of companies and businesses   |
| 702        | Public relations and business consulting  |
| 711        | Architectural and engineering offices   |
| 712        | Technical, physical and chemical analysis   |
| 721        | Research and development in the field of natural sciences, engineering, agricultural sciences and medicine      |
| 731        | Advertising   |
| 732        | Market and Opinion Research   |
| 722        | Research and development in the field of law, economics, social sciences, linguistics, cultural studies and art |
| 741        | Textile, jewellery, graphic and similar design studios Design   |
| 742        | Photography and Photo Laboratories  |
| 743        | Translation and interpreting  |
| 749        | Activities not elsewhere classified   |
| 750        | Veterinary  |
| <b>N</b>   | <b>Provision of other economic services</b>   |
| 771        | Rental of motor vehicles  |
| 772        | Rental of consumer goods  |
| 773        | Rental of machines, devices and other movable property  |
| 774        | Leasing of non-financial intangible assets (without copyrights)   |
| 781        | Labour recruitment  |
| 782        | Temporary leasing of workers  |
| 783        | Other leasing of workers  |
| 791        | Travel agencies and tour operators  |
| 799        | Provision of other reservation services   |
| 801        | Private guard and security services   |
| 802        | Security services using surveillance and alarm systems  |
| 803        | Detective agencies  |
| 811        | Janitorial services   |
| 812        | Cleaning of buildings, streets and means of transport   |
| 813        | Gardening and landscaping and the provision of other horticultural services                                     |
| 821        | Secretarial and typing services, copy shops   |
| 822        | Call centres  |
| 823        | Trade fair, exhibition and congress organisers  |
| 829        | Provision of other economic services for companies and individuals  |
| <b>O</b>   | <b>Public Administration, Defence; Social security coverage</b>   |
| 841        | Public Administration, Defence;   |
| 842        | Foreign Affairs, Defence, Justice, Public Security and Order  |
| 843        | Social security coverage  |
| <b>P</b>   | <b>Education and teaching</b>   |
| 851        | Kindergartens and preschools  |
| 852        | Elementary schools  |
| 853        | Further training  |
| 854        | Tertiary and post-secondary non-tertiary education  |
| 855        | Other lessons   |
| 856        | Provision of teaching services  |
| <b>Q</b>   | <b>Health and social care</b>   |
| 861        | Hospitals   |
| 862        | Medical and dental practices  |
| 869        | Healthcare not elsewhere mentioned  |
| 871        | Nursing homes   |
| 872        | In-patient facilities for psychosocial care, combating addiction, etc.  |
| 873        | Retirement homes; Homes for the elderly and disabled  |
| 879        | Other homes (excluding convalescent homes and holiday homes)  |
| 881        | Social care for the elderly and disabled  |
| 889        | Other social affairs (without homes)  |
| <b>R</b>   | <b>Arts, Entertainment and Recreation</b>   |
| 900        | Creative, artistic and entertainment activities   |
| 910        | Libraries, archives, museums, botanical and zoological gardens  |
| 920        | Gaming, betting and lottery services  |
| 931        | Provision of sports services  |
| 932        | Provision of other entertainment and recreation services  |
| <b>S</b>   | <b>Provision of Other Services</b>  |
| 941        | Business and employer associations, professional organisations  |
| 942        | Workers' associations   |
| 949        | Church associations; Political parties and other interest groups and associations not elsewhere mentioned       |
| 951        | Repair of data processing and telecommunications equipment  |
| 952        | Repair of consumer goods  |
| 960        | Provision of other predominantly personal services  |
| <b>T</b>   | <b>Private households, activities by private households</b>   |
| 970        | Private households with domestic staff  |
| 981        | Manufacture of goods by private households for their own use without a distinct focus                           |
| 982        | Provision of services by private households for their own use without a distinct focus                          |
| <b>U</b>   | <b>Extraterritorial Organisations and Bodies</b>  |
| 990        | Extraterritorial Organisations and Bodies   |