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Inhalt

The Austrian Tax and Customs Administration ................................................. 5
Tasks, Core Activities and Objectives ............................................................... 6
Organisation, Strategy and Mission ................................................................. 8
Resources and Employees .............................................................................. 10
Performance, Facts and Figures ..................................................................... 11
Development of Customer Relations to Improve Tax Compliance .................. 15
Reduction of Process Duration ........................................................................ 16
Improvement of Customer Management ....................................................... 16
Strengthening of Tax Compliance ................................................................. 17
Risk-Oriented Audit and Control Activity ....................................................... 19
Efficient Execution of Audits ......................................................................... 20
Intensification of Efforts in Audit Cases with an International Element ............ 20
Central and Local Risk Management in the Customs Administration ................ 21
Timely and Correct Levy of Taxes and Duties ................................................ 23
Audit- and Process-Accompanying Measures ................................................ 24
International Control System ......................................................................... 24
Direct Debit System for Income Tax Prepayments .......................................... 25
Protection of Society and the Economy ......................................................... 27
Control Measures Based on Financial Police Powers .................................... 28
Combating Cross-Border VAT Fraud ............................................................ 28
Safeguarding of Free Movement of Goods ..................................................... 29
Employee Development and Support .......................................................... 33
Personnel Marketing and Recruiting ............................................................ 34
Training of New Employees .......................................................................... 35
Knowledge Acquisition and Transfer ............................................................ 35
Organisational Development ......................................................................... 39
FinanzOnline for Private Individuals ............................................................. 40
New Family Allowance Application ................................................................. 41
Expansion of Financial Services Centre .......................................................... 42
International Cooperation .............................................................................. 45
International Compliance Assurance Programme ......................................... 46
Community of Interest on Behavioral Insights ................................................. 46
International Customs Cooperation ................................................................. 47
Social Responsibility ...................................................................................... 51
Promotion of Top-Level Sport ......................................................................... 52
International Customs Ski Championships and Federal Executive Ski Championships... 53
Company Kindergarten at the Financial Centre Wien Mitte ................................ 53
Modernisation of the Tax and Customs Administration .................................. 57
The New Financial Administration .................................................................. 58
Programme History ......................................................................................... 58
Outlook ........................................................................................................... 61
Unchangeable Tax Number .............................................................................. 62
Cancellation of Tax Relief on Small Consignments ......................................... 62
Obligation to Report Harmful Tax Practices .................................................. 62
Arranging Appointments – We Take Time for You ......................................... 63
Facts and Figures in Comparison .................................................................... 65
The Austrian Tax and Customs Administration

The Austrian Tax and Customs Administration is among the most innovative and successful administrations in Europe. As a modern and service-oriented institution we continuously endeavour to simplify our services as much as possible for our citizens. We see our role as a partner for taxpayers and are driven by the principles of attention to service and efficiency.

This focus on service includes a target group-appropriate tax compliance strategy that enables honest companies and taxpayers to meet their tax obligations easily and unburdened, thereby increasing planning reliability and legal certainty for businesses.

The annual report of the Austrian Tax and Customs Administration provides an insight into its tasks, organisation, ongoing projects, objectives and achievements in 2019.
Tasks, Core Activities and Objectives

Tasks of the Tax and Customs Administration
The fundamental task of the Tax and Customs Administration is to safeguard the financial interests of the Republic of Austria and the European Union. Taxes and contributions are the foundation of our society and are used to finance the state’s polity. It is the responsibility of the Austrian Financial Administration to levy the federally regulated taxes and contributions and to disburse family allowance payments and other benefits.

Besides securing tax revenues and enforcing tax regulations, customs affairs are an important part of the Austrian Financial Administration’s portfolio. As part of the European Union Customs Union, the Austrian Customs Administration guarantees security for the free exchange of goods as well as monitoring the observance of national regulations.

Following the principle of neutrality, the Austrian Financial Administration secures the framework conditions for fair competition in the economy. The Tax and Customs Administration supports those who pay their taxes in full and on time, while pursuing those who do not act in accordance with the law. This applies to companies and citizens alike.

Anti-fraud activities and regulatory measures by the Financial Police (e.g. verification of compliance with gambling laws) round off the scope of the Financial Administration’s tasks.

The Tasks of the Tax and Customs Administration

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<thead>
<tr>
<th>Securing tax revenues</th>
<th>Enforcing tax regulations</th>
<th>Customs affairs</th>
</tr>
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<tbody>
<tr>
<td>Security for the free exchange of goods</td>
<td>Anti-fraud operations</td>
<td>Compliance with gambling laws</td>
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Core Activities and Objectives
Target agreements represent a significant element of the management philosophy of the Austrian Federal Ministry of Finance. They guarantee the predictability of performance and resources in the Tax and Customs Administration, and are therefore also a requirement for self-monitoring and financial controlling.

Six strategic objectives are defined for the tax offices, customs offices and federal departments (Tax Office for Duties, Transfer Taxes and Gambling, Audit Unit for Large Traders, Tax Investigation Unit and Financial Police) within a target agreement and concretised through core areas and performance goals. The target agreement must always take into consideration the principle of impact orientation, which is an important element of the reform of federal budget law. In order to evaluate this impact orientation, certain key indicators are monitored continually.

The Objectives of the Tax and Customs Administration

- Development of customer relations to improve tax compliance
- Risk-oriented audit and control activity
- Timely and correct levy of taxes and duties
- Protection of society and the economy
- Internal development: employee development and support
- Internal development: organisational development

The target agreements are in line with the quality and performance standards defined in the Charter of the Tax and Customs Administration for relationships between the Administration and citizens, which are based on transparency, trust and cooperation as well as the regulations in the organisational handbook and in supplementary decrees.

The Charter of the Austrian Tax and Customs Administration
You can find the Charter of the Austrian Tax and Customs Administration at www.bmf.gv.at/en/ > Publications.
Organisation, Strategy and Mission

Organisation of the Tax and Customs Administration
The Austrian Tax and Customs Administration is a modern, efficient and service-oriented institution. Flat hierarchies, flexible forms of employment as well as performance and impact orientation characterise its organisation.

In addition to the Federal Ministry of Finance and the Tax and Customs Coordination Office, which is responsible for controlling and supporting the subordinate organisational units, the Financial Administration consists of the following organisational units:

- 39 tax offices (with certain special competences at some tax offices)
- 1 Tax Office for Duties, Transfer Taxes and Gambling
- 9 customs offices (with special competence centres at some customs offices)
- 1 Audit Unit for Large Traders
- 1 Tax Investigation Unit
- 1 Financial Police

For efficient control and support, our tax authorities (tax and customs offices) are divided into five regions. The regional areas of responsibility extend for
  - the central region, to the federal states of Upper Austria and Salzburg,
  - the eastern region, to Lower Austria and Burgenland,
  - the southern region, to Styria and Carinthia,
  - the western region, to Tyrol and Vorarlberg and for
  - the Vienna region, to the federal state of Vienna

Agencies with nationwide competence (Tax Office for Duties, Transfer Taxes and Gambling, Audit Unit for Large Traders, Tax Investigation Unit and Financial Police) have offices in all five regions.

Locations of the Austrian Tax and Customs Administration
You can find the locations of the Austrian Tax and Customs Administration with information on opening hours at www.bmf.gv.at/en/ > Offices.
Strategy and Mission
The strategy of the Federal Ministry of Finance includes the medium- to long-term strategic goals of the Financial Administration. The contents are compiled by interdepartmental work groups, and agreed and approved by the head of department. As an internal document, it forms the basis for the annual target agreement process for all managers and employees.

The Austrian Financial Administration is supposed to be a national and international best practice example for other administrations. Our strategic focus on the road to this goal is to improve the attractiveness of the Financial Administration as an employer, ensure sustainable public finances and good governance, structure the organisation of the Financial Administration in a service-oriented and efficient manner, increase locational quality and take an active role on the international stage.

Mission of the Tax and Customs Administration

Our fundamental task is to safeguard the financial interests of the Republic of Austria and thus, in particular, the levy of taxes and contributions.

At the same time, we are an acknowledged partner of the Austrian economy and one of the defining factors in the ongoing maintenance and strengthening of Austria as a business location.

Through our control, monitoring and audit activities, we contribute significantly to the protection of the honest economy, society and the environment, and also to implementing the principle of uniformity of taxation.

Our primary concerns are service-orientation, proximity to the citizens and transparency.

We actively participate in international decisions and work closely with other authorities at national and international level.
Resources and Employees

Resources of the Tax and Customs Administration
The Austrian Tax and Customs Administration’s employees are its most important resource. However, there are also a large number of material prerequisites and conditions that enable us to work efficiently in the first place. Here is a brief overview:

- The tax offices are located at 67 sites throughout Austria; 9 of the 15 customs office sites are located in a tax office
- Almost all the tax and customs administration offices dealing with customers have a large degree of barrier-free accessibility
- Work stations are equipped with professional IT infrastructure, such as notebooks, network cabling, network printers, smart phones
- Equipment and uniforms for specialist organisational units with special powers (e.g. in the customs offices, Financial Police, tax investigation units)
- The Tax and Customs Administration fleet consists of 430 official vehicles, which are all leased, with the exception of specialist vehicles, such as specially equipped buses for customs or the Financial Police
- The service dogs at the customs offices are trained to detect cigarettes and tobacco, cash, narcotics and specimens of protected species and products
- Radio equipment for the departments of customs offices and the Financial Police serves as a safe, independent and fast means of communication
- Technical aids, Technical Analysis Centre (TUA) for chemical/technical product testing, x-ray machines

Employees
The Austrian Tax and Customs Administration employs around 9,500 comprehensively trained employees whose strengths are secured through well-founded technical and social professional training and education. The skills development of tax and customs specialists is supported by our own educational institution, the Federal Academy of Finance. The experts of the Austrian Financial Administration are recognised internationally and also work in other countries in a supportive capacity.

For a knowledge-based organisation such as the Financial Administration, the know-how, motivation and commitment of staff forms the cornerstone of its success. Developing the organisation and its employees through obligatory training and specialisation familiarisation with the digitalisation of the working world enables them to work even more efficiently.
Career options and opportunities are highlighted and structured transparently in the Financial Administration. Through continuous training, our employees remain up-to-date with IT-supported working methods.

Attractive Employer – Regular Advertisements


Performance, Facts and Figures

Performance of the Tax and Customs Administration

The performance of the Tax and Customs Administration is, of course, based on the tasks and legal obligations to which a public administration organisation is subject. As a service-based administration, we also guarantee the following performance standards:

We serve citizens by taking care of their tax and customs affairs and operate in a fast, friendly and competent manner. We aim to answer calls as quickly as possible. Tax returns and other matters can be dealt with daily around the clock via FinanzOnline, and customs declarations can be sent 24 hours a day, 7 days a week via e-zoll.

In personal tax proceedings, documents can be viewed directly or via FinanzOnline and e-zoll. The Tax and Customs Administration also provides an insight into fact-finding, results of the procedure of taking evidence and an opportunity to comment.

The Tax and Customs Administration aims to deal with matters promptly and accurately. Legal correctness is guaranteed with a comprehensive quality and knowledge management system. Generally, we need no more than a month for tax returns and family allowance applications (if there are no errors or irregularities and all the necessary data, e.g. wage slips, have been provided). They can be dealt with even faster via FinanzOnline.

Customs declarations are processed immediately, and checks are carried out quickly and efficiently.

To protect society and the economy, supervisory and control measures are undertaken to establish tax-related facts and to monitor compliance with regulatory provisions. In the interests of honest taxpayers, we select audits based on preventative considerations and using modern risk management tools.
Important information about the Tax and Customs Administration is provided at www.bmf.gv.at. Financial documentation (Findok) is available online as a comprehensive legal and specialist information system. Forms and brochures are available in the tax and customs offices.

Information on personal tax matters can be obtained from all tax offices. Information on customs issues is available at all customs offices. The Central Customs Information Office also answers questions on general customs matters by phone.

The Tax and Customs Administration will answer any concerns you may have about specific issues without undue delay. If possible, you will receive an answer within eight weeks at the latest and, when applying payroll tax regulations, within two weeks.

The Performance Standards of the Tax and Customs Administration

- Customer-friendly financial administration
- Wide-ranging information provided
- Competent and fast supply of information
- Transparency
- Fast and legally correct case handling
- Risk-oriented audit and control activity

Facts and Figures
The performance of the Austrian Tax and Customs Administration is primarily reflected in the federal tax revenues. In addition, the following figures illustrate the extent of the work carried out individually.

- More than 5 million FinanzOnline users
- Around 5.7 million employee tax assessments with an average processing time of 24 calendar days
- Thereof approximately 1.5 million application-free employee tax assessments
- Around 2.5 million business assessments with an average processing time of 21 calendar days
• More than 63,000 audit measures at small, medium-sized and large businesses
• Around 27,000 business controls by the Financial Police
• Around 4.4 million import and export customs declarations
• More than 900 external tax audits by the customs authorities
• Around 5 million detected cigarettes
• Around 320 audits and enforcement measures by the Tax Investigation Unit
• Around 390 audits by the Tax Office for Duties, Transfer Taxes and Gambling

Facts and Figures
You can find more facts and data in the practical data folder “Facts and Figures” of the Austrian Tax and Customs Administration at www.bmf.gv.at/en/ > Publications.
Development of Customer Relations to Improve Tax Compliance

For a service-oriented and customer-focused administration, contact and communication with citizens and companies are a critical success factor. The emphasis is on easy access to information and easy contactability via various channels, but primarily electronically.

When shaping its relevant customer relations, the Austrian Tax and Customs Administration primarily strives to encourage citizens and businesses to file their tax and customs declarations voluntarily, correctly and on time, meet their other legal obligations and assert their rights. This aspiration is continuously pursued as part of a target group-oriented tax compliance strategy.
Reduction of Process Duration

The aim of a modern, customer-based administration is to organise the processing of cases as efficiently as possible. This includes the legitimate right of taxpayers to legal correctness and legal certainty. Therefore, one of the key elements of the agreement on objectives of the Tax and Customs Administration in 2019 was to reduce processing times in all areas.

To take account of this priority, the development of backlogs, in particular in the areas of employee tax assessments, family allowance, business assessments, external tax audits, appeal procedures and tax collection, was subject to increased monitoring. The offices were required to concentrate first and foremost on processing cases that had already taken longer than 180 calendar days (private sector) or 360 calendar days (business sector). In the area of safeguarding revenue, the old recovery files were assessed with regard to the chances of success of current but also future recovery measures.

By implementing these focused measures we were able to significantly reduce the backlogs. Of the total 5.74 million employee tax assessments carried out in 2019, more than 98% could be completed within 6 months. In the area of family allowance, 96% of the 918,000 applications received were dealt with within 6 months.

In terms of modernising the Financial Administration, reducing backlogs will continue to be one of the main priorities in 2020.

Improvement of Customer Management

With almost 5 million telephone and 2 million face-to-face customer contacts per year, the Financial Administration is one of the largest customer service in the country. The challenges are varied and are becoming ever more complex, while staff numbers are decreasing.

It is therefore clear that the continuous improvement of customer management is essential. This applies to electronic self-service applications such as FinanzOnline as well as to personal contacts in the tax office or on the telephone. Here, it is vital that the individual communication channels mesh together like the gears of a clock. Only then can we offer a generally positive customer experience, despite dwindling resources.

One of the priorities of the Financial Administration is therefore to better understand the needs of customers and incorporate these insights in even more service-based applications. This has resulted, for example, in FinanzOnline being redesigned and rolled out for private individuals and in the round-the-clock availability of an information...
service using chatbot technology. Telephone customer contacts are largely handled in a specially equipped contact centre, the Financial Services Centre, which also answers enquiries via live chat.

To reduce waiting times for customers directly in the tax office, an appointment booking scheme has also been piloted at specific locations. The preparations for this were carried out in 2019.

Chat Q&A
You can address your general questions directly to “Fred” in Finanz-Online or via chat.bmf.gv.at. In addition, you can also use our live chat service from 8.00 am to 5.00 pm, Monday to Friday.

Strengthening of Tax Compliance

Stable and predictable tax revenue requires a high level of tax compliance. This increases tax fairness and removes distortions of competition. The basic principle of tax compliance is a partnership-based relationship between the tax authorities and citizens who voluntarily meet their tax obligations and effective measures for establishing tax justice for those who do not do so.

Since taxpayers who pay their dues have a moral right to the uniform enforcement of tax regulations, combating fraud serves not only to strengthen tax revenue but also to ensure fair taxation, including in the form of tax supervision, fraud prevention, auditing and control.

Successfully combating fraud cannot be limited to investigating underpayments of tax and other offences that have already been committed, but must be aimed in particular at preventing and putting a stop to tax misdemeanours.

Fraud can also be curbed through targeted information to the public. More transparency ultimately leads to less fraud.

Measures chosen by the Austrian Federal Ministry of Finance for preventing tax offences include

- carrying out inaugural visits when a new business is formed
- holding action days on specific key topics with a high employee attendance
- exchange of information with interest groups
- PR work (e.g. press conferences on combating fraud, publication of fraud prevention measures and successes, participation in interviews and reports, presentation in the context of external events)
Risk-Oriented Audit and Control Activity

Tax honesty and compliance are affected by various factors, including risk-oriented audit and control activity. The probability of audit and control activity and the associated likelihood of being discovered increase tax revenue through their preventative effect to an extent that far exceeds the direct additional revenue from auditing measures.

Risk-oriented audits and effective anti-fraud measures are primarily directed at those persons and businesses which do not meet their obligations voluntarily, and serve to ensure the neutrality of taxation, fight the underground economy and protect honest businesses.

The Austrian Tax and Customs Administration actively supports international efforts to fight tax fraud and tax avoidance.
Efficient Execution of Audits

Internal processes are continuously adapted and optimised in order to operate as efficiently as possible as a financial administration and, at the same time, to be able to ensure legal certainty and prompt processing of applications. A special focus is on the efficient execution of auditing and monitoring activities.

With various measures we aim to reduce processing times and increase auditing quality. Together with risk-based case selection, different approaches are applied in audit procedures, such as

- prioritisation of forthcoming audits already defined in the context of file preparation, e.g. through tax audit tracer notes
- inclusion of predictive analytics methods for the selection of audit cases, which increases the likelihood of additional revenue based on empirical values
- prompt completion of audit procedures where no irregularities are detected

To use the resources of the Financial Administration as efficiently as possible, targeted and risk-based case selection and priorities are needed. Where applicable, audits must be completed in good time. Efficient interaction between the Financial Administration and taxpayers keeps compliance costs to a minimum. Thus, on the one hand tax honesty is encouraged and, on the other hand, tax fraud is punished with the full force of the law.

Intensification of Efforts in Audit Cases with an International Element

The selection of cases for external tax audits is mostly carried out using predictive analytics methods. Evaluation results from recent years were taken into account to improve case selection in 2019. These learning loops were used to exclude certain types of income, additions of corporations and results from estimates pursuant to section 184 of the Austrian Federal Fiscal Code (BAO) from the learning set. Additionally some new subject areas such as indicators of financial standing, personnel risks, various irregularities and e-commerce data were included.

Cash outflow reports are also included in the selection, as a learning set (= tested cases) now exists for this from the previous year. As a result, the selection could already be carried out using machine learning methods.

For the first time, tax audit tracer notes based on the automatic exchange of information on financial accounts (Austrian Common Reporting Standard Act and EU DAC 2 Directive on Administrative Cooperation) were also selected and distributed to the tax offices for
verification. Especially in cases with a cross-border element, an increase in assessment intensity is expected due to the international exchange of information and enhanced international cooperation.

**Central and Local Risk Management in the Customs Administration**

Central risk management in the Customs Administration is carried out by the Department for Fraud Prevention. It collects, analyses and evaluates all available national and international information on individual customs matters. On the basis of the results of this evaluation it determines and develops corresponding control measures and forwards them to the tax and customs offices, who implement these control measures.

Local risk management is carried out by the customs offices, in particular by the auditors in the customer teams and the fraud prevention coordinators in the customs office. Information is analysed that the customs office has on new companies and new clearance trends, such as changes in import behaviour, new or amended import or customs scenarios or possible irregularities.

The interaction between the central and local risk management leads to a comprehensive risk management framework in the customs area. While the Department for Fraud Prevention has the advantage of having information and contacts from abroad, the customs offices are more familiar with the local customers.

The customs risk management system is based on the EU customs risk management strategy and the action plan from 2014, which has been implemented in the Customs Control Strategy 2015. It presents all the risk areas in customs and excise duty matters, describes a risk assessment, risk weighting and prioritisation and provides a list of appropriate control measures. The corresponding analyses are implemented by the Predictive Analytics Competence Centre (PACC) in the individual risk areas.

One of the main risks in the field of customs is under-invoicing. The Department for Fraud Prevention already created an efficient system for identifying under-invoiced goods consignments from Germany in 2016 together with the PACC and with the support of the Department for Customs Matters. This system can be used at the time of the customs clearance and when carrying out subsequent inspections.

The risk of under-invoicing is a persistent problem throughout Europe. Severely under-invoiced consignments from Asia affect all EU Member States. Under-invoicing can also be the beginning of even more damaging VAT carousel fraud.
Timely and Correct Levy of Taxes and Duties

To ensure uniform enforcement of the law, one of the main responsibilities of the Tax and Customs Administration is the timely and correct determination, levy and collection of taxes and other duties. This is ensured through measures such as rapid processing and verification by office staff, active fraud prevention in the field, targeted receivables management measures and comprehensive quality and knowledge management.

The Tax and Customs Administration faces the challenge of effectively and efficiently combating newly emerging patterns of fraud, complex global tax-structuring models and tax fraud in the area of mass actions on the one hand, and on the other hand, of increasing voluntary tax honesty through targeted incentives. These targeted incentives can be legislative and organisational simplifications and also measures which increase planning, reliability and legal security for companies and therefore make Austria more attractive as a location for business.
Audit- and Process-Accompanying Measures

The specialist departments of the tax offices support the teams with enforcing external audit measures. The support starts with participation in preparing the audit plan and goes further during the audit process if it involves a difficult legal question and ends not least as an audit-accompanying quality assurance measure. Audit accompaniment on external audits is about ensuring and increasing quality and therefore the principle of uniformity of taxation.

Difficult legal subject-matter, connections with other cases or complex legal structures may be an indication that an audit should be accompanied by a specialist department. In addition to clarifying legal questions and participation in meetings with representatives of the parties or taxpayers the accompanied audit above all supports the investigation of the relevant facts for the purposes of preserving evidence in the audit proceedings and the legal evaluation of the established facts. Accompanied audits also extend to participation in reporting or the final meeting and accompanying appeals proceedings.

A dedicated function – expert for external audits – has been established in the specialist departments of the tax offices. These persons accompany and support the auditors in complex cases. The support already starts during the audit preparation and planning phase and when applying suitable auditing methods, and covers all areas of an external tax audit from legal assessment of the facts through to audit completion.

International Control System

The Internal Control System (ICS) in the area of the Tax and Customs Administration was created to counteract the reduction of internal control levels on the one hand, and to minimise the risk of malversation due to increased pressure to perform on the other. Monitoring and control is carried out through organisational measures within the framework of the structural and process organisation. Appropriate safeguard and monitoring measures are taken during each work process.

In the Internal Control System, various safeguards are required, such as clearly defined processes, separation of functions, principle of dual control and documentation obligations. Controls have to be ensured by supervisors on the one hand and by technical measures on the other.

The ICS risk should always be seen from the perspective of the avoidance of malversation. The Austrian Federal Ministry of Finance’s Department I/8 is responsible for regulatory competence, definition of the framework conditions and systematisation of an ICS within the meaning of an internal control and monitoring system. The responsibility for
verification falls primarily within the remit of the respective agency and must always be exercised by the relevant supervisors. Existing work processes and procedures are reviewed annually as part of ICS audits according to ICS criteria, so that any risks can be prevented through targeted organisational or technical measures. On the basis of the findings of the audit reports, internal recommendations are given and working processes or IT procedures are adjusted to the extent required.

**Direct Debit System for Income Tax Prepayments**

Since 1 July 2019, advance payments of income tax can be debited from an account by means of a collection order (SEPA direct debit mandate). A direct debit mandate can be issued quickly and easily directly via FinanzOnline or with the web form at bmf.gv.at. Taxpayers no longer have to worry about payment deadlines because the advance payment of income tax due is always deducted on time. Possible payment delays and the resulting default consequences can therefore be avoided.

A SEPA direct debit mandate can only be issued if the tax account does not show any enforceable arrears, no application for payment relief or suspension of collection has been submitted and no insolvency proceedings have been instituted. It loses its validity if the above conditions are met after the mandate has been issued, the tax liability cannot be deducted (e.g. if there are no funds on the account or the payment transaction has been revoked) or there is no further collection within 3 years from the date of issue or from the last transaction.

As soon as a SEPA direct debit mandate is effectively issued, notification will be sent informing the recipient that future advance payments of income tax will be collected by the competent tax office. Collection by SEPA direct debit mandate is carried out independently of any resulting credit notes or the existence of any credit on the tax account. In any event, the collected amount is used to cover the due advance income tax payment. Should this already be covered by an interim credit, the collected amount can also be used to offset against any taxes due.

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**SEPA Direct Debit Mandate**

Why not use the convenient option of making advance payments of income tax by means of a SEPA direct debit mandate? A web form is available for registration, or even easier, just register directly in FinanzOnline.
An equitable and functional economy can only exist if the competitive conditions are fair. Therefore, anti-fraud measures, the enforcement of competition laws to assure free movement of goods, and control duties for the protection of humans, animals, plants, the environment and cultural assets are further responsibilities of the Austrian Tax and Customs Administration.

Coordination and cooperation between all competent authorities is one of the key factors in combatting illegal employment and moonlighting. The domestic labour market is coming under pressure from companies supplying customers from abroad, since fraud models do not stop at national borders. Law enforcement agencies and financial administrations in all countries therefore need to work together closely and continue to improve their cross-border cooperation and contacts.

Not only are monitoring activities important to protect society and the economy, consumers also need to be informed and educated. Hence, the Federal Ministry of Finance is, for example, informing the public in numerous brochures and via its smart phone app about the dangers of product piracy, safe online shopping, bringing animals into and taking animals out of the country, protection of endangered plants and animals and import bans and restrictions.
Control Measures Based on Financial Police Powers

The Financial Police is a fraud protection unit of the Financial Administration. Its core task is to implement targeted controls to cover tax evasion, social security fraud and the organised underground economy and therefore to protect the financial interests of the Federal Republic of Austria. The preventative work of the Financial Police is designed to avert unfair competition due to illegal competitive advantages from undeclared work, social security and tax fraud in the interests of the labour market and Austria’s position as a business centre.

The duties of the Financial Police essentially include tax supervision measures and regulatory measures, in particular labour market tasks and controls under the Austrian Social Security Fraud Act (Sozialbetrugsgesetz) and regarding compliance with the Austrian Gambling Act (Glücksspielgesetz). The purpose of pooling these measures in the Financial Police is to make the necessary actions more up-to-date and faster, recognise and evaluate facts in a timely manner and assess and pass on the resulting findings in a targeted manner.

The Financial Police carries out employment and gambling controls to protect the labour market from the unlawful influx of foreign workers and to protect citizens from illegal gaming offers and the associated rising addiction potential and drug-related crime.

Combating Cross-Border VAT Fraud

With EU regulation 904/2010, the European Union created the EUROFISC network for combating cross-border VAT fraud. This is a platform for exchanging risk information in order to identify fraud patterns more quickly, take suitable countermeasures and thus minimise the damage caused by potential VAT fraud.

In order to ensure a contemporary way of working, the Transaction Network Analysis (TNA) risk analysis tool was initially developed within the framework of a EUROFISC working area. Parallel to this, a software solution was developed in Austria to cover VAT carousel fraud. It includes all the data available to the Financial Administration in relation to Austrian companies, such as data from advance VAT returns, corporate data, payment data, commercial register data and EUROFISC data. Risk scoring supported by appropriate risk parameters and an algorithm is carried out, which serves as a basis for further operational activities.

To combat VAT fraud operationally, the Tax Investigation Unit started work in April 2016 on setting up a VAT Fraud Prevention Competence Centre (USt-BBCC). The pilot project
has now been successfully concluded and the two teams were integrated in the line organisation of the Tax Investigation Unit with effect from 1 January 2019.

Pooling know-how and personnel resources will ensure uniform application of the law throughout Austria and ensure that VAT fraud is combated in a targeted manner. The aim of the VAT Fraud Prevention Competence Centre as a single unit for processing VAT fraud cases includes:

- collection and analysis all available information on VAT fraud and assessment of the existing risk potential (risk management)
- early detection of VAT fraud chains and missing traders as well as the elimination of fraud activities through targeted auditing measures
- discovery and combating of new VAT fraud models
- development of specific auditor expertise
- implementation and support of the tax offices with measures
- active participation in international networks for combating VAT fraud

**Safeguarding of Free Movement of Goods**

Despite the free movement of goods and globalised trade, certain goods restrictions have to be observed for imports and exports which are particularly intended to protect endangered areas. These special regulations based on national and European law may restrict imports, exports and transit (known as prohibitions and restrictions) and are monitored by the customs offices.

Protection of the following aspects are important objectives of the Austrian Customs Administration:

- Protection of human health
- Protection of fauna and flora
- Protection of the environment
- Industrial property protection
- Protection of cultural assets
- Protection of public order

In addition to customs regulations to be observed when entering Austria, the Austrian Federal Ministry of Finance’s app also includes information on prohibitions and restrictions to be observed particularly in the tourist trade. Of course, the app also works offline and can therefore be used easily when travelling abroad without incurring additional roaming charges.
Information on Import Prohibitions and Restrictions

Information on the key import prohibitions and import restrictions is available via the Austrian Federal Ministry of Finance’s app or at www.bmf.gv.at/en > Topics > Customs. Here you will find helpful information such as when entering the country or consumer tips for internet and mail order shopping.
Employee Development and Support

The Austrian Financial Administration is a responsible and attractive employer. Internal development and the creation of a modern workplace are the management’s declared objectives. Comprehensive promotion of commitment, motivation and qualification of staff to maintain their level of performance and employability are a hallmark of the Tax and Customs Administration.

Especially given the demographic trends and upcoming retirements, an efficient and future-oriented Financial Administration must act in a forward-looking way to create an environment that is highly attractive for potential new applicants.

The aim in personnel marketing is to attract motivated, qualified, single-minded team players who are capable of developing on a long-term basis. The attractiveness of the Financial Administration as an employer should also be strengthened.
Personnel Marketing and Recruiting

The current situation on the Austrian job market and the upcoming retirements in the Financial Administration require long-term planning of strategically optimised personnel marketing measures to be able to cover future staffing needs from both a qualitative and quantitative perspective.

In the coming 10 years there will be a large number of ongoing new additions to the Financial Administration’s workforce. Therefore, it is imperative that we continuously research the job market and ensure that we maintain a regular presence as an employer. This includes participation by the Austrian Federal Ministry of Finance in careers events and fairs, and placing online or print ads and specialist articles in regional and supra-regional newspapers and magazines.

Internal and external personnel marketing is a supporting factor in selecting the right candidates for vacant positions, optimally integrating them and ensuring their loyalty to the organisation in the long term. We also take into account that each employee is a potential brand ambassador for the Financial Administration.

Personnel marketing has played a central role in recent years. As a result of the department’s age structure and the associated departure of employees, we embarked on a nationwide initiative to identify and select candidates as part of a recruitment drive. We provided an insight into the various activities within the Austrian Federal Ministry of Finance and presented our attractive benefits, such as sound basic and further training, secure employment and career opportunities.

The award of the Silver Best Recruiters Quality Seal strengthens us in our resolve to be perceived as an attractive employer.

Career Opportunities

Information and videos about jobs and career opportunities in the Financial Administration, and about the application and selection process can be found at www.bmf.gv.at/en/ > Services > Jobs & Career > Job Profiles.
Training of New Employees

The completion of high-quality basic training can be a decisive advantage on the labour market when competing with other employers. How the “on-boarding” phase in the Financial Administration is organised and what values and cultural elements are conveyed in addition to the thematic content is crucial for the successful careers of new employees and their loyalty to the Financial Administration.

Three years after the introduction of the new basic training regulation it was time to evaluate to what extent the defined goals have been achieved in terms of efficiency and effectiveness. In general, it can be said that despite a large number of participants in the basic training of the last three years the content could be well communicated and satisfaction with the relevant processes and with the Austrian Federal Finance Academy as a training provider is high.

Nevertheless, in order to be equipped for future challenges, selective further developments need to be planned and implemented. Above all, to use personnel and monetary resources more efficiently and sparingly, exploit the possibilities of advancing digitalisation and better meet the expectations of a new generation.

Knowledge Acquisition and Transfer

Constantly changing conditions will require new working methods to be created on an ongoing basis in the future, and accordingly the challenges in knowledge management will increase, especially when it comes to knowledge acquisition and transfer. The changed and, in some cases, also completely new working methods and thus, by extension, knowledge management tools must be established and subsequently adapted, modified and professionalised to suit the respective target group and purpose.

This need to act is intensified by the demographic changes in the Financial Administration. The annual expected staff losses due to retirement require a lot of building up of basic knowledge for new recruits as well as ongoing qualification expenses for existing employees. At the same time, the co-existence of different generations means that knowledge management tools must take account of these special requirements in order to offer the best development opportunities for everyone.

Knowledge tools such as job rotation, cross-generational learning, exchanges of practitioners and knowledge mentoring are gaining more and more in importance and are an essential part of the transfer of knowledge.
Training Opportunities

The Financial Administration offers a broad portfolio of possible training options from apprenticeships to university degrees. You can find more information at www.bmf.gv.at/en/ > The Ministry > Tasks & Organisation > Federal Academy of Finance (BFA).
Organisational Development

The permanent development of the organisation is a necessary prerequisite for an innovative, impact-oriented and efficient administration in order to be optimally equipped to deal with future requirements.

As a modern financial administration, we are expanding existing online services in a citizen-centric way, and in so doing, increasing their use. This means that the work processes can be speeded up considerably and organised more efficiently. Not only the Tax and Customs Administration will benefit from this, but ultimately also each and every taxpayer.

As a result of the technical advancement and increase in digitalisation, the Austrian Tax and Customs Administration is also pursuing new avenues here. Measures for improved automation and digitalisation go hand in hand with innovative methods of analysis and modern risk management instruments.
FinanzOnline for Private Individuals

FinanzOnline has been Austria’s most used e-government application for decades. Ongoing upgrades and selective further developments were therefore always a must. Nevertheless, the expectations of citizens have changed in the meantime and the user interface no longer met current requirements.

Building on active customer participation on the platform www.e3lab.at, a new FinanzOnline for private individuals has been designed and implemented in workshops with customers and experts from the Financial Administration. The emphasis was, on the one hand, on ensuring maximum transparency for customers and, on the other hand, on a user-friendly interface for submitting applications via FinanzOnline.

Thus, after logging in, all essential information is displayed at a glance. In addition, the menu structure has been streamlined considerably. The necessary functions can be accessed where needed, dispensing with tedious searches in the menu.

For 2019 employee tax assessments, a user-friendly assistant is also available that takes users step-by-step through the tax return. The redesigned interface and the assistant are intended to support customers and enable them to complete their tax returns even faster.

Further steps in regard to redesigning the facility for business owners and tax consultants will be evaluated after the successful changeover.

New look FinanzOnline
Try out the employee tax assessment assistant right away in the new FinanzOnline. Click here for the demo version: www.finanzonline.at > Demo Version.
New Family Allowance Application

Following the successful implementation of the project titled “Application-free family allowance for children born in Austria” and the establishment of the requisite statutory framework, the project team has continued its work with “FABIAN”. This creates a completely new application for tax offices to process family allowance claims and will completely replace the existing allowance database (DB7) IT system.

The programming is currently in full swing and parallel to this already completed sub-segments are in the test phase. The first phase of implementing FABIAN began by linking the DB7 subjects to the basic data management subjects and is largely complete. The new family allowance information application “FABIAN” is scheduled to go into production at the beginning of 2021 for tax office employees.

The core elements of the new procedure are, on the one hand, the elimination of manual data acquisition by scanning and reading the data in the newly designed application form. On the other hand, reconciliation with internal and external databases will provide the largely automated capability to verify whether eligibility conditions are met, based on an effective risk analysis, when family allowance is granted for the first time and for the entire entitlement period.

From the outset, the aim of the project team was to incorporate future FABIAN users as comprehensively as possible. Thus, a total of 24 interested parties from all regions of the Financial Administration have agreed to take part in this project as “key users”. The kick-off event took place on 28 May 2019. The tasks of key users presented at this event include

- familiarising themselves with the FABIAN procedure early on and being a vital cog in the communication process
- participating in the development of training and helping to bring about the resulting cultural changes
- providing information on the project as a knowledge bearer and acting as an interface to the project
- participating in the further development of FABIAN

The project team is convinced that FABIAN can be successfully implemented with the support of the key users.
Expansion of Financial Services Centre

In autumn 2017, the pilot for a Financial Services Centre (FS-C) was launched in Villach, St. Veit and Vienna. Since then, staff at the initially three FS-C teams have been taking telephone enquiries. Incoming calls are dealt with as exhaustively as possible, and the high first call resolution rate at the Financial Services Centre has reduced the workload of the Information Centres and production teams considerably. Thus, in 2019 only around 5% of the calls on employee tax assessments and 6.5% of the calls relating to family allowance were forwarded to the teams. The rest could be dealt with directly in the FS-C.

On completion of an evaluation, the pilot project went live in autumn 2019 and further expansion commenced. Initially the fourth FS-C team was set up in Vienna. The next expansion steps – an additional team in Villach and one at the new location in Krems – are already at the planning stage or have been implemented.

In 2019, the remit of the Financial Services Centre was also extended, namely the hotline for appointment booking by phone will be looked after by the FS-C as part of the pilot for appointment booking in the Information Centre. Since September 2019, questions have also been answered here in live chat with customers.
Experts from the Austrian Tax and Customs Administration work in different projects and networks of international organisations, such as the Organisation for Economic Cooperation and Development (OECD), the European Commission, the World Customs Organisation (WCO) and the Intra-European Organisation of Tax Administrations (IOTA). Information exchange with foreign delegations, twinning projects to support administrations in other countries, and working visits within the framework of the Fiscalis and Customs 2020 programmes round off the wide spectrum of international cooperation.

The joint support and cooperation with administrative bodies at European and international level is aimed at efficient tax assessment and effective anti-fraud measures. This is achieved not least by ensuring the exchange of information, and in some areas, information is already exchanged on an automated basis.

The Austrian Tax Administration proves its international commitment by international cooperation in the fight against tax fraud, tax evasion and aggressive tax planning, as well as in its enforcement of EU tax legislation.

The Austrian Customs Administration has an excellent reputation at European level and repeatedly provides support and groundwork for other customs administrations worldwide.
International Compliance Assurance Programme

Gaining legal certainty as soon as possible on their tax affairs has become increasingly important for many companies. At national level, companies can obtain this in the form of binding legal advice or obtain increased planning and legal certainty through an accompanying check as part of a cooperative approach with the Financial Administration.

At international level, an extension of the national cooperative approaches is pursued with the OECD project “International Compliance Assurance Programme (ICAP 2.0)”. Here, the relevant tax administrations carry out a joint and simultaneous assessment of the tax risks for selected and voluntarily participating multinational companies. For example, transfer pricing and operating site risks are examined within a set time frame and on the basis of a defined procedure. At the end of the joint risk assessment process each tax administration involved issues a letter setting out the results to the multinational corporation, subject to the domestic legal requirements and processes.

In this way, the companies concerned are provided with a faster and clearer means of gaining multilateral tax certainty on the one hand, and on the other hand, subsequent and lengthy procedures for mutual consultation or arbitration procedures can be avoided. In addition to increased legal certainty for the companies involved, this should above all also help to reduce the use of resources in the tax administrations of the participating countries, even though the results of the joint risk assessment are not as legally binding as other tools such as bilateral or multilateral prior consultation procedures on the basis of double taxation agreements, known as Advance Pricing Agreements.

Community of Interest on Behavioral Insights

In December 2017, the Austrian Ministry of Finance together with the US Internal Revenue Service (IRS) launched an initiative for the promotion of a “Community of Interest” on the topic of behavioural economics. Behavioural economics deals with human behaviour in economic situations. Within this community of interest, which is supported by the OECD, a lively international exchange of knowledge and experience takes place.

Trust in the tax administration creates long-term compliance. The aim is to understand citizens better and set up user-based systems for this purpose. Understanding how they are applied reduces the error rate and at the same time strengthens trust in the administration, leading to long-term compliance.

In September 2018, the first meeting of the network was held in Vienna with a total of 23 participating countries. Since then, the teams in the United States and in Austria have been working on current measures and developments in the respective tax administrations.
within the framework of regular web conferences on knowledge exchange. In the course of these events, successful examples from communication with customers and in the design of processes within the organisations are presented.

The network now covers more than 30 countries and is working on a guide for the application of behavioural economics measures in tax administrations in order to optimally use synergies internally and between the participating countries.

**International Customs Cooperation**

In the course of 2019 – following the EU presidency – the other Member States and partner countries were supported with the continuation of the Austrian initiatives. In particular, within the scope of a project with the EU Joint Research Centre and the EU Directorate-General for Customs and Taxation as well as business representatives, work was carried out on developing future scenarios and long-term strategies in customs matters.

Together with Germany and China, work was also carried out on a project within the framework of cooperation between Asia and Europe on a uniform electronic transit declaration from China to the EU in the context of the New Silk Road.

In preparation for the exit of the United Kingdom from the European Union (“BREXIT”), information sessions were held for businesses, information was prepared for the customs offices and regional BREXIT managers were installed in the customs offices.

2019 was dominated by the implementation of the new Union Customs Code (UCC) and was primarily characterised by the first digitalised full application – the start-up project (CDA) – experiencing its “go live” phase in Austria.

The new electronic application “Customs Decisions Austria (CDA)” of the Austrian Customs Administration went online as planned at the beginning of September 2019, marking a further milestone in the expansion of the digital services of the Austrian Financial Administration.

At the same time, access for use by economic operators via the “Customs Portal” was enabled. This means that applications for decisions/authorisations within the meaning of the Union Customs Code are submitted exclusively electronically and their management is carried out in digital exchange with the customs authority’s management system.

On the part of the Customs Administration, the management system in Customs Decisions Austria (CDA) covers all processes for the management of customs decisions in digital form. Therefore, decisions are no longer served in paper form, but take legal effect immediately
as soon as they can be viewed and accessed electronically in the Customs Portal. Waiting times until the decision is served will thus be completely eliminated.

**Customs Decisions Austria (CDA) and Customs Portal**
You can find more information on the new electronic applications of the Customs Administration at www.bmf.gv.at/en/ > Topics > Customs > UCC IT Applications.
Social Responsibility

It is the goal of the Financial Administration to ensure an economic order and climate that provide a solid foundation for social cooperation together with all stakeholders. The Tax and Customs Administration contributes to assuring a fair competitive environment and preventing dishonest practices.

The Financial Administration is aware of its social responsibility and strives to be an example of proper conduct for all economic operators. For instance, it aims to achieve a lasting impact by educating young citizens, training apprentices and supporting elite athletes.

The goal of the equal treatment of women and men in all political and social matters is to be achieved through a gender-aware perspective in all areas and decision-making processes. The Financial Administration is committed to an active equal treatment and equality policy in order to ensure equal opportunities for women and men.
Promotion of Top-Level Sport

Over 68 years ago, the foundation stone was laid for the current sports squad in the Austrian Federal Ministry of Finance. The “Customs Office Squad” was the original concept. In 2004, the sports squad was restructured and modernised, and from then on, the inclusion of young athletes took place in cooperation with the Austrian Ski Federation (ÖSV). Membership of the ÖSV has since then been a basic requirement.

A worldwide unique project was launched in 2008, where the promotion of equal opportunities for sportswomen and sportsmen with disabilities was implemented in a ministry in Austria. With this, the para-alpine skiing team was born, which now forms the third tier of the sports squad of the Austrian Federal Ministry of Finance alongside the downhill and cross-country skiing squad.

The status of a member of the sports team enables the participant to pursue their sport professionally while having social security protection. A personal training plan is drawn up around the training and racing schedules to ensure that parallel training in the Customs Administration can take place in the off-season during the employee's active sporting career. This model allows an athlete to have a vocational career after their sporting career and this is greatly appreciated by young athletes. Around 80% of sportswomen and sportsmen stay at the Customs Administration after their career has ended.

With the new intake in September 2019, a total of 30 sportswomen and sportsmen, in line with the maximum quota, and two trainers were active in the sports squad.

2019, the year of the World Ski Championships, was very gratifying from the sports squad's point of view. With the first World Cup victory by Stephanie Venier and the first World Cup podium by Katharina Liensberger, two downhill skiers have now finally reached world-class status. The cross-country combination skier Lukas Greiderer sensationally achieved a World Cup podium for the first time in second place.

In terms of the highlights of the World Championships 2019, a number of medals were won:

- Katharina Liensberger, silver medal in the team competition (alpine)
- Lukas Klapfer, bronze medal in the team competition (nordic)
- Markus Salcher, silver medal in downhill and bronze medal in super-G (para)

The performance of Carina Edlinger was particularly gratifying. The partially sighted cross-country skier from the Salzburg Customs Office became a double world champion in Canada. These achievements were also duly honoured with the “Austrian Disabled Athlete of the Year 2019” award.
International Customs Ski Championships and Federal Executive Ski Championships

From 25 to 29 March 2019, the 66th International Customs Ski Championships and the 36th Federal Executive Ski Championships were held in Galtür/Tyrol. The showdown at the International Customs Ski Championships takes place annually, rotating between Germany, France, Italy and Austria. The National Championships of the executive bodies of the police, armed forces, judiciary and financial administration are staged every two years, also in alternating order. On this occasion, the organisation of both championships fell simultaneously within the remit of the Austrian Financial Administration. This mega event was organised by the Regional Management West under the apt direction of Fritz Kapfinger and his team.

More than 300 sportswomen and sportsmen from Austria and abroad were met by ideal competition conditions with fantastic weather and pistes. Numerous guests of honour, including the Minister of the Interior and the Minister of Justice as well as the Governor of Tyrol, were also able to experience the smooth organisation of the Championships for themselves.

The line-up included top-class World Cup skiers, among them current Olympic and World Championship medal winners such as Alexis Pinturault, Clement Noel, Felix Neureuther, Viktoria Rebensburg and Julian Eberhard. The 1.3 million hits on the homepage are a clear indication of the reach of the event and the interest in it. The World Championships in Galtür were therefore an appropriate end to the long and hard World Championship and World Cup season 2018/2019.

Company Kindergarten at the Financial Centre Wien Mitte

In the company kindergarten of the Austrian Federal Ministry of Finance at the Financial Centre Wien Mitte, 100 kindergarten places are primarily allocated to the children of employees of the Financial Administration. In addition, children of other federal employees are also frequently accepted, provided there are still places available. The kindergarten is run by the association “Kinder in Wien” (KIWI).

Five group rooms that are spacious, bright and designed to conform with the development of the children are available. There is room to play in addition to the themed areas, in the wide aisle area, the well-equipped exercise room, the English Corner designed by parents, the cosy reading sofa and on the terrace with raised beds. Furthermore, there is a constantly changing range of additional activities such as children’s yoga, dancing and communal days out in the woods. The nearby city park is used regularly. Ice skating
at the Vienna Ice Skating Club, sport motor skills with Tennis Tom and motor pedagogy in cooperation with “Motoriknetzwerk” complement these offers. A speech therapist is also available to help with language development.

The kindergarten places are subsidised by the City of Vienna for children whose main place of residence is in Vienna. The additional costs for lunches, snacks and the KIWI specials, such as age-extended groups, bilingual concept, projects – to name but a few – amount to a total of 159 euros for Vienna children in the kindergarten year 2019/20, which is collected monthly.

Further Information
You can find detailed information via the KIWI website at www.kinderinwien.at under Locations > Company Kindergartens > 1030 Company Kindergarten Financial Centre Wien Mitte. If you are interested, children can also be registered here by filling out the form.
Modernisation of the Tax and Customs Administration

Over 100 colleagues from the Financial Administration have developed the basic reform framework for the “Modernisation of the Tax and Customs Administration” programme. The key was to get the organisation into shape to face current but also future tasks and challenges.

One of the main focuses of the work was to promote simple, efficient and digital processes. The innovative use of new technologies as well as the use of information from third parties played a major role. Initial implementation measures in this area are, for example, already visible to citizens on FinanzOnline due to the improved usability of this service.

In addition to these technical advances, the priority was also to press ahead with the redistribution and pooling of tasks and adjustment of existing structures. To achieve our goals and be able to offer citizens a future-proof financial administration, a large number of sub-projects and work packages will have to be completed within the framework of the programme to modernise the Tax and Customs Administration.
The New Financial Administration

To be precise, we are merging 40 tax offices to form one Tax Office Austria (FAÖ). This will be organised according to the functional areas “private taxpayers”, “small and medium-sized enterprises” and “parties liable for tax”. The locations and contact persons on site will remain the same.

The 9 customs offices will become one nationwide Customs Office Austria (ZAÖ) and will be constructed in the same way as the Tax Office Austria in terms of the management structure. The customs office will be organised according to the functional areas “support for economic operators” on the one hand and “supervision and criminal matters” on the other.

We will set up a Tax Office for Large Businesses (FAG) as a separate tax authority. This is responsible, for example, if a company generates over 10 million euros in revenue or is subject to supervision under the Austrian Financial Market Authority Act (Finanzmarktaufsichtsbehördengesetz) (especially banks, insurance companies).

We are merging the Financial Police and Tax Investigation Unit with the Financial Criminal Authority to form one Anti-Fraud Office (ABB). This will help to reduce cumbersome interfaces in the area of fraud prevention. Leveraging synergy effects from the detection of tax and contribution fraud and the investigation and prosecution of financial criminal offences will improve the quality of fraud prevention.

Parallel to this, a nationwide Auditing Service for Wage Levies and Contributions (PLB) will be established. The inspection service has to carry out general supervisory and collection measures at the request of the Tax Office, the Austrian Health Insurance Fund or the local authorities.

The Central Services (ZS) are, in particular, responsible for ensuring uniform legal interpretation and enforcement by the Austrian Federal Financial Administration, the audit of the offices from a budgetary point of view, the education and training of staff, and the support of the Financial Administration in the area of data processing.

Programme History

It is, of course, key for the success of such a major reform to provide employees with the best possible information on the progress of the programme. The intranet serves as a crucial hub for this. In addition to extensive references to the various work areas and personnel topics, a comprehensive FAQ page in wiki format answers colleagues’ most important questions.
In addition, the project and work package managers have held a series of dialogue events with the support of the change team. As a result they have been able to pass on information directly, but also accept feedback and suggestions for the project work.

In addition, a new communication channel has been created with the wall newspaper – large-format posters depicting a theme in greater depth, which were hung up in the meeting areas of the agencies. The interlocking of analogue and digital tools thus creates a broad information service for colleagues.

By developing an internal network for modernisation, the change team is exploring new communication avenues. The network supports the flow of information to employees at the individual locations and feeds questions and opinions back into the project work. All projects and programme work packages are professionally supported by organisation developers from the Financial Administration, who support the change process as internal advisers.

Modernisation of the Tax and Customs Administration also entails big changes for the organisational culture. The shift from local responsibility to a nationwide perspective is supported by a dedicated programme work package for strategy and cultural development that will take sustainable steps in the further development of the organisational culture.

The structure of the new Financial Administration from 2021

- Tax Office Austria (FAÖ)
- Customs Office Austria (ZAÖ)
- Tax Office for Large Businesses (FAG)
- Anti-Fraud Office (ABB)
- Auditing Service for Wage Levies and Contributions (PLB)
- Central Services (ZS)
AUSBlick 2020
Outlook

The Austrian Federal Ministry of Finance sees itself as the engine and initiator of reforms for coping with the future and its challenges. The Austrian Financial Administration is a performance- and customer-oriented, efficient and innovative organisation that is responsible for safeguarding the financial interests of the Republic of Austria.

Only constant development will enable the Tax and Customs Administration to meet this responsibility in the future. The goal is to become one of the best financial administrations in the world. The Austrian Tax and Customs Administration is supposed to be a national and international best practice example for other administrations.

Ambitious projects are therefore scheduled for implementation in the coming years as well.
Unchangeable Tax Number

As an initial preparatory step towards modernising the Financial Administration, all tax numbers will be unchangeable from July 2020. This applies to tax numbers in the private and in the corporate sector.

The unchangeable tax number is one of the benefits for customers that will be implemented in the course of modernisation. Until now, this number changed when the subject-matter or local jurisdiction changed, and, in the private sphere, for example due to relocation.

With the creation of the new authority structure to create a tax office for the whole of Austria the local jurisdiction will no longer apply. Existing tax numbers will therefore be frozen from July 2020 and will remain unchanged even after any future change of agency. New customers will immediately receive an unchangeable 9-digit tax number. Any change of agency will in future be carried out automatically and unbureaucratically at the Austrian Tax Office.

If the size of a company changes such that the subject-matter jurisdiction for the company changes from the Austrian Tax Office to the Tax Office for Large Companies, the following applies: The tax number will remain the same even after the change of tax office. In this case, the company will also be informed about the change in subject-matter jurisdiction, i.e. the change of authority, by notification.

Cancellation of Tax Relief on Small Consignments

With the Austrian Tax Reform Act (Abgabenänderungsgesetz) 2020, the abolition of tax relief on the import of consignments of low value – small consignments – was approved. Small consignments are consignments of goods with a maximum total value of 22 euros.

Until now, the import of a small consignment from a third country to Austria was exempt from import VAT. To avoid distortion of competition and to ensure taxation in the country of destination, such consignments of goods will in future generally be subject to taxation.

Obligation to Report Harmful Tax Practices

In implementation of Directive (EU) 2018/822 (DAC 6), the National Council passed the EU Reporting Obligation Act (EU-MpFG) in September 2019. This law provides for an obligation for intermediaries or relevant taxpayers to report cross-border structures where there is
• a risk of tax avoidance,
• circumventing the joint reporting standard, or
• concealing the true beneficial owner.

Persons subject to a reporting obligation must report cross-border structures whose first step towards implementation was already taken between 25 June 2018 and 30 June 2020 or which are conceived, marketed or organised from 1 July 2020.

The reporting in Austria must take place electronically via FinanzOnline. Reports submitted to the competent authority will be exchanged with all Member States on a quarterly basis, starting from 1 October 2020, by uploading them into a central EU directory. With this increased information exchange between the EU Member States, harmful models of aggressive tax planning will be detected more quickly and the erosion of national tax systems by exploiting market inefficiencies will be resolutely combated.

Arranging Appointments – We Take Time for You

The information centres of the tax offices manage more than 2 million personal contacts each year. The contact frequency varies greatly between the individual IC locations and it is scarcely possible to control customer flows. Therefore, as part of a project within the framework of the modernisation of the Tax and Customs Administration, a pilot for booking appointments has been running since November 2019. The aim is still to resolve citizens’ concerns directly on the telephone. If an appointment is made nevertheless, this means more time is made for the specific issue. You save time – we take time. Should there still be a need for personal contact, we recommend that you make an appointment with the tax office beforehand.

Appointments can be booked online for all tax offices in Austria via the Austrian Federal Ministry of Finance homepage or by phone using an appointment booking hotline. This is serviced by the Financial Services Centre. The first few weeks of the pilot have already shown that around three-quarters of the questions could be resolved by phone, with the result that the originally sought appointment is no longer necessary.

**Booking Appointments**

Take the opportunity and book your personal appointment with the tax office online directly at www.bmf.gv.at/en/ > Offices > Appointments.
Facts and Figures in Comparison

Numbers are the foundation of the world of taxes and customs, and this section therefore provides various interesting data, including performance indices and more. It is intended to provide an initial insight into the various fields of activity of the Tax and Customs Administration.

General Economic Data

<table>
<thead>
<tr>
<th>General economic data</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross domestic product (GDP) at current prices in millions of euros</td>
<td>357,299.7</td>
<td>370,295.8</td>
<td>385,711.9</td>
<td>398,521.9</td>
</tr>
<tr>
<td>GDP growth compared to previous year</td>
<td>+2.1%</td>
<td>+2.5%</td>
<td>+2.4%</td>
<td>+1.6%</td>
</tr>
<tr>
<td>Tax and contribution ratio (taxes and social security contributions) according to ESA</td>
<td>41.9%</td>
<td>41.8%</td>
<td>42.3%</td>
<td>42.5%</td>
</tr>
<tr>
<td>Public deficit/surplus as percentage of GDP</td>
<td>-1.5%</td>
<td>-0.8%</td>
<td>+0.2%</td>
<td>+0.7%</td>
</tr>
</tbody>
</table>

Tax/Customs Revenues

<table>
<thead>
<tr>
<th>Tax/customs revenues in millions of euros (selection)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total federal tax revenue (budget chapter 16)</td>
<td>81,138.1</td>
<td>84,820.5</td>
<td>88,203.6</td>
<td>90,893.3</td>
</tr>
<tr>
<td>- thereof in detail (extract)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value-added tax (VAT) incl. import VAT</td>
<td>27,055.7</td>
<td>28,346.3</td>
<td>29,347.1</td>
<td>30,046.2</td>
</tr>
<tr>
<td>Wage tax</td>
<td>24,645.9</td>
<td>25,350.0</td>
<td>27,177.5</td>
<td>28,480.8</td>
</tr>
<tr>
<td>Income tax</td>
<td>3,902.9</td>
<td>3,951.3</td>
<td>4,280.1</td>
<td>4,925.5</td>
</tr>
<tr>
<td>Corporation tax</td>
<td>7,431.7</td>
<td>7,903.9</td>
<td>9,162.8</td>
<td>9,384.7</td>
</tr>
<tr>
<td>Capital yields tax</td>
<td>2,355.1</td>
<td>2,754.0</td>
<td>3,072.4</td>
<td>2,989.7</td>
</tr>
<tr>
<td>Real estate transfer tax</td>
<td>1,117.6</td>
<td>1,104.7</td>
<td>1,207.6</td>
<td>1,316.5</td>
</tr>
<tr>
<td>Mineral oil tax</td>
<td>4,312.6</td>
<td>4,436.1</td>
<td>4,488.0</td>
<td>4,465.8</td>
</tr>
<tr>
<td>Excise duties on tobacco</td>
<td>1,834.9</td>
<td>1,867.8</td>
<td>1,911.1</td>
<td>1,894.2</td>
</tr>
<tr>
<td>Other transactions of tax offices/customs offices</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursed family allowance payments</td>
<td>3,444.8</td>
<td>3,419.2</td>
<td>3,515.7</td>
<td>3,494.7</td>
</tr>
<tr>
<td>Duties according to the Gambling Act</td>
<td>559.3</td>
<td>553.1</td>
<td>599.8</td>
<td>584.7</td>
</tr>
<tr>
<td>Customs duties (EU own resources)</td>
<td>262.6</td>
<td>263.4</td>
<td>264.6</td>
<td>274.4</td>
</tr>
</tbody>
</table>
Budget of the Financial Administration

<table>
<thead>
<tr>
<th>Budget (preliminary) in millions of euros</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel expenses</td>
<td>559.2</td>
<td>573.2</td>
<td>585.4</td>
<td>599.7</td>
</tr>
<tr>
<td>Material expenses</td>
<td>92.1</td>
<td>97.9</td>
<td>95.7</td>
<td>96.7</td>
</tr>
<tr>
<td>Total payments</td>
<td>655.6</td>
<td>672.9</td>
<td>682.5</td>
<td>697.7</td>
</tr>
</tbody>
</table>

Number of Employees

<table>
<thead>
<tr>
<th>Personnel (in each case as at 31 December in FTE)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax offices incl. Tax Office for Duties, Transfer Taxes and Gambling</td>
<td>6,339</td>
<td>6,551</td>
<td>6,575</td>
<td>6,394</td>
</tr>
<tr>
<td>Customs offices</td>
<td>1,472</td>
<td>1,481</td>
<td>1,484</td>
<td>1,462</td>
</tr>
<tr>
<td>Audit Unit for Large Traders</td>
<td>464</td>
<td>492</td>
<td>478</td>
<td>490</td>
</tr>
<tr>
<td>Tax Investigation Unit</td>
<td>145</td>
<td>148</td>
<td>161</td>
<td>173</td>
</tr>
<tr>
<td>Financial Police</td>
<td>454</td>
<td>438</td>
<td>434</td>
<td>432</td>
</tr>
<tr>
<td>Financial Administration – total</td>
<td>8,874</td>
<td>9,110</td>
<td>9,132</td>
<td>8,951</td>
</tr>
</tbody>
</table>

Customer Contacts

<table>
<thead>
<tr>
<th>Tax offices contacts</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>FinanzOnline (FON) participants in millions of persons</td>
<td>4.24</td>
<td>4.54</td>
<td>4.80</td>
<td>5.03</td>
</tr>
<tr>
<td>Number of telephone calls in millions of calls</td>
<td>6.47</td>
<td>5.85</td>
<td>5.37</td>
<td>4.84</td>
</tr>
<tr>
<td>Average telephone call waiting time in seconds</td>
<td>70</td>
<td>64</td>
<td>62</td>
<td>46</td>
</tr>
</tbody>
</table>

Assessment Private Individuals and Family Allowance

<table>
<thead>
<tr>
<th>Tax offices general assessment</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>FinanzOnline (FON) participants in millions of persons</td>
<td>3.79</td>
<td>4.03</td>
<td>4.25</td>
<td>4.44</td>
</tr>
<tr>
<td>FON quota of employee tax assessments for wage/salary earners (L1)</td>
<td>66%</td>
<td>69%</td>
<td>70%</td>
<td>72%</td>
</tr>
<tr>
<td>Processed employee tax assessments in millions of assessments</td>
<td>4.21</td>
<td>5.08</td>
<td>5.31</td>
<td>5.74</td>
</tr>
<tr>
<td>- thereof application-free tax assessments completed</td>
<td>--</td>
<td>0.77</td>
<td>1.19</td>
<td>1.46</td>
</tr>
<tr>
<td>Processing time for employee tax assessments in calendar days</td>
<td>28</td>
<td>24</td>
<td>26</td>
<td>24</td>
</tr>
</tbody>
</table>
### Tax offices general assessment

<table>
<thead>
<tr>
<th>Processed applications for and evaluations of family allowance payments</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>659,030</td>
<td>673,623</td>
<td>664,488</td>
<td>683,289</td>
</tr>
<tr>
<td>Processing time for family allowance payments in calendar days</td>
<td>23</td>
<td>23</td>
<td>27</td>
<td>33</td>
</tr>
</tbody>
</table>

### Business Assessment and External Auditing

#### Tax offices business assessment and auditing

<table>
<thead>
<tr>
<th>FinanzOnline (FON) participants in millions of persons (companies)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.46</td>
<td>0.52</td>
<td>0.55</td>
<td>0.59</td>
</tr>
<tr>
<td>FON quota of business assessments</td>
<td>88%</td>
<td>89%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Completed assessments in millions of returns/declarations</td>
<td>2.13</td>
<td>2.35</td>
<td>2.42</td>
<td>2.53</td>
</tr>
<tr>
<td>Processing time for business assessments in calendar days</td>
<td>22</td>
<td>23</td>
<td>24</td>
<td>21</td>
</tr>
<tr>
<td>Business audits and special VAT audits</td>
<td>27,485</td>
<td>25,846</td>
<td>22,463</td>
<td>21,043</td>
</tr>
<tr>
<td>- thereof audit result in millions of euros</td>
<td>718.1</td>
<td>679.7</td>
<td>544.6</td>
<td>546.7</td>
</tr>
<tr>
<td>Other audit measures (incl. inquiries and inaugural visits)</td>
<td>26,664</td>
<td>20,399</td>
<td>29,352</td>
<td>27,549</td>
</tr>
<tr>
<td>- thereof audit result in millions of euros</td>
<td>29.8</td>
<td>33.3</td>
<td>28.3</td>
<td>23.1</td>
</tr>
<tr>
<td>Audits of wage-dependent taxes and contributions</td>
<td>10,441</td>
<td>9,882</td>
<td>9,723</td>
<td>10,623</td>
</tr>
<tr>
<td>- thereof audit result in millions of euros</td>
<td>148.8</td>
<td>141.4</td>
<td>171.7</td>
<td>110.9</td>
</tr>
</tbody>
</table>

#### Audit Unit for Large Traders

<table>
<thead>
<tr>
<th>Business audits and special VAT audits (incl. of VAT foreigners)</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,754</td>
<td>3,652</td>
<td>3,670</td>
<td>3,556</td>
</tr>
<tr>
<td>- thereof audit result in millions of euros</td>
<td>704.9</td>
<td>994.0</td>
<td>726.9</td>
<td>565.8</td>
</tr>
<tr>
<td>Other audit measures (inquiries and other inspection measures)</td>
<td>1,113</td>
<td>935</td>
<td>901</td>
<td>894</td>
</tr>
<tr>
<td>- thereof audit result in millions of euros</td>
<td>9.6</td>
<td>25.2</td>
<td>27.2</td>
<td>26.0</td>
</tr>
</tbody>
</table>

#### Tax Debts and Financial Penalties

<table>
<thead>
<tr>
<th>Tax offices safeguarding of revenue/financial penalties</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total tax arrears in millions of euros</td>
<td>8,108.7</td>
<td>7,977.4</td>
<td>7,993.6</td>
<td>7,851.1</td>
</tr>
<tr>
<td>- thereof enforceable tax arrearage claims in millions of euros</td>
<td>1,617.7</td>
<td>1,734.0</td>
<td>1,683.6</td>
<td>1,591.2</td>
</tr>
</tbody>
</table>
## Tax offices safeguarding of revenue/financial penalties

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment quota/payment discipline in percent of taxes due</td>
<td>96.9%</td>
<td>97.0%</td>
<td>97.2%</td>
<td>97.4%</td>
</tr>
<tr>
<td>Concluded financial criminal proceedings</td>
<td>6,337</td>
<td>6,645</td>
<td>7,727</td>
<td>6,845</td>
</tr>
</tbody>
</table>

## Anti-Fraud Operations

### Tax Investigation Unit

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enforcement measures and investigated cases</td>
<td>356</td>
<td>273</td>
<td>258</td>
<td>321</td>
</tr>
<tr>
<td>Business audits, special VAT audits, inquiries and other inspection measures</td>
<td>345</td>
<td>320</td>
<td>319</td>
<td>242</td>
</tr>
<tr>
<td>thereof audit result in millions of euros</td>
<td>8.1</td>
<td>18.7</td>
<td>3.9</td>
<td>25.9</td>
</tr>
</tbody>
</table>

### Financial Police

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of enterprises audited</td>
<td>30,439</td>
<td>26,623</td>
<td>27,317</td>
<td>27,352</td>
</tr>
<tr>
<td>Number of employees checked</td>
<td>54,579</td>
<td>47,556</td>
<td>52,783</td>
<td>53,506</td>
</tr>
<tr>
<td>thereof illegal employees</td>
<td>12,962</td>
<td>11,050</td>
<td>8,973</td>
<td>8,806</td>
</tr>
<tr>
<td>Number of controls on gambling</td>
<td>730</td>
<td>1,314</td>
<td>953</td>
<td>729</td>
</tr>
</tbody>
</table>

### Customer Service Teams – Customs Offices

#### Customs offices traffic of goods/travellers

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods transport declarations in millions of cases</td>
<td>3.94</td>
<td>3.95</td>
<td>4.18</td>
<td>4.44</td>
</tr>
<tr>
<td>thereof controls (declarations)</td>
<td>161,521</td>
<td>167,405</td>
<td>169,866</td>
<td>165,935</td>
</tr>
<tr>
<td>Tax refund statements (U34) in millions of cases</td>
<td>2.09</td>
<td>2.29</td>
<td>1.97</td>
<td>1.49</td>
</tr>
<tr>
<td>Controls of travellers</td>
<td>234,794</td>
<td>259,351</td>
<td>230,234</td>
<td>249,494</td>
</tr>
</tbody>
</table>

#### Customs offices excise duties

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Declarations (incl. distillation of alcohol)</td>
<td>69,981</td>
<td>67,741</td>
<td>81,377</td>
<td>78,849</td>
</tr>
<tr>
<td>Supervision (controls)</td>
<td>7,766</td>
<td>6,999</td>
<td>7,453</td>
<td>7,363</td>
</tr>
</tbody>
</table>
### External Audits and Seizures – Customs Offices

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Completed customs business audits</strong></td>
<td>1,102</td>
<td>1,147</td>
<td>906</td>
<td>918</td>
</tr>
<tr>
<td><strong>- thereof audit result in millions of euros</strong></td>
<td>38.9</td>
<td>39.6</td>
<td>20.1</td>
<td>14.2</td>
</tr>
<tr>
<td><strong>Customs surveillance (controls)</strong></td>
<td>5,222</td>
<td>5,070</td>
<td>4,806</td>
<td>4,695</td>
</tr>
<tr>
<td><strong>Mobile controls</strong></td>
<td>2,244</td>
<td>2,034</td>
<td>1,962</td>
<td>2,131</td>
</tr>
<tr>
<td><strong>Cigarettes seized in millions of cigarettes</strong></td>
<td>8.17</td>
<td>7.20</td>
<td>29.90</td>
<td>4.99</td>
</tr>
</tbody>
</table>

### Tax Debts and Financial Penalties – Customs Offices

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total tax arrears in millions of euros</strong></td>
<td>898.5</td>
<td>1,001.2</td>
<td>1,030.4</td>
<td>842.5</td>
</tr>
<tr>
<td><strong>- thereof enforceable tax arrearage claims in millions of euros</strong></td>
<td>546.2</td>
<td>537.9</td>
<td>530.4</td>
<td>474.8</td>
</tr>
<tr>
<td><strong>Concluded financial criminal proceedings</strong></td>
<td>3,310</td>
<td>3,498</td>
<td>3,003</td>
<td>2,750</td>
</tr>
</tbody>
</table>