Upgraded special arrangements pertaining to coronavirus

Increasingly frequent infections with the SARS-CoV-2 virus and related official measures mandated by the public authorities, such as quarantine and closure of educational institutions, cancellation of events and generally the restriction imposed on daily life, may lead to liquidity bottlenecks and payment delays, starting in mid-March 2020.

A prerequisite for application of the measures listed below is in each case that the taxpayer can credibly demonstrate being specifically affected by a liquidity bottleneck that is attributable to the consequences of the SARS-CoV-2 virus infection. This includes, for example, unusually high cancellations, cancellation of sporting and cultural events, failure or impairment of supply chains, or loss of earnings due to changes in consumer behaviour.

For taxpayers who do not use FinanzOnline, a form sheet is available on the BMF homepage (Combined request for special arrangements pertaining to coronavirus, SR 1-CoV).

The following applies to all requests:

In each case, application of a measure presupposes that the individual impact has been carefully examined, and that it can be credibly demonstrated that an emergency exists that is attributable to the adverse effects of the SARS-CoV-2 virus infection. The tax office presumes upon receipt of the request that this requirement is met.

All applications concerning the measures listed below must be processed immediately by the competent bodies.

1. Advance payments of income or corporate tax for 2020

Advance payments of income or corporate tax for 2020 can be reduced or imposed at € 0 pursuant to § 45 IV of the Austrian Income Tax Act (EStG) 1988 (Item 1.1). Furthermore, total or partial non-imposition of advance payments of income or corporate tax for 2020 pursuant to § 206 lit. a of the Austrian Federal Tax Code (BAO) is possible (Item 1.2).
1.1. Reduction of advance payments of income or corporate tax (§ 45 IV and V of the Austrian Income Tax Act 1988)

Taxpayers affected by a loss of income due to the SARS-CoV-2 virus may submit an application for a reduction in advance payments of income or corporate tax for the calendar year 2020 by 31-OCT-2020.

In case of a specific impact, the tax office must reduce the advance payments for 2020 accordingly. If no tax assessment notice is expected for the calendar year 2020, the tax office must fix the advance payments for the calendar year 2020 at € 0.

1.2. Non-imposition of advance payments of income or corporate tax (§ 45 IV of the Austrian Income Tax Act 1988 in conjunction with § 206 I lit. a of the Austrian Federal Tax Code)

If the imposition of advance payments of income or corporate tax for the calendar year 2020 is not fixed at € 0 pursuant to Item 1.1 anyway, pursuant to § 45 IV of the Austrian Income Tax Act 1988 the advance payment is to be reduced to the amount that is expected to be paid for the calendar year 2020.

If the taxpayer is affected by the consequences of the emergency caused by the SARS-CoV-2 virus in terms of liquidity to such an extent that he/she is unable to pay the advance payment to the amount determined pursuant to § 45 IV of the Austrian Income Tax Act 1988, he/she may request from his/her tax office that the advance payments of income tax or corporate income tax for the calendar year 2020 be not imposed in their entirety, or the imposition be limited to an amount that is lower than the anticipated annual tax for 2020.

In case of a specific impact, the tax office must accordingly fix the amount of the income tax or corporate tax advance payment pursuant to § 206 I lit. a of the Austrian Federal Tax Code at a lower amount or at € 0.

1.3. Abstention from imposition of interest on subsequent tax claims (§ 205 in conjunction with § 206 I lit. a of the Austrian Federal Tax Code)

The tax office shall abstain from performing an ex officio imposition pursuant to § 206 I lit. a of the Austrian Federal Tax Code if the reduction or discontinuation of advance payments in the assessment of income tax or corporate income tax for 2020 (to be made after the end of 2020) will result in interest on subsequent tax claims.
2. Tax collection

2.1. Deferral and payment in instalments

The taxpayer may request his/her tax office to postpone the payment of a duty (deferral), or to grant payment of the same in instalments (§ 212 I Austrian Federal Tax Code).

In case of a specific impact, the tax office shall grant a deferral until no later than 30-SEP-2020 or payment in instalments by 30-SEP-2020.

2.2. Non-imposition of deferral interest

With the application for deferral or payment in instalments, the taxpayer may request his/her tax office to refrain from imposition of the deferral interest accruing in accordance with § 212 II of the Austrian Federal Tax Code. In case of a specific impact, no deferral interest is to be imposed.

2.3. Late-payment surcharges already imposed

The taxpayer may request his/her tax office to cancel a late-payment surcharge already imposed pursuant to § 217 VII of the Austrian Federal Tax Code. In case of a specific impact, cancellation is mandatory.

3. Extension of the deadline for submission of annual tax declarations 2019

Pursuant to § 134 I 2 of the Austrian Federal Tax Code the annual tax returns for income tax, corporate income tax and turnover tax and for the determination of income (§ 188 of the Austrian Federal Tax Code) must be submitted by the end of April or the end of June 2020. For the aforementioned tax returns for the year 2019, this period is generally extended pursuant to § 134 I last sentence of the Austrian Federal Tax Code until 31-AUG-2020.

4. Abstention from imposition of late charges (§ 135 of the Austrian Federal Tax Code)

As a matter of principle, imposition of late charges (§ 135 of the Austrian Federal Tax Code) is to be waived if the failure to meet the deadline occurs before 01-SEP-2020.