

2021

To the

- Tax Office Austria, P.O. Box 260, A-1000 Vienna
- Tax Office for Large Companies, P.O. Box 251, A-1000 Vienna



Data Protection Policy at bmf.gv.at/datenschutz
or in printed form at all tax and customs office locations

Please fill out in CAPITAL LETTERS and only in black or blue colour. Enter amounts in euros and cents (right-justified).
Fields with a bold frame must be filled in at any rate.

| | | |
|----------------------|--|---|
| Tax number | 10-digit Austrian Social Security Number according to e-card ¹⁾ | Date of birth (If there is no social security number, to be filled in at any rate) |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| SURNAME | | |
| <input type="text"/> | | |
| FIRST NAME | TITLE | |
| <input type="text"/> | <input type="text"/> | |

Supplement to income tax return E 1 for small businesses for 2021

If reference is made to statutory provisions without further specification, this is to be understood as meaning the Austrian Income Tax Act 1988 (EStG 1988).

This Supplement **may** be used **instead** of Supplement E 1a if the **following conditions** are fulfilled:

- The profit of the business is determined **exclusively** by the **flat-rate taxation for small entrepreneurs** (§ 17 IIIa). In this case, in addition to Item 1, **only Item 2** is to be filled in.
- The profit of the business is determined by (complete) **income-expenditure accounting** or by a **flat-rate taxation for income from self-employment or commercial activity** outside the flat-rate taxation for small entrepreneurs and the flat-rate taxation for food retailers or general merchandise dealers. In this case, in addition to Item 1, **only Item 3** is to be filled in.

Please note here:

- In the case of the agricultural and forestry flat rate, Supplement E 1c is to be used instead of this form.
 - In the case of flat-rate taxation for food retailers or general merchandise dealers, Form E 1 is to be used, and only Item 6 is to be filled in there.
- The total of the **operating revenue without investment income or withdrawal values of fixed assets** (sum of the codes **9040, 9050 and 9090**) did not exceed the amount of € **35,000** in the respective calendar year (for the VAT net system ²⁾) or the amount of € **42,000** (for the VAT gross system ³⁾, respectively).
 - The business has not been sold or discontinued, there has been no reorganisation, and no adjusted net gain/loss carried forward is to be considered.
 - No investment-related tax-free profit allowance** is asserted, and no subsequent taxation of an investment-related profit allowance is required.
 - Any domestic operating capital yields are left subject to **final taxation** with the deduction of the capital gains tax and are therefore not included in the code **9090**.
 - There are no foreign operating capital yields.
 - There are no capital gains relating to business premises to which the special tax rate is applicable.
 - There is no income from the granting of line rights-of-way to be taxed according to the tariff (standard taxation option pursuant to § 107 XI)

Please fill in one supplement per operation.

- Income from agriculture and forestry**, **Income from self-employment**
if no flat-rate taxation is claimed
- Income from commercial operation**

Please tick as applicable.

| | |
|---|--|
| 1. Current address | |
| Postcode | Company address (city, street, square, house N ^o , staircase, door N ^o) |
| Country (fill in only if not in Austria) | |
| 2. Determination of income through flat-rate taxation for small entrepreneurs (§ 17 IIIa, not applicable to income from agriculture and forestry) <input type="checkbox"/> | |
| The following are to be filled in: | |
| Industry code according to E 2 | <input type="text"/> |
| To be filled in if you are also a participant in a partnership: | |
| <input type="checkbox"/> It is confirmed that the flat-rate taxation for small entrepreneurs is not claimed by a partnership in which I also hold an interest. Please note: If you make use of the flat-rate taxation for small entrepreneurs here, it may not be claimed by a partnership in which you hold an interest. | |

- Please enter the complete 10-digit insurance N^o assigned by the Austrian social insurance provider here.
- In the VAT net system, VAT is not reported in either operating revenue or operating expenses because economically it is a transit item; see also Item 3 of the explanations.
- In the VAT gross system, operating revenue and operating expenses are reported including VAT. Taxpayers that are VAT-exempt without input tax relief (e.g. small entrepreneurs pursuant to § 6 I 27 of the Austrian Value Added Tax Act 1994) must always determine the profit according to the VAT gross system; see also Item 2 of the explanations.



| | | Amounts in euros and cents | |
|--|-----------------|--|--|
| Operating income (without reported turnover tax) Note: The reimbursement of travel costs that are offset by operating expenses to the same amount is not to be included here. | | 9027 | |
| Operating expenses pursuant to § 4 IV 1 (in particular compulsory insurance contributions) Note: Travel costs that are offset by a cost substitute of the same amount not to be reported in code 9027 are not to be reported here. | | 9028 | – |
| Preliminary profit/loss (without consideration of the operating expense flat rate and the basic tax allowance (balance from value 9027 minus value 9028) (Please transfer this amount to form E 1 in item 11 line 1 or item 12 line 1. The operating expense flat rate is automatically considered when determining the income, therefore no entry is required) | | | |
| <input type="checkbox"/> The basic tax allowance is waived (If you do not waive, the basic allowance will be automatically considered) | | | 30 |
| 3. Determination of income by means of income-expenditure accounting or flat-rate taxation (outside the agricultural and forestry flat rate, the flat-rate taxation for small entrepreneurs and the flat-rate taxation for food retailers or general merchandise dealers) | | | |
| 3.1 Information on the business | | | |
| <input type="checkbox"/> VAT gross system | 2 | <input type="checkbox"/> VAT net system | 3 |
| <input type="checkbox"/> Complete income-expenditure accounting in accordance with § 4 III | 4 | <input type="checkbox"/> Basic flat rate pursuant to § 17 I | 5 |
| <input type="checkbox"/> Flat rate for the hotel and restaurant industry | 6 | <input type="checkbox"/> Flat rate for chemists | 7 |
| <input type="checkbox"/> Flat rate for artists/authors | 8 | <input type="checkbox"/> Flat rate for commercial agents | 9 |
| <input type="checkbox"/> Flat rate for athletes | 10 | <input type="checkbox"/> Flat-rate taxation for non-accounting tradespersons | 11 |
| Industry code (ÖNACE 2008) acc. to E 2 | Please fill in! | 12 | <input type="checkbox"/> Mixed operation |
| 3.2 Profit determination | | | |
| Please note: As a rule, operating revenue and operating expenses must be indicated without leading signs. Only if a negative value should result for a code, a negative leading sign ("-") must be specified. | | | |
| Operating revenues | | Amounts in euros and cents | |
| Operating revenue (revenues from goods and services) excluding the income reported recorded in a notification pursuant to § 109a – code 9050 – including internal consumption (withdrawal values of current assets) Note: This code must be filled in at any rate (§ 61 V BAO). If necessary, the value "0" is to be entered. | | 9040 | |
| Operating revenue reported in a notification pursuant to § 109a Note: This code must be filled in at any rate (§ 61 V BAO). If necessary, the value "0" is to be entered. | | 13 | 9050 |
| investment income/withdrawal values of fixed assets | | 14 | 9060 |
| Other operating revenue | | 15 | 9090 |
| Total operating revenue (does not have to be filled in) | | | |
| Operating expenses | | | |
| Goods, raw materials, auxiliary materials | | 9100 | |
| Personnel provided (external personnel) and external services | | 16 | 9110 |
| Expenditure for own personnel | | 17 | 9120 |
| Depreciation fixed assets (e.g. depreciation for wear, low-value assets, EKR 700 – 708), unless these are to be reported in code 9134 and/or 9135. | | 18 | 9130 |
| Declining-balance depreciation for wear (§ 7 Ia) | | 19 | 9134 |
| Accelerated depreciation of buildings (§ 8 Ia) | | 20 | 9135 |
| Trip costs and travel expenses including mileage and per-diem | | 21 | 9160 |
| Expenditure on rent, leasehold, leasing | | 22 | 9180 |





| | | |
|--|-----------------------------------|------|
| Interest and similar expenses | 23 | 9220 |
| Own compulsory insurance contributions, contributions to pension and support institutions and contributions to self-employment provision schemes | 24 | 9225 |
| Expenses/expenditures for a study ⁴⁾ | 25 | 9275 |
| Corporate donations to benefited research and teaching institutions, museums, cultural institutions, the Federal Office for Monument Protection, umbrella organisations for disabled sports, the International Anti-Corruption Academy, etc. ⁵⁾ | 26 | 9243 |
| Corporate donations to charitable organisations, benefited fund-raising associations, etc. ^{5) 6)} | 26 | 9244 |
| Corporate donations to environmental organisations and animal shelters ^{5) 6)} | 26 | 9245 |
| Corporate donations to volunteer fire departments and regional fire-fighting associations ^{5) 6)} | 26 | 9246 |
| Contributions to the assets of a non-profit foundation ^{5) 6)} | 27 | 9261 |
| Grants to the Innovation Foundation for Education and its subfoundations ^{5) 6)} | 28 | 9262 |
| Other operating expenses not included in the above codes (without lump-sum operating expenses) | 29 | 9230 |
| Flat-rate operating expenses | 30 | 9259 |
| Total operating expenses (does not have to be filled in) | | |
| Tax-free profit allowance | | |
| Basic tax allowance: This is considered automatically , unless it is waived. | | |
| <input type="checkbox"/> | The basic tax allowance is waived | |
| | | 31 |
| Profit/Loss without consideration of the basic tax allowance (please transfer this amount into Form E 1, Item 10, 11 or 12) | | |

- 4) The expenses/expenditures are deductible only if the study is the centre of the entire business activity.
- 5) Please note: The amounts to be entered here must not be included in an electronic transmission of special expenses data to the tax office. However, if this is the case, you must correct the electronic transmission of the special expenses data. Please use Form L 1d to this purpose.
- 6) Deductible only if the respective institution is included in the list of benefited donation institutions of the Federal Ministry of Finance.

IMPORTANT NOTE: Please do not send **send any original documents**, as all documents arriving at the tax office will be destroyed after electronic recording in accordance with the data protection regulations! However, retain these for at least **7 years** for a possible inspection.

You can submit this declaration even more easily electronically at bmf.gv.at (FinanzOnline). FinanzOnline is available to you free of charge around the clock and requires no special software.

Tax representation (name, address, phone N^o)

Date, signature



Explanations

Legal quotations without further designation refer to the Austrian Income Tax Act 1988 (EStG 1988) as most recently amended. Detailed tax information can be found in the Austrian Income Tax Guidelines 2000 (EStR 2000) at bmf.gv.at/Steuern/Findok. The tax-relevant values are to be entered into all amount fields.



1 The **flat-rate taxation for small entrepreneurs** is applicable to income from self-employment or from commercial operations, with the exception of income from the activities of a shareholder-manager, a member of the supervisory board, or a member of a foundation council. The prerequisite is that in the year of assessment the turnover tax exemption pursuant to § 6 I 27 of the Austrian Value Added Tax Act 1994 for small entrepreneurs is applicable, or is not applicable solely because turnover was also achieved that leads to income that is not affected by the flat rate (e.g. turnover from a letting that leads to income from letting and leasing) or because application of the turnover tax exemption pursuant to § 6 III of the Austrian Value Added Tax Act 1994 was waived. If the turnover limit is not exceeded, it can be decided independently for each business whether flat-rate taxation is to be applied or not.

Profit is the difference between the operating revenue (excluding VAT) and the operating expenses calculated at a flat rate. The flat-rate operating expenses amounts to 45% of the operating revenue. Deviating from this, in the case of a service business they amount to 20% of the operating revenue. The applicable flat rate is determined in accordance with the Service Businesses Ordinance, BGBl. II No 615/2020, from the industry code and the operating revenue (code **9027**) and is automatically considered when determining the income.

In addition to the flat-rate operating expenses, contributions paid pursuant to § 4 IV 1 (including compulsory insurance contributions, code **9028**) and the basic tax allowance must be considered. In the case of travel costs that are offset by a cost reimbursement in the same amount to be reported as business income, it is ensured by law through the reporting as additional business operating expenditure that they do not influence the profit (economic pass-through); they are not to be taken into account when determining the flat rate. Accordingly, they are **neither to** be reported in code **9027** nor in code **9028** and thus remain profit-neutral. This ensures that the flat rate derived from the value of code 9027 can be determined correctly.

Please note: If, in exceptional cases, the profit determined by means of the flat rate for small entrepreneurs does not cover the entire tax result of the business because, for example, a capital gain on disposal/loss on disposal and/or an adjusted net gain/loss carried forward is also to be reported, Supplement E 1a is to be used. The operating expense flat rate is then to be reported in code **9259**.

2 With the **VAT gross system**, the VAT invoiced is to be treated as operating revenue at the time it is collected and as operating expense at the time it is remitted to the tax office. The input tax amounts invoiced are operating expenditure at the time of payment and operating revenue at the time of offsetting with the tax office. Operating revenue and operating expenditure are therefore to be recognised inclusive of VAT.

The sum of the VAT payment charges paid in the assessment year is a operating expense (to be entered in code **9230**), the sum of any VAT credits constitutes a operating revenue to be entered in code **9090**. If both VAT payment charges and VAT credits result, a balancing must be carried out; if there is a credit excess, this is to be entered in code **9090**; if there is a payment charge excess, this is to be entered in code **9230**.

3 In the **VAT net system**, VAT is recognised neither on the revenue nor on the expenditure side. All operating revenue and operating expenses eligible for input tax deduction are therefore recognised net of VAT. As a rule, the net system is permissible only if the VAT is of a transitory nature, i.e. not in the case of a VAT exemption without input tax relief and the claiming of a flat-rate input tax rate (except if the flat-rate input tax allowance is claimed in accordance with § 14 I 1 of the Austrian Value Added Tax Act 1994 and at the same time the basic flat rate pursuant to § 17 I is applied).

4 Profit determination by means of **full income-expenditure accounting** means that no flat-rate taxation is claimed, and the operating expenses are reported in full. Operating revenue is to be reported according to codes **9040 to 9090**, and operating expenses according to codes **9100 to 9230**. Code **9259** (lump-sum operating expenses) must not be filled in.

5 If the **basic flat rate** is applied, the operating revenue is reported in full, but the operating expenses are deducted at a flat rate of **12%** of the sales. For the following income, the flat rate amounts to only **6%** of the turnover: Professional or commercial income from a commercial or technical consultation, an activity within the meaning of § 22 II (e.g. managing directors of a limited company under Austrian law who participate substantially, supervisory board members) and income from writing, lecturing, scientific, teaching or educational activities.

Apart from the lump sum, only the following deductions may be made:

- Expenditure for goods, raw materials and semi-finished products, auxiliary materials and ingredients;
- expenditure for wages (including non-wage labour costs);
- expenditure for third-party wages, if and insofar as these are directly included in services that form the business object of the company (e.g. contract manufacturing of goods),
- social-insurance contributions and contributions to self-employment provision schemes
- travel expenses, if and insofar as they are offset by reimbursement of costs in the same amount; these travel expenses reduce the turnover relevant for the assessment of the lump sum.

All other operating expenses are covered by the operating expense flat rate, which is to be entered in code **9259**.

Further information on the basic flat rate can be found on the homepage of the BMF (bmf.gv.at/Steuern/Für_Unternehmer/Pauschalierung) and in the Manual for Self-Employed Persons ("Selbstständigenbuch", bmf.gv.at/Publikationen), as well as in the Austrian Income Tax Guidelines 2000, Rz 4100 et seq.

6 Licensed hotels and restaurants may make use of the **flat rate for the hotel and restaurant industry**. The **basic lump sum (10%** of the turnover, at least € 3,000) covers all operating expenses with the exception of

- those covered by the other two lump sums and
- those that must be considered separately at any rate, even in the case of flat-rate taxation.

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

- all vehicle costs and operating costs for the use of other means of transport and
- travel costs.





The **lump sum for energy and premises (8%** of the turnover) includes all costs incurred in connection with the use of premises. The (total) lump-sum amount is to be reported in code **9259**.

In addition, the basic tax allowance and certain operating expenses remain fully deductible: Use of goods, wages and non-wage labour costs, social-insurance contributions, training of employees, depreciation for wear (to be entered in maintenance and repair, rentals and leaseholds of real estate, borrowing costs. Further information can be found in the Austrian Income Tax Guidelines 2000, Rz 4287 et seq).

7 The **flat rate for chemists** substantially corresponds to the basic flat rate, see Item 4.

8 According to the **Ordinance for Flat-Rate Taxation of Artists/Writers**, certain operating expenses can be considered at **12%** of the turnover, up to a maximum of € 8,725 at a flat rate in code **9259**.

The lump sum covers: Expenses for usual technical aids (in particular computers, sound carriers including reporting and playback equipment); expenses for telephone and office material; expenses for specialist literature and entrance fees; operational expenses for clothing, cosmetics and other expenses for the external appearance; daily allowances; expenditure for rooms located within the same structure (in particular study, studio, sound studio, rehearsal rooms); expenditure for the catering of business partners; usually undocumented operating expenses. Expenditure not covered by the lump sum are to be entered in the relevant codes.

9 According to the **flat rate for commercial agents**, certain operating expenses can be considered at **12%** of the turnover, at the most at a flat rate of € 5,825 in code **9259**.

The lump sum covers: Per-diem allowances; expenditure for rooms located in the same structure (in particular warehouse and office premises); expenditure on the occasion of catering for business partners; usually undocumented operating expenses such as gratuities. Expenditure not covered by the lump sum are to be entered in the relevant codes.

10 Under the **Ordinance for Flat-Rate Taxation of Athletes**, for internationally active athletes who are subject to unlimited tax liability in Austria (due to their place of residence or habitual abode) and who predominantly perform abroad in the course of sporting events (competitions, tournaments) in the calendar year, the income from sporting activities, including advertising activities, subject to tax in Austria is to be recognised upon application at 33% of all such income (domestic and foreign). However, the income revenue excluded from the tax assessment base (67%) must be considered when determining the tax for the rest of the income revenue (entry in code **440** in Form E 1). Crediting of foreign taxes from the income determined at a flat rate is excluded.

If the flat-rate taxation is used, only 33% of the operating revenue and operating expenses are to be entered in the respective code-; the 67% to be excluded may not be entered in code 9259.

11 The Flat-Rate Taxation Ordinance for **Non-Accounting Tradespersons** BGBl. N° 55/1990, provides for a sector-specific lump-sum operating expenditure rate for a total of 54 trades. The following operating expenses may also be considered:

Purchasing of goods, raw materials and auxiliary materials, semi-finished products and ingredients (according to purchase journal);

wage expenditure (according to payroll account), employer's social security contribution, housing subsidy contribution, employer's contribution to the family burden equalisation fund;

depreciation; expenditure for rent or lease, energy, heating, post and telephone; VAT paid (with the exception of VAT from internal consumption) and VAT (input tax) for expenses requiring capitalisation; contributions to compulsory insurance in statutory health, accident and pension insurance as well as the basic tax allowance.

12 Please enter the type of your activity here in the form of a three-digit **industry code** (*Branchenkennzahl*, BKZ). For more detailed explanations on this see Form E 2. With regard to mixed operations, the following applies: A mixed operation is present if at least 20% of the operating sales are not attributable to the industry code stated. In this case, the industry code of the predominant turnover and the existence of a mixed operation must be ticked.

13 In code **9050**, income/operating revenue to be reported for the respective assessment, for which a notification according to § 109a was issued, is to be entered. For information on the notification obligation pursuant to § 109a, please refer to the "Tax Book" (to be found at bmf.gv.at – Publications) or Rz 8300 et seq of the Austrian Income Tax Guidelines 2000, respectively.

To income stated in a notification on the basis of a **freelance contract of employment** pursuant to § 4 IV of the Austrian General Social Security Act, the following applies: In code 9050, the amount recorded in the notification is to be entered without deduction of retained employee shares for social insurance and without deduction of contributions to pension funds; these deduction items are to be entered as operating expenditure in code 9225; this also applies if the basic flat rate pursuant to § 17 I is used.

14 Operating revenue from the disposal (sale, withdrawal) of fixed assets is to be entered in code **9060**. Insurance compensations are to be entered in code 9090.

15 In code **9090**, enter the total of all operating revenues (accrued in the calendar year) with the exception of the operating revenues to be entered in codes 9040, 9050 and 9060.

16 Note that expenditure for your own personnel must be reported in code 9120.

17 In code **9120**, expenditure on wages and salaries and non-wage labour costs are to be reported.

18 In code **9130**, depreciation for wear for fixed assets (including motor vehicles) as well as immediately deducted low-value fixed assets (§ 13, i.e. those whose acquisition or production costs do not exceed € 800 per individual case) is to be entered. The declining-balance depreciation (§ 7 Ia) is to be reported in code 9134, the accelerated depreciation of buildings (§ 8 Ia) is to be reported in code 9135.

19 For assets acquired or manufactured after 30-JUN-2020, the depreciation for wear can be made in decreasing annual amounts according to an immutable percentage of no more than 30% (**declining depreciation for wear**). This percentage rate is to be applied to the respective book value (net book value) and results in the respective annual depreciation for wear. Certain assets (e.g. buildings, motor vehicles that are not emission-free, used assets, installations that serve to extract, transport or store fossil



fuels and installations that directly use fossil fuels, see § 7 I a 1) are excluded from declining depreciation for wear.

20 Without evidence of the useful life, the depreciation for wear for **buildings** acquired or manufactured after 30-JUN-2020 is a maximum of **7.5%** in the year of initial consideration – this is three times the statutory rate of depreciation for wear of 2.5%.

Deviating from this, the depreciation for wear for buildings used for residential purposes is maximally **4.5%** – three times the statutory rate of depreciation for wear of 1.5%. The rule on semi-annual depreciation for wear is not applicable.

21 In code **9160**, travel costs (actual vehicle costs excluding motor vehicle leasing costs and motor vehicle depreciation for wear, as well as mileage allowances) are to be entered; daily allowances and accommodation allowances on the occasion of a business trip are also to be entered here.

22 Code **9180** includes expenditure on rentals and leaseholds as well as leasing (including motor vehicle leasing). Expenditure for heating, lighting and cleaning of rented rooms and operating costs is not to be entered here.

23 In code **9220**, interest for corporate bank loans, credits, mortgage loans and disbursement and commitment commissions for a loan or credit line is to be entered.

24 In code **9225**, contributions for one's own compulsory social security insurance or to a pension and support institution are to be entered; contributions for one's own self-employment provision schemes are also to be entered here. Such expenditure can be deducted in addition to the flat rate pursuant to § 17 I when the basic flat rate is used.

25 As a rule, the expenses for a study in one's private premises, including furniture, are not deductible. Expenditure is deductible only if the study is used (almost) exclusively for one's occupational activities and constitutes the centre of one's entire business and occupational activities. This is the case, for example, with writers, painters, composers or experts.

Operating expenses in connection with a study include in particular prorated rental costs, operating costs (heating, lighting, insurance, etc.), depreciation for wear, financing costs. Please enter the expenses for the study only in code **9275**, without reporting them in other codes. More detailed information on the study can be found in the wage tax guidelines, Rz 324 et seq.

Please note: If expenses for a study are considered, no income-related expenses for ergonomically suitable furniture (code 158 in form E 1) are due and no income-related expenses for a home office flat rate can be considered in the assessment.



26 Here, **donations** are to be entered that have been made from the business assets to the recipients named in the respective codes. They represent operating expenses insofar as they do not exceed a total of 10% of the operating profit before consideration of a tax-free profit allowance.

27 Here, any contributions to the assets of a non-profit foundation are to be entered (§ 4a). The deductible amount is limited to 10% of the operating profit before consideration of a profit allowance.

28 Any donations to the Innovation Foundation for Education and its subfoundations are to be entered here. Within the maximum amounts laid down in § 4c, such contributions are to be considered as operating expenses. No loss may be incurred as a result of the contribution being considered.

29 In code **9230**, all operating expenses to be considered in the calendar year that are not to be recorded separately are to be entered as a total.

30 In the case of flat-rate taxation, the relevant lump sum for operating expenditure is to be entered in code **9259**. When the flat rate for athletes is claimed, the income not to be reported (67%) may not be excluded via code 9259; see Item 10.

31 There is entitlement to a tax-free profit allowance in the form of a **basic tax allowance** of **13%** of the profit, but totalling no more than € 3,900 per person and assessment year. The basic tax allowance is automatically deducted in the income tax assessment notice, so no entry is required. Please note that the amount to be entered in the income tax return E 1 in line 10a, 11a or 12a and included in the codes 310/320/330 is further reduced in the income tax assessment by the tax-free profit allowance.

However, you have the option of waiving consideration of the basic tax allowance; in this case, you must fill in the checkbox.

