

# Filling-in help for the VAT return for 2022

If the explanations refer to legal provisions without further designation, then they are including the provisions of the Value Added Tax Act 1994 (UStG 1994). The framed ones numbers refer to the explanatory figures shown in the sales tax return.

**1** Under the code **000**, the sum of the taxable turnover (supply of goods and other services) according to Section 1 Para. 1 item 1 must be declared for which the tax liability arose during the assessment period. Taxable turnover include both taxable and tax-exempt sales, including sales where the tax liability is transferred to the recipient of the service (e.g. construction work in accordance with Section 19 (1a)). Since the service provider does not have to pay the value added tax for these sales, these sales must be deducted again under code **021** (see also explanations point 3).

The advance payments received should also be recorded under the code 000 (see also the explanations in the next paragraph). The intra-community acquisitions (Art. 1) must not be entered under this code, but under the code **070**.

For "**debit taxpayer**" (taxation according to agreed consideration), the tax liability generally arises at the end of the calendar month in which the supply of goods or other services were performed; this point in time is postponed by one calendar month if the invoice is not issued until after the end of the calendar month in which the supply of goods or other service was rendered. If a taxpayer collects the consideration or part of it before the service has been performed (received down payments or advance payments), then the tax liability arises at the end of the calendar month in which the consideration was collected, regardless of the issuance of an invoice (see also explanations point 25 regarding input tax deduction from advance payments made).

In cases of taxation according to consideration received, the tax liability for supply of goods and other services arises at the end of the calendar month in which the consideration was received. Taxation according to the consideration received is intended for entrepreneurs who, by their nature, carry out an activity within the meaning of Section 22 item 1 of the Austrian Income Tax Act 1988 (e.g. writers, scientists, state-authorized and sworn civil engineers, lawyers, notaries, accountants, artists). Upon application, the tax office must allow these entrepreneurs to calculate the value added tax according to the agreed consideration. Utility companies (gas, water, electricity and heating plants) and companies for waste disposal and for the removal of rinsing water and waste are also taxed according to the consideration received. These entrepreneurs cannot apply for taxation according to agreed remuneration. Furthermore, the following entrepreneurs pay tax according to the consideration received: Farmers not required to keep accounts and tradespeople not required to keep accounts; furthermore, landlords in particular if they have not achieved sales of more than 110,000 euros in one of the two previous calendar years. Upon application, the tax office must allow these entrepreneurs to calculate the value added tax according to the agreed consideration.

In the case of supply of goods and other services, the turnover is measured according to the consideration. A consideration is everything that the recipient of a supply of goods or other service has to spend in order to receive the supply of goods or other service. Value added tax is not included in the consideration. In the case of advance payments, the amount received must be stated, and the applicable value added tax must be deducted from the amount received. In two special cases (travel services according to Section 23 and used goods according to Section 24), the turnover is essentially based on the difference between the purchase price and the selling price less value added tax.

**2** The code **001** is used to explain the self-supply for which the tax liability arose in the course of the assessment period.

## Self-supply is available:

1. if the entrepreneur removes items from the company (including benefits to staff). This also includes gifts worth more than 40 euros that are given for business reasons (e.g. gifts to customers). This also includes the removal of the entire business or a part of the business (in particular the transfer as a gift), whereby the acquiring entrepreneur is able to deduct input VAT;

2. if the entrepreneur uses company property for purposes outside the company (including use by staff). Example: An entrepreneur uses his/her company minibus for private trips. The registration as self-supply according to points 1 and 2 presupposes that the entrepreneur was fully or partially entitled to input VAT deduction for the item. Therefore, for example, there is no self-supply if a company item was bought by a private person at the time (no input VAT deduction) and is removed later;
3. if the entrepreneur performs other services for purposes outside the company (including for personnel purposes). Example: A contractor has his/her workers carry out repairs in his/her private villa;
4. if the entrepreneur makes domestic expenses (expenses) that relate to services that primarily serve the purposes of the company and are not deductible according to income tax principles, e.g. because non-deductible representation expenses exist. This self-supply also presupposes that input VAT deduction was permissible in whole or in part for the items concerned at the time.

The tax liability for self-supply arises at the end of the calendar month in which the items were removed or used, the services performed or expenses incurred. The tax base of assessment for self-supply is (in each case without value added tax included therein):

- in case of point 1: the replacement price (purchase price of a similar item or cost price) at the time of removal;
- in case of point 2: the costs incurred for non-business use (e.g. the pro rata car costs for private trips);
- in case of point 3: the costs incurred for the services;
- in case of point 4: the affected expenses (expenses).

**3** Enter under the code **021**, those sales for which the tax liability is transferred to the beneficiary. This applies, for example, to sales (including advance payments) from entrepreneurs who provide construction services within the meaning of Section 19 Paragraph 1a, supply of goods and certain other services in connection with scrap and waste materials (Section 19 Paragraph 1d, Scrap Sales Tax Ordinance Federal Law Gazette II No. 129/2007), generate sales from the transfer of greenhouse gas emission certificates (Section 19 Para. 1e litera a) or sales from the supply of certain mobile devices and integrated circuits if the consideration shown in the invoice is at least 5,000 euros (Section 19 Para. 1e litera b). Furthermore, foreign entrepreneurs who are assessed for value added tax in Austria must use this code to enter those sales (supply of work and other services) for which the tax liability is transferred to the beneficiary in accordance with Section 19 (1), second sentence.

All sales mentioned under the code 021 are to be recorded under the code **000**, but needs to be deducted again under the relevant code **021**.

**Non-taxable turnover** (e.g. turnover where the place of performance is abroad) are not listed under the code **000** nor under the code **021**.

**4** In the case of **tax-exempt supply of goods abroad**, a distinction must be made between the tax-exempt export supplies, i.e. supplies to countries outside the EU ("third countries", "Third country area"), and the tax-exempt intra-community supplies, which are supplies to the other countries of the EU (to the "rest of the community area"). Under code **011** only the tax-exempt export supplies (Section 7) are to be specified, the tax-exempt intra-Community supplies (Art. 6 para. 1 in conjunction with Art. 7) must be listed under code **017**. Tax-exempt export supplies can be made to both entrepreneurs and private individuals in the third country. The input VAT deduction is maintained ("real tax exemption").

**5** It concerns **tax-exempt contract processing**, if the treated or processed item arrives in the third country (Section 8). Here, too, the input VAT deduction remains.

**6** Various other tax exemptions are recorded here, for which the input VAT deduction remains.

**7** The **tax-exempt intra-community supply** should be listed here (see also point 4), with the exception of the two cases mentioned under code **018**. Tax-exempt intra-community supplies usually require that the customer is an entrepreneur who acquires the item for his/her company and that the customer has disclosed his/her VAT number. The input VAT deduction remains.

**8** The intra-Community supply of new vehicles must be entered here in the following cases:

BE AWARE THAT In these cases, form U 17 or U 17a must be filled out and submitted to the relevant tax office.

**The supply of new vehicles were made to customers without a VAT number**

If a new vehicle (this is e.g. a car up to 6 months from first use irrespective of the mileage and also every car up to 6000 km mileage) was delivered to another EU country by an entrepreneur who trades in vehicles on a commercial basis (e.g. car dealer) and the recipient did not submit a VAT number, then this vehicle delivery is nevertheless tax-exempt. It must be specified here separately. The input VAT deduction remains.

**Vehicle suppliers in accordance with Art. 2**

This applies to the special case when a new vehicle is delivered to another EU country either by a private individual or by an entrepreneur who does not deal in vehicles (cars) commercially and is not entitled to deduct input tax for the vehicle. If such a vehicle was supplied domestically, then there would be no taxable turnover, but the turnover tax charged to the supplier at the time for the vehicle would not be deductible as input tax either. The supply of a new vehicle to another EU country triggers a taxable turnover (the turnover must therefore also be stated above under code **000**), which is then tax-exempt. This supply is associated with the right to deduct input tax for the new vehicle supplied to another EU country. This input tax is to be deducted under code **064**.

**9** The code **019** begins with the tax-exempt sales, which are also associated with the loss of input VAT deduction ("false tax exemptions"). The property supply and self-supply (e.g. removal of a previously used or rented condominium) are to be recorded under code **019**. An input VAT adjustment is made within twenty years of an input VAT deduction claimed for the property at the time (see point 33).

For deliveries of real estate, including personal consumption, there is the option of waiving the tax exemption; in this case, the turnover is subject to the tax rate of 20% and must not be entered under code **019**; in this case there is no input tax adjustment.

**10** Non-genuine tax-exempt turnover of **small entrepreneurs** must be entered here. If your sales (including your self-supply) do not exceed EUR 35,000 net in the assessment period, you are automatically tax-exempt as a small entrepreneur. In this case, you are not allowed to charge VAT or claim an input VAT deduction. The turnover limit shall not include turnover from ancillary transactions, including the sale of businesses, or turnover that is tax-exempt under section 6(1)(8)(d) and (j), (9)(b) and (d), (10) to (15), (17) to (26) and (28). Auxiliary transactions are the sale of fixed assets (e.g. machines) and the sale of the entire business or a part of it. If your turnover exceeds the limit of EUR 35,000 net by no more than 15% once in a period of five years, the exemption continues to apply. If you do not operate your company in Austria (foreign entrepreneurs), you are not entitled to tax exemption as a small entrepreneur.

You can waive the small entrepreneur tax exemption by written declaration; in this case, the turnover is taxable according to the general regulations and you are also entitled to input VAT deduction

("regular taxation"). You can also submit this declaration together with this turnover tax return, but in a separate informal letter or in the form of form U 12, which is available from the tax office. The declaration binds you for at least five calendar years. If you no longer want to claim standard taxation after 5 years (or later), you must revoke the standard taxation application in writing by the end of the first calendar month of the year for which you want to claim the non-genuine exemption again.

In the event of a change from non-genuine tax exemption to tax liability (either because of an option to tax liability or because the small entrepreneur limit is exceeded) or vice versa (transition from tax liability to non-genuine tax exemption), input VAT corrections may take place (see explanations under point 33).

**11** Enter under code **020 the remaining tax-exempt turnover (without input VAT deduction entitlement)**. These are, for example, services in the money, credit and insurance sectors, supervisory board remuneration, the turnover of foster carers and childminders or foster parents, the turnover of blind persons with a maximum of three sighted workers; Turnover from private schools, sales from non-profit sports organisations.

The sales of the hospitals and sanatoriums, the nursing homes and the old people's, blind and infirm homes as well as the youth homes are tax-exempt if they are effected by a corporation under public law or by a non-profit institution. However, under certain conditions, the tax office can waive the tax exemption for nursing homes, old people's homes, homes for the blind and infirm as well as for youth homes. In this case, the turnover is subject to the tax rate of 10% and an input VAT deduction is permitted.

Furthermore, for example, the turnover of doctors, psychotherapists, dental technicians and patient transport are tax-exempt. In these cases, it is not possible to waive the tax exemption.

The following applies to the rental of land: The rental of apartments is taxable at 10%. The rental of property for business purposes is generally tax-exempt, unless it is a short-term rental (in this case, the turnover must be entered under code **020**), but the landlord can also treat each individual transaction (for each business premises, every other space) as taxable ("option "). However, this only applies if the tenant uses the property almost exclusively for turnover that does not exclude input VAT deduction. Then the standard tax rate of 20% applies. If the lessor of business premises makes use of the tax exemption, input VAT deducted in the past may be corrected (see point 33).

**12** The standard tax rate is 20%. All taxable transactions for which no special (reduced) tax rate is provided are taxed according to this tax rate.

**13** **The reduced tax rate of 10%** according to Section 10 Para. 2 item 1 to 8 includes the following turnover:

The supply of goods and self-supply of the items listed in Annex 1 to the Value Added Tax Act, in particular agricultural products, food and food preparations, books, newspapers, and also the rental of land for residential purposes, with the exception of the costs of heating (for the rental of business premises, see the explanations Point 11), the services provided by associations of persons for the maintenance, administration or operation of the parts and systems of a property that they jointly own and is used for residential purposes (in the case of business premises in the home, there is a non-genuine tax exemption with an option provided that that the tenant uses the property almost exclusively for sales that do not exclude input VAT deduction, whereby the sales are then subject to the standard tax rate), accommodation in furnished living rooms and bedrooms and the regular additional services associated with it (including heating) and the leasing (transfer of use) of land for camping purposes, certain services provided by non-profit, charitable and church associations, passenger transport (except for domestic aircraft), refuse collection, sales of private hospitals and spas, nursing homes and homes for the elderly, the blind and infirm.

The following sales are subject to the **reduced tax rate of 13%** in accordance with Section 10 Para. 3 item 1 to 12:

The supply of goods and self-supply of the items listed in Annex 2 to the Value Added Tax Act, in particular live animals, plants, firewood, sales from the activity as an artist (e.g. painter, sculptor, poet and artistically active writer, but not specialist writers), sales of swimming pools and thermal treatment, private theaters and private concerts, private museums, circus performances and the services of showpersons, the services of private youth, educational, training, further education and convalescent homes (e.g. crèches, kindergartens, after-school clubs), and passenger transport in aircraft. Works of art (if supplied by the artist and in other special cases, if the so-called differential taxation is not applied); The supply of wine by the agricultural business (producer) is also subject to the reduced tax rate of 13% (see explanation under point 14).

**14** **The supply and self-supply of wine** by the producer is subject to the tax rate of 13%. In the case of wine produced from purchased grapes and for wine sales in taverns, the normal tax rate of 20% applies. For farmers and foresters who are not required to keep accounts, this only applies if they have opted for standard taxation (binding effect for five years); otherwise see points 16 and 17.

**15** For sales in the Jungholz and Mittelberg areas by entrepreneurs who have a place of residence (seat), habitual abode or a place of business in these areas, the standard tax rate is reduced from 20% to 19% (to be entered under the code **037**). However, the reduced tax rates of 10% and 13% apply.

**16** **17** The codes **052** and **007** are only relevant for farmers and foresters who are not required to keep accounts and who have not opted for standard taxation. As a rule, neither an obligation to pay turnover tax nor the possibility of having input VAT refunded by the tax office arises for the turnover of these farmers and foresters as a result of the consolidation into a lump sum. Only in the cases listed below does the flat-rate farmer actually have to pay the corresponding tax (additional tax) to the tax office without being able to have input tax reimbursed by the tax office.

**16** The additional tax of 10% applies if the sale is made to non-entrepreneurs, in particular for the sale of wine by flat-rate winegrowers in the Buschenschank or generally for the sale of wine made from purchased grapes. The additional tax is also payable for the sale of beverages that are not listed in Annex 1 to the Value Added Tax Act.

**17** The additional tax of 7% applies to the beverages listed under point 16, provided they are sold to entrepreneurs.

**18** The sales tax amounts that you invoiced incorrectly and are therefore owed to the tax office (Section 11 Para. 12 and Para. 14) must be stated here. If the beneficiary of a supply of goods in another EU member state has obtained treatment as a tax-exempt intra-Community supply (see point 7) by providing incorrect information to their domestic supplier, then the beneficiary owes the lost tax (Art. 7 para. 4); this amount is also to be stated under code **056**.

**19** In the following cases, the value added tax is not owed by the company providing the service, but by you as the customer (beneficiary) and must therefore be entered under the code **057**. However, you can immediately deduct the tax owed under the code **066** as input VAT if you are not fundamentally excluded from the input VAT deduction (e.g. due to non-genuine exempt turnover). Invoicing by the performing entrepreneur is not required; the right to deduct input tax is nevertheless given. The following services are covered by the code **057**:

1. Other services and supplies (e.g. erection of a building) provided to you by a foreign entrepreneur (Section 19 Para. 1 second sentence)

2. certain electricity and gas supplies by foreign entrepreneurs (Section 19 Para. 1c)

3. Turnover from the transfer of greenhouse gas emission certificates (Section 19 Para. 1e litera a) and turnover from the supply of certain mobile radio devices and integrated circuits if the consideration shown in the invoice is at least 5,000 euros (Section 19 Para. 1e litera b)

4. Supplies to the domestic recipient as part of a triangular transaction (Art. 25 paragraph 5)

It should be noted that in the cases of transfer of tax liability mentioned under point 1 (section 19 (1), second sentence), the point in time when the tax liability arises cannot be postponed through later billing. In these cases, the tax liability generally arises at the end of the calendar month in which the service was performed.

**20** If you are provided with construction services (including down payments) for which the tax liability is transferred, then the tax is not owed by the contractor providing the service, but by you as the beneficiary. This omitted tax must be entered under code 048. If there is no exclusion from input VAT deduction, you can deduct the owed tax again as input VAT under code 082.

Furthermore, in the case of supply of goods within the scope of security ownership and the conditional ownership as well as sales of real estate within the scope of the foreclosure procedure (Section 19 Para. 1b), the tax liability is transferred to the beneficiary. This omitted tax is to be entered under code 044. If there is no exclusion from input VAT deduction, the tax owed can be deducted by the beneficiary again as input VAT under the code **087**.

The tax liability transferred to you as the beneficiary for supply of goods and certain other services in connection with scrap and waste materials must be entered under code 032, (Section 19 Para. 1d, Scrap Sales Tax Ordinance Federal Law Gazette II No. 129/2007). Also to be recorded here is turnover under the Sales Tax Fraud Prevention Ordinance (UStBBKV), Federal Law Gazette II No. 369/2013 (video game consoles, laptops, tablet computers, gas and electricity, gas and electricity certificates, metals and investment gold), which also result in the transfer of tax liability to the beneficiary of the service. If there is no exclusion from input VAT deduction, you can deduct the owed tax again as input VAT under code **089**.

**21** You making an **intra-Community acquisition of goods** if you receive a "cross-border supply" from another EU member state (i.e. not for private purposes), i.e. the supplied item enters the country from another EU member state. An intra-community acquisition of goods also exists if you bring an item that is already attributable to your company but is located in another member state (the item is located, for example, in a foreign branch) from there to Germany on a permanent basis. In the case of only temporary use in Germany, there is no intra-community acquisition of goods.

If you are entitled to input VAT deduction, you can immediately claim the VAT due on intra-community acquisitions of goods as input VAT (code **065**). You cannot deduct the purchase tax for certain motor vehicles as input VAT (Section 12 Para. 2 item 2 litera b). Filling in the codes for the intra-community acquisition of goods helps, among other things, to control the correct taxation of cross-border transactions.

There is no intra-community acquisition of goods if you are either an entrepreneur who only carries out non-genuine tax-exempt sales (see points 9, 10 and 11, thus also if you are a small entrepreneur who has not applied for standard taxation), or if you are a flat-rate country - and are a forester or farmer and forester on a flat-rate basis (see points 16 and 17), and if the intra-community acquisitions of goods have not exceeded the acquisition threshold of EUR 11,000 either in the past year or in the current year. If the acquisition threshold is only exceeded in the current year, there is an acquisition tax liability from the first acquisition with which the threshold is exceeded. Goods that are subject to excise duty (e.g. tobacco products, wine and other alcoholic beverages) and new vehicles (for the definition "new vehicle" see point 8) are always subject to acquisition tax. These supplies of goods are therefore not included in the calculation of the acquisition threshold. The acquisition threshold can be waived

(e.g. if the domestic value added tax is lower than the relevant foreign value added tax); this waiver binds the entrepreneur for at least two calendar years, generally with regard to all purchases from other member states.

**22** Under the code **071**, the special cases of tax-exempt acquisitions must be deducted. This includes, in particular, the acquisition of such items whose domestic supply or import from a third country would be tax-exempt. The standard tax rates apply to taxable purchases (codes **072**, **073** and **088**).

**23** See the explanations for points 12, 13, 15 and 17.

**24** If you have used an Austrian VAT number in the case of an intra-community acquisition of goods which are located in the territory of another Member State at the end of the transport or dispatch, then this acquisition is in principle subject to Austrian acquisition tax through the use of the Austrian VAT number. However, you do not need to pay tax on this acquisition in Austria if it can be proven that the acquisition was taxed in the Member State of the place of destination. Such acquisitions must not be listed under code **070**, but only under code **076**.

In the case of so-called "triangular transactions", the acquisition is also not taxable, but must only be listed under the code **077** if the entrepreneur (acquirer) proves that such a triangular transaction exists and that he/she has fulfilled his/her obligation to declare (by including it in the "Summary report").

**25** Enter under code **060** the tax amounts falling within the assessment period and shown separately in an invoice by other entrepreneurs for supply of goods or other services carried out in the country for the enterprise, including the tax shown in an invoice for advance payments made, as well as the input VAT calculated according to average rates. For actual taxpayers whose turnover according to Section 1 para. 1 nos. 1 and 2 - in which case turnover from ancillary transactions, including business disposals, shall be excluded - did not exceed EUR 2,000,000 in the previous assessment period, an additional requirement for the input VAT deduction, is that the payment has been made.

An input VAT deduction in connection with the supply of goods and other services requires that at least 10% of these serve business purposes.

If, for example, a commercial agent buys a minibus (entitled to input VAT deduction) and uses it for 25% of his company's purposes, he/she can claim 100% of the input VAT deduction; the private portion of 75% including pro rata depreciation is subject to self-supply taxation (see point 2).

There is no input VAT deduction for expenses that are wholly or largely non-deductible under income tax law. The input VAT deduction is also not permitted with regard to the purchase (manufacture), rental or operation of passenger cars, station wagons or motorcycles, with the exception of driving school vehicles, demonstration vehicles and vehicles intended exclusively for commercial resale, which at least 80% are used for the purpose of commercial passenger transport or for commercial rental.

In the case of cars or station wagons with a CO2 emission value of 0 grams per kilometer (e.g. cars or station wagons with an exclusively electric or electrohydraulic drive, input VAT can be deducted under the general requirements of Section 12 Austrian Value Added Tax Act 1994.

**26** Under the codes **084**, **085**, **086**, **078**, **068** and **079** are the lump-sum input taxes, which are already under the code **060** must be included separately. Input tax flat rates intended for certain professional groups or activities are to be recorded here.

**27** The import VAT tax paid to the customs authorities for items that have been imported for the company must be declared under the code **061**. This does not apply if there is an exclusion from input VAT deduction.

**28** Under the code **083**, the input VAT relating to the import VAT (EUST) is to be entered, which is not posted to the customs office account, but due to the option to the tax office account of the entrepreneur for whom which the goods were imported. This does not apply if there is an exclusion from input VAT deduction.

**29** Under the code **065** is the sum of the purchase tax amounts according to codes **072** to **088** stated, provided there is no exclusion from input VAT deduction.

**30** Enter under the codes **066**, **082**, **087** and **089** the tax transferred to the beneficiary, provided there is no exclusion from the input VAT deduction. For more details see the explanations points 19 and 20.

**31** In cases where a non-entrepreneur becomes an entrepreneur as a result of the supply of a new motor vehicle, he/she can claim an input VAT deduction (see also the explanations in point 8). The input VAT deduction according to Art. 12 para. 3 only for the acquisition costs, is not possible also for the operating costs incurred up to the resale; if the vehicle is resold at a lower price, input VAT deduction is limited to the tax amount notionally attributable to this lower price and may only be made when the new vehicle is supplied within the community.

**32** Enter under the code **062** the input VAT declared under codes **060**, **061**, **083**, **065**, **066**, **082**, **087** and **089**, which are the so-called "non-genuine tax-exempt transactions" (see points 9, 10 and 11) or transactions carried out abroad and which - if they had been effected domestically - would be non-genuinely tax-exempt.

**33** **If the circumstances change in the assessment period** that were decisive for the input VAT deduction claimed in previous years, the input VAT deduction must be corrected on the basis of the provisions of Section 12 (10) to (13). The correction must be explained under the code **063**. This also applies to the transition from a non-genuine tax exemption to standard taxation and vice versa. Depending on whether the input VAT deduction originally made is now inadmissible (e.g. sale of a company property without waiving the tax exemption, see also the explanations point 9), or whether an input VAT deduction that was inadmissible at the time is now permissible (e.g. transition from small business taxation to standard taxation), there is an input VAT reclaim or an input VAT credit.

**34** Under the code **067** enter the input tax adjustments made according to Section 16 paragraph 1 (change of the assessment basis) and paragraph 3 (uncollectability of the consideration).

**35** **Other corrections:**

This row is available for other corrections.

For example, remuneration adjustments relating to sales from previous assessment periods must be recorded here, whereby the tax amount (and not the tax base) must be entered. Consideration adjustments relating to sales in the current assessment period are already to be taken into account under the code 000.

The credits that result from the tax exemption for (initially taxed) export sales from previous assessment periods in the cases of Section 7 (4), second subparagraph, must also be entered here if the proof of export was only received in the current assessment period.

**These instructions only contain the most important information for completing the declaration. If in doubt, contact your accountant or the employees of your local tax office.**