

TIPS FOR CUTTING YOUR 2023 TAX BILL

A STEP-BY-STEP GUIDE TO THE EMPLOYEE TAX ASSESSMENT FOR 2022



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How can I claim a tax refund?



This booklet contains details of important general regulations. Our free handbook *Steuer sparen 2023* (German only) includes further information on all the necessary steps for submitting your employee tax assessment, as well as sample letters. To download a copy, visit www.arbeiterkammer.at/service/broschueren/SteuerundGeld/index.html

You need the following forms:

- **L 1** Employee tax assessment form
- You may also need:
 - L 1k** for parents
 - L 1k – bF** for non-standard allocation of the Family Bonus
 - L 1ab** for extraordinary burdens, e.g. disability-related
 - L 1d** for specific treatment of special expenses
 - L 1i** for earnings not subject to pay-as-you-earn deductions, e.g. foreign income

If you are not subject to compulsory tax assessment, you usually have five years to submit your employee tax assessment. This means that you must submit your employee tax assessment for 2022 by 31 December 2027 at the latest. You can submit the assessment in two ways:

- **Electronically using the FinanzOnline platform**
After registering, you can complete and submit your employee tax assessment online at finanzonline.bmf.gv.at.
- **By submitting a paper copy to your tax office**
Any tax office can provide you with the necessary forms. You must send the completed employee tax assessment form to Finanzamt Österreich, Postfach 260, 1000 Vienna – for more information, visit the Austrian Finance Ministry website www.bmf.gv.at

Step-by-step guide to form L 1

Step 1: Personal data and employment details

Sections 1-3 of the form: Your personal data

Section 4 of the form: How many different employers did you have during the year? Enter the number here. If you are retired, you must specify the number of entities from which you receive a pension.



You do not need to include your payslips or other documentation, but you must keep them for seven years and present them on request.

Step 2: Single-earner tax credit, single-parent tax credit and additional child allowance

Sections 5 and 6 of the form: The **sole-earner tax credit** (AVAB) and **single-parent tax credit** (AEAB) are designed to reduce the financial burden on families with children. The size of these two tax credits and the processes for claiming them are identical, but the conditions for eligibility are different. You can only apply for one of these tax credits.

If your income is below the minimum income threshold, you will receive the sole-earner or single-parent tax credit in the form of a negative income tax payment.

Entitlement conditions for the sole-earner tax credit:

- You or your spouse/registered partner were entitled to receive family allowance for at least one child for more than six months in the year in question
- You were married or living in a registered partnership or cohabiting partnership for more than six months in the year in question
- Your spouse's/registered partner's income was EUR 6,000 or less in the year in question

Entitlement conditions for the single-parent tax credit:

- You were entitled to receive family allowance for at least one child for more than six months in the year in question

- You were not married or living in a registered partnership or cohabiting partnership for more than six months in the year in question

Sole-earner/single-parent tax credit – amount

This depends on the number of children you or your spouse/registered partner were entitled to receive family allowance for in more than six months in the year in question. Tax credit per year:

- For one child: EUR 494
- For two children: EUR 669
- For each additional child: +EUR 220



If the sole-earner or single-parent tax credit is already included in your monthly pay, you still have to apply for the tax credit again retrospectively when you submit your employee tax assessment. If you do not do this, your tax office will reclaim the credit.

Additional child allowance of up to EUR 550

You can claim this allowance if you are entitled to the single-earner tax credit or single-parent tax credit, or live in a partnership (please note that only one of the partners can claim the additional child allowance). The following must also apply:

- Your income and, where applicable, that of your partner are so low that the standard tax is less than EUR 550
- You have earned income for at least 30 days, or received childcare allowance or carer's allowance for the whole year

Step 3: Increased pensioner allowance

Section 7 of the form: The increased pensioner allowance is a maximum of EUR 964. You are entitled to receive it, if:

- Your income only consists of pension payments totalling less than EUR 25,000 per year
- You were married or living in a registered partnership for more than six months in the year in question

- Your spouse's/registered partner's income was EUR 2,200 or less in the year in question
- You do not qualify for the sole-earner tax credit

Step 4: Multiple-child bonus


Section 8 of the form: You can claim a multiple-child bonus of EUR 20 per month for your third child and for every additional child you are entitled to claim family allowance for. However, your family's total income in the previous year must have been less than EUR 55,000.

Step 5: Special expenses – section 9 of the form:

Most special expenses are automatically deducted and paid to the tax office by the organisation concerned – such as recipients of donations, church tax authorities and the Pension Insurance Authority – and included in your employee tax assessment:

- Contributions to legally recognised churches and religious communities (max. EUR 400)
- Donations to eligible recipients (max. 10% of income)
- Payments for voluntary continued insurance through the statutory pension insurance system
- Payments for the acquisition of insurance periods

The energy efficiency special expenses allowance (Ökosonderausgabepauschale) for thermal upgrading and energy-efficient renovation or replacement of heating boilers will be automatically applied from 2022. To claim the allowance, you must have received a subsidy under the Umweltförderungsgesetz (Environmental Support Act) and requested that your data be transferred automatically to the tax office. After deduction of the subsidy, the expenditure must amount to at least EUR 4,000 (renovation) or EUR 2,000 (heating). The allowance will be automatically applied by the tax office for five years.

 Under certain circumstances, you can also claim these special expenses on behalf of your spouse/partner or children (see supplementary form L1d).

Tax consultancy costs as well as pensions and permanent financial

burdens can also be claimed as special expenses; they are entered in sections 9.1 and 9.2 of your tax assessment form.

Step 6: Commuters' flat-rate tax allowance and flat-rate travel expenses allowance

Sections 10.1 and 10.2 of the form: The amount is only entered if it was not properly considered in the calculation of your wages. To calculate the amount to be entered, visit www.bmf.gv.at/pendlerrechner (German only)

Step 7: Business expenses

Section 11 of the form: A flat-rate business expenses allowance of EUR 132 per year is automatically included in your monthly pay calculation. If you would like to deduct your actual expenses, the total must be higher than the allowance. In addition, some business expenses can be deducted without being offset against the flat-rate allowance if they amount to less than EUR 132.

Home office: For the period from 2020 to 2023, you can claim a deduction for part of the expenses for your home office. In order to qualify, you must conclude an agreement to this effect with your employer. Specifically, you can claim a home office allowance of EUR 3 per day, up to a maximum of EUR 300 a year. This is automatically included in your employee tax assessment, and automatically offset against any tax-free lump sum paid by your employer. The same applies to expenses for electronic equipment required for work. Costs of up to EUR 300 for ergonomic office furniture can be claimed, provided that you worked at least 26 days in your home office during the year.

Business expenses not offset against the flat-rate allowance

- Membership fees: trade unions, professional assoc., interest groups
- Compulsory contributions in the case of marginal employment
- Expenses for ergonomic furniture for home office

Business expenses offset against the flat-rate allowance

You can include business expenses totalling an amount that is higher than the flat-rate business expenses allowance in your employee tax assessment. These include the expenses listed in section 11.2 of the form, such as work equipment or specialist literature.



Depreciation and amortisation for tax purposes: If an item of work equipment costs more than EUR 800, the costs are written off over the item's useful life. For example, the useful life of a computer is three years.

The sum total of other business expenses can be entered in section 11.2.10. For example works council contributions.

Flat-rate business expense allowances for certain professional groups

Section 11.2.11 contains a list of professional groups which are entitled to a specific flat-rate business expense allowance.

Step 8: Extraordinary burdens

This includes exceptional expenses and unavoidable costs. With certain extraordinary burdens you must pay an excess. These burdens are specified in **sections 2.1-2.4 on form L 1ab**. Amounts for extraordinary burdens without an excess are entered in **sections 2.5-2.12**.

Extraordinary burdens with excess

- Expenses for a stay at a health spa
- Medical expenses
- Funeral and gravestone costs up to EUR 20,000
- Expenses for care in a retirement or care home, or for home care
- Expenses for adoption and IVF treatment
- Maintenance payments for close relatives in exceptional cases

The level of the excess depends on your income. You must enter the total amount minus reimbursements and subsidies. The excess is automatically deducted by the tax office.

Extraordinary burdens without excess

These include **disaster damage** and a **disability rating of at least 25%**. You must provide official confirmation of the degree of incapacity or of receipt of the care allowance in order to claim tax deductions for disability. If your spouse or partner is disabled, you can also claim tax relief for this, provided you meet the following requirements:

- You are entitled to claim the single-earner tax credit
- If you are not eligible for the single-earner tax credit: you were married or living in a registered partnership for more than six months and your spouse's/partner's income did not exceed EUR 6,000 in the year in question

For parents: supplementary form L 1k

Step 1: Family Bonus Plus

You can claim a tax credit of up to EUR 2,000.16 for every child that you or your partner receive family allowance for. The amounts are as follows:

- Children aged 17 or under: EUR 166.68/month
- Adult children: EUR 54.18/month

You and your spouse or partner can **share** the **Family Bonus Plus** – each of you can claim EUR 83.34 (for children aged under 18) or EUR 27.09 (for children aged 18 or over) per month and child.



This allocation is only advisable if you both have taxable income of more than EUR 11,000 per year.
Tip: FinanzOnline check (German only)

Allocation between separated parents

If you pay maintenance and can claim the maintenance payment allowance, you are eligible to receive the Family Bonus Plus in each month in which you are entitled to the maintenance payment allowance. Each parent can claim half of the Family Bonus, although alternative arrangements are also possible.

Applying for the Family Bonus Plus

You can apply for the Family Bonus Plus using supplementary form L 1k. You must use form L 1k – bF to apply for a non-standard allocation.

Step 2: Maintenance payments

You can claim the maintenance payment allowance for a child who does not live in the same household and for whom you do not receive family allowance.

You can only claim the maintenance payment allowance in months for which you can provide proof that you paid maintenance.

The monthly maintenance payment allowance is:


- For one child: EUR 29.20
- For two children: EUR 73
- For each additional child: +EUR 58.40

Step 3: Extraordinary burdens for children

Vocational training outside the place of residence

If your child is required to complete training or education (school, apprenticeship or degree) outside their place of residence, you may be entitled to claim an allowance of EUR 110 per month under certain circumstances.

Child disability and special dietary needs

 You must provide official confirmation of your child's disability or special dietary needs. For further information, visit www.sozialministeriumservice.at (German only).

If you have a **disability rating of 25–49%**, you can claim a deduction for disability-related medical costs as well as expenses for equipment and treatments for which you do not need to pay an excess. Flat-rate allowances are also available. If a doctor prescribes a special diet for your child, you can claim one of the flat-rate allowances for **special dietary needs**. If you have a **disability rating of 50% or above**, you are entitled to receive the higher rate of family allowance. You can claim either the actual costs or a monthly allowance of EUR 262. In both cases this is offset against the care allowance. You can also claim deductions for costs including equipment, treatments, and workshops for the disabled. **Single parents** can claim tax relief for **childcare expenses**, subject to payment of an excess.

Final stages: submitting

Step 1: Account information

You only need to provide if this has changed since your last employee tax assessment or if you are submitting the assessment for the first time.

Step 2: Tax allowance notice

The tax allowance notice includes details of the special expenses, business expenses and extraordinary burdens which were taken into account in the employee tax assessment. The tax office issues the tax allowance notice for the year after next, i.e. the notice issued with the 2022 employee tax assessment is for 2024.

Step 3: Sign and submit

You should make a copy of the signed forms so that you can compare them with the tax assessment notice.



Tax assessment notice

Please check your tax assessment notice as soon as you receive it from the tax office. You have one month to appeal against the notice.

Important information

You can download copies of the latest Federal Chamber of Labour publications at wien.arbeiterkammer.at/publikationen.

You can also order copies by contacting us directly:

- E-mail: mitgliederservice@akwien.at
- Order hotline: +43 (0)1 50165 1401

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