

Tax benefits for incoming researchers and scientists

(General Information)

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We are happy to support you! Our services comprise the assessment, whether the requirements for the granting of tax benefits are met in your specific case. Additionally, we support you with the application for and the enforcement of tax benefits for incoming researchers and scientists. Apart from this, we provide support in any tax related and social-insurance related question concerning your relocation to Austria.

Potential tax benefits

Tax allowance (Sec 103 Para 1a EStG)*

- If the conditions are met, Austria grants a tax allowance amounting to 30 % of your worldwide income from scientific activities. With the consequence, that – in general – only 70 % of this income will be taxed in Austria. The tax allowance is granted for 5 years and may lead to considerable tax savings.

Average tax rate (Sec 103 Para 1 EStG)*

- The average tax rate (of at least 15 %) leads to the elimination of an additional tax burden for foreign income that needs to be declared in your Austrian tax returns. It may be relevant for up to 27 years.
- This tax benefit is of particular interest for you if you receive foreign income (in a considerable amount) after your relocation to Austria and if the foreign average tax rate in the last 3 years before your relocation was lower than the tax rate in Austria. We are happy to give advice in this complicated matter.

Requirements

- Your relocation is of public interest to Austria if it promotes science and research (is assumed for Professors). The Austrian tax authorities examine the fulfilment of this requirement in each case individually (especially relevant for Ass.-Prof. and PostDocs).
- Your residence and your center of vital interest (in general: relocation of family/partner) has shifted to Austria and has not been in Austria within the last 5 to 10 years.
- Written application (in German) within 6 months from your relocation to Austria, addressed to Tax Office Austria (Finanzamt Österreich) (Please note: This deadline cannot be extended – please get support immediately after your relocation).

* Austrian Income Tax Act („Einkommensteuergesetz 1988, EStG“).

Disclaimer:

Our explanations are based on the current legal situation, case law, and practice of the Austrian tax authorities (as of April 2023). We have prepared this factsheet with greatest possible care. Nevertheless, the information on the factsheet cannot replace a case-by-case examination. Therefore, we cannot take any responsibility for the applicability, completeness and correctness of this information in the individual case. The General Conditions of Contract for Public Accountants and Tax Consultants (AAB 2018) in the current version are applicable.

Your contact on the subject



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Please contact us in good time (immediately after moving in) and send your enquiries exclusively to relocation@rabelpartner.at