



Information for clients

Austria
December 2021

Dear clients,

recently, the National Council passed a completely surprising resolution to exempt corona premiums from taxes for 2021. The following key points are currently known:

- *Premiums or bonuses paid to employees **due to the Covid 19 crisis for the calendar year 2021** are tax-free up to the amount of € 3,000.00.*
- *To maintain the tax exemption, the grant must be made **by February 2022**.*
- *The tax exemption applies to all wage contributions (wage tax, social security, municipal tax, DB and DZ).*
- *The **additional payments** must be made exclusively with regard to the Corona crisis and were not usually granted before (i.e. not instead of other remuneration that was usual before).*
- *Corona premiums are not limited to certain sectors and not to systemically relevant occupations. They can also be granted for periods of short-time work.*
- *Corona bonuses can be paid in **cash**, but also in the form of vouchers..*

***However, we do not have much time left for the payroll:** The payrolls for 12/2021 have already been completed or are at least in progress.*

*If you intend to grant your employees a tax-free Corona bonus for 2021 and the bonus is still to be included in the current payroll 12/2021, **please provide us with the relevant information** (names of the employees and the respective amount of the bonus) **as soon as possible**.*

We may also be able to settle the premium in January 2022 retroactively for December 2021, but a roll-up means additional work which must of course also be paid.

If you need a sample template for the agreement with your employees, please let us know so that we can send you a sample Corona premium agreement.

If you have any questions, please do not hesitate to contact us.

Kind regards

Your payroll team

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