

Quick guide for business startups

The key facts at a glance



We advise so your
start-up can thrive.

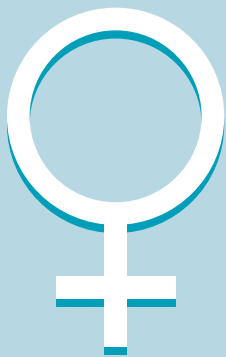
Every year,
32,500

people take the step into self-employment. What is particularly pleasing is how sustainable the start-ups are.



7/10
businesses

are still active after five years.



Over
130,000
companies are run
by women.

Top
3



motives of
Austria's
business
founders:

1

The desire to be
their 'own boss'

2

Flexibility to
organise their
time and lives

3

Bringing respon-
sibility that
I have to bear as
an employee into
my own company

120,000
young self-employed
people aged 18-40

However, Austria's founders
do not rush into self-employment
unprepared – they gain practical
experience in their professions
beforehand.



Over

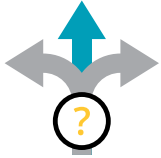
10%
of all companies
in Austria belong
to the creative
industries.



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Planning effectively for success



DEAR BUSINESS FOUNDERS,

If you are planning to become an entrepreneur and want to set yourself up for success, **then you need to make sure you can answer the following questions:**

- What is your founding principle? What products/services do you want to offer?
- How does your sector work?
- Do you have the right skills to implement your idea?
- Do you want to start your business on your own or with a partner?
- Do you want to become self-employed full-time or part-time?
- What costs will you face?
- What fees and taxes will arise?
- What social insurance cover do you have?
- Where do you want to start your business?
- Who are your potential customers and why will they buy from you?
- Who are your competitors?
- How high do you estimate your financial requirements to be and what financing sources can you rely on?

You will find plenty of helpful information in this edition of the 'Business start-up brief'. For questions specific to you personally, please get in touch with us directly (you will find our contact details on page 30).

www.gruenderservice.at

[OUR
ONLINE TIP](#)

The Start-Up Service platform run by the Austrian Economic Chamber is the first port of call for business start-ups, and there are plenty of reasons why: it offers comprehensive background information, tips, helpful business tools and decision-making assistance. In addition, you will find event tips, publications to download and direct contact points in your federal province.

WKO Gründerservice

Gründer-Fans

Gründen | Beratung & Kontakt | Veranstaltungen | Publikationen | Online-Services

wise up

Das Gründerservice bietet in Kooperation mit der digitalen Aus- und Weiterbildungsplattform wise up das notwendige Wissen für den unternehmerischen Erfolg. Jetzt Rabatt-Bonus für Kurse und Lerninhalte zum erfolgreichen Unternehmertum holen.

JETZT KOSTENLOS TESTEN

Hol dir das Know-how für deinen Erfolg!

wise up WKO

1 Erste Überlegungen ...

... und ich möchte

Information wählen

Anzeigen

2 In der Planung ...

... und ich möchte

Information wählen

Anzeigen

3 Gründung ...

... und ich möchte

Information wählen

Anzeigen

4 Nach der Gründung ...

... und ich möchte

Information wählen

Anzeigen

Häufig gesuchte Themen

- Startup
- Gebührenbefreiung (NeuFiG)
- Sozialversicherung
- Gewerbeanmeldung
- Gründungskosten
- Untermehmertest

Feedback

Feedback

Direct link

BEFORE YOU GET STARTED ON YOUR BUSINESS IDEA, YOU NEED TO ASK YOURSELF HONESTLY:

OUR
ONLINE TIP

am I the entrepreneurial type?

Entrepreneur test: www.gruenderservice.at/unternehmertest

Being self-employed gives you the freedom to take decisions independently, however you must also take full responsibility for those decisions. It is important to carefully consider your options before deciding to go self-employed or become an entrepreneur. Our entrepreneur test can help guide you in this decision.

WKO Unternehmertest

Unternehmertest

Sind Sie fit für Ihre Unternehmensgründung?

Testen Sie hier Ihre Gründungsfitness und finden Sie heraus, wie gut Ihre Voraussetzungen für eine erfolgreiche Unternehmensgründung sind. Nehmen Sie sich dafür in etwa 15 - 20 Minuten Zeit.

Nach Beantwortung aller Fragen erhalten Sie sofort Ihr aktuelles Gründungsfitness-Profil. Es zeigt Ihren momentanen Status und gliedert sich in folgende Bereiche:

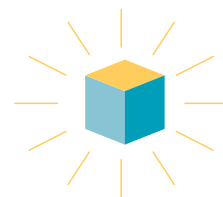
- Mindset & Persönlichkeit
- Ressourcen
- Unternehmerische Strategien
- Ihr aktueller Gründungsfitness-Score

Eine detaillierte Auswertung gibt Auskunft über Ihre Stärken und mögliche Verbesserungspotenziale. Nutzen Sie die Anregungen für einen erfolgreichen Start in Ihre berufliche Selbstständigkeit. Antworten Sie spontan und ehrlich, damit Sie ein aussagekräftiges Ergebnis erhalten.

[Unternehmertest starten](#)



Direct link



Are there alternative ideas?

Your self-employment starts with a good idea. You need to have a new business idea, but the concept doesn't always have to be completely new. Improve something 'tried and tested', for example, or jump on board an existing business in the form of succession or through franchising.

Business succession

One option is to take over an existing business. Succession no longer takes place automatically within a family, which is why more and more entrepreneurs are looking elsewhere for suitable successors. In fact, business succession offers numerous benefits:

- You don't have to start from scratch
- The commercial risk is minimal
- You have a customer base ready and waiting
- The employees are well attuned to one another

You can find more information about this in our extensive special brochure 'Guide to Business Succession' or online at www.gruenderservice.at/nachfolge.

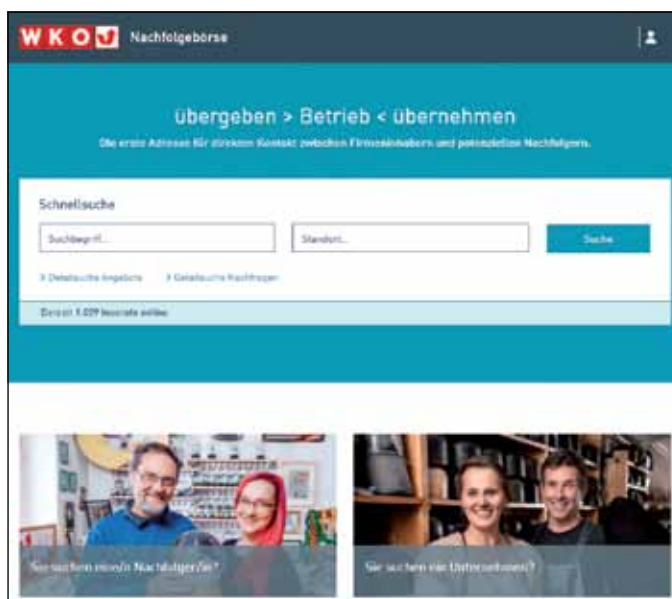
Succession Marketplace: www.nachfolgeboerse.at

**OUR
ONLINE TIP**

Our marketplace brings together companies looking for a successor and potential entrepreneurs hoping to fill that position. There are a huge number of attractive offers and enquiries, making it the perfect place to quickly find someone who fits the bill. You don't have to register in order to search for offers and enquiries. However, if you want to post your own advertisements or contact someone, you will need to set up an account.

Benefits

- Rapid overview of current offers and enquiries
- Free advertising
- Posts can be made anonymously
- Detailed search function
- Watchlists, search profile



Direct link



Franchising

When you franchise, you take on a tried-and-tested business concept for a fee, yet still become self-employed. You will reap the benefit of an established brand name or trademark, as well as receiving assistance from the franchiser and enjoying a mutual exchange of ideas and experience. You can find more information about this in our special brochure 'Guide to Franchising' or online at www.gruenderservice.at/franchise.

OUR ONLINE TIP

Franchising Marketplace: www.franchiseboerse.at

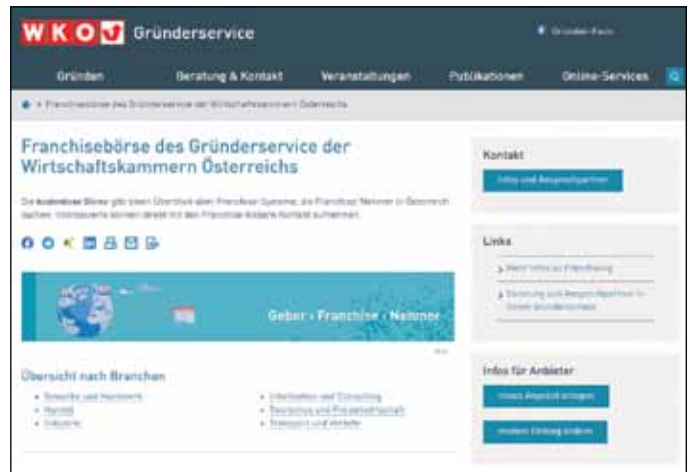
The Franchising Marketplace offered by the Austrian Economic Chamber provides an up-to-date overview of the franchising scene. The Franchising Marketplace provides information about Austrian and international franchise systems currently looking for partners in Austria.

Benefits

- Easy to search by sector
- Detailed information about the franchise system
- Information about the required capital
- Direct contact opportunities



Direct link



Do I need a business plan?

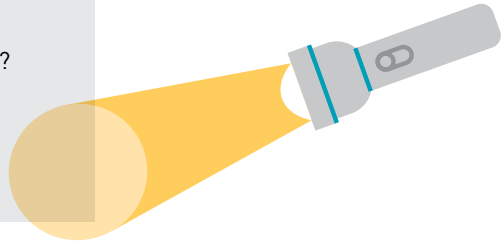
A business plan can help to greatly reduce your commercial risk – it serves as an important planning and monitoring tool for you. It will allow you to professionally convey to potential investors (e.g. banks) just how plausible your business idea and implementation steps are. Ultimately, a business plan provides information about how you will earn your money in future and what the commercial prerequisites are in order for you to do so.

Ideas to business (i2b)

The business plan initiative i2b offers free guidance in the form of documents, templates and, most importantly, two free rounds of objective feedback. The service also offers comprehensive planning tips and an online business plan assistant. You can find more information on Austria's largest business-plan initiative at: www.i2b.at

Typical questions all entrepreneurs should ask themselves:

1. WHO ARE MY CUSTOMERS?
2. WHAT BENEFITS CAN I OFFER MY CUSTOMERS?
3. WHY SHOULD THESE CUSTOMERS BUY FROM ME?
4. HOW DO I GAIN CUSTOMERS?
5. HOW DO I CALCULATE MY PRICE?
6. WHEN WILL MY PROJECT PAY OUT?
7. WHERE CAN I FIND SEED CAPITAL?



THREE PRACTICAL TOOLS ARE AVAILABLE TO HELP YOU DRAW UP YOUR FIRST BUSINESS PLAN:

1. GUIDE FOR BUSINESS START-UPS

Use our interactive guide for part-time and full-time entrepreneurs and start-ups, which includes information and tools to help you start up a business. You will receive concise information about your specific business idea. You tell us what your plan is, and we tell you what you need to bear in mind. A quick and easy way to get tailored information about your start-up idea.

www.gruenderservice.at/gruenderguide

[OUR
ONLINE TIP](#)

The screenshot shows the 'WKO Gründerguide' website. The header includes the WKO logo and the title 'Gründerguide'. Below the header, there is a 'HISTORIE' section with a book icon. The main content area is titled 'Relevante Informationen' and contains a list of topics: 'Gewerberecht', 'Rechtsform', and 'Sozialversicherung'. Each topic has a brief description and a 'mehr lesen' link. The 'Gewerberecht' section explains that a business activity is considered a trade if it is independent, regular, and conducted with profit intent. The 'Rechtsform' section describes the 'Einzelunternehmer' (sole trader) as the default legal form. The 'Sozialversicherung' section notes that income from self-employment is subject to social security contributions.



Direct link

2. MINIMUM TURNOVER CALCULATOR

**OUR
ONLINE TIP**

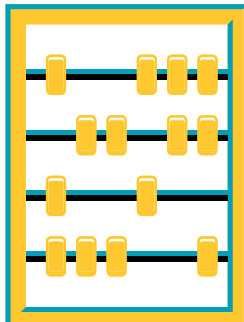
www.gruenderservice.at/mindestumsatzberechnung

This innovative online tool provided by the Start-Up Service of the Austrian Economic Chamber helps new entrepreneurs take a structured approach to financial planning and avoid any nasty surprises: the minimum turnover calculator can calculate the absolutely necessary turnover you will need in order to cover your private expenses, forthcoming fixed costs and expected operating costs. The calculator can be used for both individual entrepreneurs and partnerships. An individual salary for up to three partners can be accounted for.

The calculator takes you through the typical expenses categories of a business, and the estimated costs are entered into the system. If you are only part-time self-employed, the minimum turnover calculator can still help; if you enter your gross salary this will be taken into account when calculating taxes. It also takes into account benefit schemes for individuals who are working for themselves for the first time. The minimum turnover calculation provides a rough estimate only; it is not about determining exact numbers, but about raising awareness among prospective entrepreneurs about specific business-related matters.



Direct link



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Gründerservice

Mindestumsatzrechner

Ihr Unternehmen ⓘ Gründungsyear: 2021

Unternehmensform: Einzelunternehmer ⓘ HILFE ⓘ

Branche: Dienstleistung ⓘ

Mindestumsatz: ⓘ

Ergebnis	monatlich	jährlich
Gesamtumsatz	0,00	0,00
- Wertedatumsatz	0,00	0,00
= Deckungsbeitrag	0,00	0,00
<hr/>		
- Personalkosten	0,00	0,00
- Sachaufwände	0,00	0,00
- Abschreibungen	0,00	0,00
- Steuern	0,00	0,00
- Sozialversicherung	0,00	0,00
- Finanzierungskosten	0,00	0,00
- Unternehmerlohn	0,00	0,00

>> Kostenstellen

>> Umsatzplanung

>> Zusammenfassung

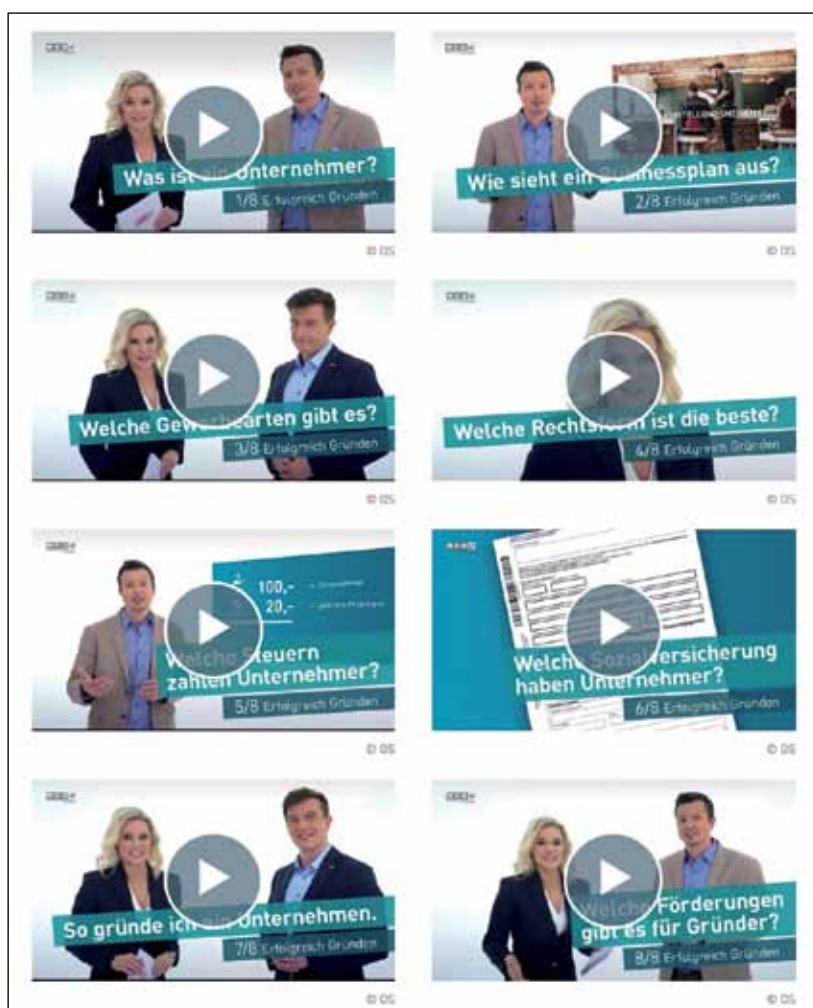
↓ PDF-ANZEIGE

3. 'ERFOLGREICH GRÜNDEN' (STARTING UP A SUCCESSFUL BUSINESS) VIDEO SERIES

<https://www.gruenderservice.at/site/gruenderservice/videoserie-erfolgreich-gruenden.html>

[OUR ONLINE TIP](#)

Our 8-part video series provides clear and simple answers to the many questions people have when they are thinking about setting up a business, from their business plan to the process of starting a business and much more. Our experts share their knowledge with you in 8 short videos!



[Direct link](#)

→ 'Frage.Antwort.Fertig' (Question. Answer. Done.) short videos:

<https://www.gruenderservice.at/site/gruenderservice/frageantwortfertig.html>

The 'Question. Answer. Done' video series discusses the dos and don'ts of starting a business, and provides useful tips about getting through the start-up phase.

→ Start-Up Service on YouTube: www.youtube.com/gruenderservice



[Direct link](#)

Financing and subsidies

FINANCING

Adequate financing is the basis for setting up your company successfully. Therefore, you should prepare your financing thoroughly and put it in your business plan. Remember, potential investors will need a certain amount of time to review your proposal.

Consider how you would answer the following questions:

- What financial resources do you need to start your business?
- Where will you get those resources, and how much will your own contribution amount to?

CAPITAL REQUIREMENTS

Detailed capital requirement planning helps to secure liquidity and avoid insolvency. In addition to any purchases of machinery, equipment, land or buildings, financial resources for purchasing (stored) goods should be taken into account, as well as ongoing costs in the development stage of the business. Keep in mind that it is easier to gain capital before you start a project than after several months with poor turnover. Talk to the Start-Up Service and your own bank about financing as early as possible. You will find a checklist at

<https://www.gruenderservice.at/site/gruenderservice/planung/Kapitalbedarf.html>



Direct link


The capital requirement for ongoing expenses depends on the time frame between receiving an order and actually receiving payment for that order. The shorter the payment terms are in your sector, the less capital you will require. In any event, you will have to take a starting-up period into account in which income will be less than expenditure. Also remember to include your own private expenses in addition to business expenses! Capital requirements for one-off expenses, i.e. investments, are best calculated based on quotes from suppliers. Don't forget to include all secondary costs, such as transport, installation and maintenance.

FORMS OF FINANCING

Your own capital

You are the very first financier of your company – if you cannot contribute any money to it, why should others do so? A certain portion of your own capital is thus important and advantageous: you do not have any fixed payments to make and do not need to provide any collateral. Consider first how much of the capital requirements you can contribute yourself. There is no hard and fast rule about how much capital you should provide yourself. Depending on the sector and financing volume, many banks usually require a capital share of your own between 20% and 30%.

Borrowed capital

Once you have amassed your own capital and whatever contributions you can make yourself, you will perhaps discover that you need additional third-party capital, i.e. loans, to finance your business-founding plans completely. 

Investment loan

Investment loans from your bank serve to finance fixed assets (real estate property, buildings, machinery, vehicles, etc.) and the renovation of buildings. You can get medium-term to long-term investment loans i.e. over a period of four to twenty years. Apply for a loan in sufficient time prior to investing. Discuss with experts (corporate consultants, the bank, etc.) whether it is sensible and feasible to take out a large investment loan.

Working capital loan

Overdrafts (also known as working capital loans) serve to finance ongoing business and payment transactions. All current transfers are made via this account. You can dispose of such a loan freely up to the amount arranged with the bank (credit line). It is flexible and not bureaucratic, and interest is only calculated on the loan amount actually used. However, overdrafts should only be used as a means of short-term financing, i.e. for ongoing payments and not for investments. A short-term financial plan will give you an idea of how big your overdraft should be.

Financing Guide: www.gruenderservice.at/finanzierungsratgeber


If you are planning a project and want to learn more about financing options, the Financing Guide is there to inform start-ups and entrepreneurs about the financing options they have for innovative projects, investments, exports, or for pre-financing large orders. After entering your project details, you will find out about the means of financing that may be available for your project; the benefits, disadvantages and risks associated with each, and other service products provided by the Austrian Economic Chamber and its associates.





IMPORTANT!
Third-party capital equals debt. Interest and repayments must be paid, irrespective of revenue. As a rule, you cannot acquire third-party capital without providing collateral and assuming personal liability.

[OUR ONLINE TIP](#)

The Financing Guide cannot be used to determine financial feasibility on a case-by-case basis or to help you make a specific financing decision. You alone are responsible for deciding what form of financing is possible and feasible for you.

WKO  **WKO Online Ratgeber**

 **KMU-Finanzierung**



Sie gründen ein Unternehmen?
Sie starten ein innovatives Projekt?
Sie planen eine Investition?
Sie wollen einen großen Auftrag vorfinanzieren?

Sie haben Liquiditätsprobleme?

Dieser Ratgeber bietet Basisinformationen über Finanzierungsalternativen.

Nach Eingabe Ihrer Projektdaten erfahren Sie ...

- welche Finanzierungsvarianten für Ihr Vorhaben grundsätzlich in Frage kommen,
- mit welchen Vorteilen, Nachteilen bzw. Risiken Sie jeweils rechnen müssen,
- mehr über weitere Serviceprodukte der Wirtschaftskammern und Ihre Ansprechpartner.

Der Ratgeber dient als Entscheidungsgrundlage und als Hintergrundinformation für Gespräche mit potenziellen Finanzierungspartnern.



Direct link

Subsidies

In order to ease the passage to self-employment, a number of institutions offer support programmes (federal government, the provinces, the Austrian Public Employment service, etc.) in the form of low-interest loans, guarantees for those with no collateral, and grants. Any subsidies should always be applied for before starting your project. You should also discuss this matter during your preparatory consultations with the Start-Up Service of the Austrian Economic Chamber and your own bank. For a good overview of all relevant subsidy programmes and who to contact about them, try the Austrian Economic Chamber's subsidy database: <https://wko.at/foerderungen>



Direct link

PLAN4YOU BUSINESS PLANNING SOFTWARE

[OUR
ONLINE TIP](#)

www.gruenderservice.at/businessplan

When you're starting a business, it is not enough to just have a good idea. It goes without saying that you need to plan professionally from the get-go, and your figures need to add up. Remember that you will need to convince investors or banks, for example, of the financial viability of your company.

Free business planning software: whether you use balance sheet accounting or simply revenue and expenditure, this professional tool will help ensure you carry out proper budgeting and produce a convincing business plan. All you have to do is register on the website provided, and in a few mouse clicks you can start drawing up your business plan. Plan4You is compatible with Windows, MacOS and mobile devices.

'PLAN4YOU' FEATURES

RAPID INPUT OF DATA:

- Quickly and easily enter planning data (sales targets, investments, amortisations and staff costs)
- Planning on a monthly basis in the first year
- Automatic calculation of total turnover, amortisations and book values, staff expenses and liquidity
- Create a projected balance sheet and projected gains and losses overview as well as a summary of results, or print out a professional-looking brief concept

SCENARIO PLANNING: By entering a range of scenarios, you can perfectly tailor your planning to changes in economic conditions.

SHARE FUNCTION: You can share your plan with your start-up team or your consultant. When doing so, you choose who can edit the document and who can only view it.

IF YOU HAVE ANY QUESTIONS:

Help guides are available directly in the Plan4You program.

For any other questions, please contact our hotline on 05 90 900-5511
Monday: 09:00 a.m. to 13:00 p.m. and Thursday:
14:00 p.m. to 17:00 p.m.
(telephone support is not available outside of these hours)

You can also contact us via email:
plan4you@haude.at



The screenshot shows the 'Plan4You' software interface. The main menu includes 'Dein Unternehmen', 'Umsatz', 'Investitionen', 'Personal', 'Aufwände', 'Finanzierung', and 'Ergebnis'. The 'Ergebnis' section is active, displaying a 'Liquiditätsplan' (Liquidity Plan) table. The table has columns for the years 2019, 2020, 2021, and 2022. The rows list various financial items with their corresponding values for each year.

	2019	2020	2021	2022
Ergebnis vor Steuer	-2.170	-2.533	-2.815	-3.127
+ Abk.	0	0	0	0
- Investitionen	0	0	0	0
Cashflow betrieblicher Bereich	-2.170	-2.533	-2.815	-3.127
Langfristige Bankkredite	0	0	0	0
+ Eigenmittel (bar)	0	0	0	0
+ Darlehen/Eigenkapital	0	0	0	0
+ Einkommensteuer (keine Tarifberechnung)	0	0	0	0
+ Cash Bedarf persönlicher Bereich	0	0	0	0
+ Überschuss/Bedarf	-2.170	-2.533	-2.815	-3.127
Zinsaufwand	114	471	793	1.045
Zinserträge	0	0	0	0
Bankguthaben Anfangsbestand	0,00	0,00	0,00	0,00
Bankguthaben/kurzfristiger Finanzbedarf (kumul.)	-2.170	-4.712	-7.528	-10.654



Direct link

FOUNDING WITH A CONCEPT

i2b can provide you with free support for your startup project

- Business Plan Handbook
- E-learning platform
- Online Business Plan Assistant
- Individual Specialist Feedback
- Business Plan Award



I2B, AUSTRIA'S LARGEST BUSINESS PLAN INITIATIVE



Legal framework



LEGAL FORM

What is the right legal form for my company? Every entrepreneur is faced with this question. There is no blanket answer to this question as every start-up is different. Certain features of a legal form could be seen as especially suitable and attractive in one case, but could be impractical and disadvantageous for others. The most common legal forms are:

Sole proprietorship

- Advantages: quick and easy to set up; cost-effective; only you leading the company
- Disadvantage: unlimited personal liability

GmbH (limited liability company)

- Advantages: limited liability; also possible to set up as a single person; tax benefits available upwards of approx. EUR 150,000 profit per year
- Disadvantages: higher start-up and running costs; more complex; share capital of EUR 5000 required from the start, must be topped up to at least EUR 17,500 within 10 years

In addition to these two legal forms there are also limited partnerships (Kommanditgesellschaft – KG), general partnerships (Offene Gesellschaft – OG) and other legal forms that you will find it easiest to research online. It is important to analyse the respective features with regard to liability, powers of representation, capital expenditure, formation expenses, social insurance and taxes and to carefully weigh up the perceived advantages and disadvantages of the various legal forms.

Legal Form Guide: www.gruenderservice.at/rechtsformratgeber

Our online guide leads you through these important aspects. You will receive targeted suggestions and the practical guide will explain why a legal form appears suitable or inappropriate. The guide is not a replacement for personalised advice, but simply gives you an introduction to the topic of legal forms.

The most commonly used legal form in Austria is sole proprietorship.

[OUR ONLINE TIP](#)



[Direct link](#)

COMPANY DESIGNATION

Sooner or later, business founders are confronted with the question of what to call their company. The official company name is the one belonging to the entrepreneur and entered in the Company Register. It may not include misleading information about the business. No significant misunderstandings about the company's type, scope and branch of business may arise. The official company name must suitably designate the company and be distinctive. However, this is unrelated to the name of your product. In order to make your product recognisable, you can use a registered brand name (e.g. 'Start-Up Cola') and/or a trading name (e.g. 'The Old Post Office Hotel').

Social insurance

As a business owner, you must make mandatory contributions for the self-employed to public health insurance, pension and accident insurance funds. You will also pay contributions to 'provisions for independents' (a type of indemnity).

As a rule, you must be covered under compulsory insurance as of the day you acquire a trade licence.

When it comes to your contributions to health and pension insurance, a differentiation is made between the contribution rate and the contribution basis. The contribution paid is calculated as a percentage of the contribution basis, and amounts to 6.8% for health insurance, 18.50% for pension insurance and 1.53% for the 'provisions for independents'. For accident insurance, a monthly fixed amount is due. This is billed on a quarterly basis.

The income from a trade business (operating revenues minus expenses) and income from independent work (if any), established via the income tax assessment notice, form the contribution basis. The prescribed contributions to trade health and pension insurance are added to this income. However, since the tax assessment notice is often not issued until years afterwards, contributions are derived from the assessment notice from three years earlier (e.g. the assessment for 2019 is used to temporarily assess contributions for 2022). Once your 2022 tax assessment notice is available from the Revenue Office, you may need to pay more tax or obtain a refund for overpaid tax based on your actual reported income. Young entrepreneurs are eligible for a discounted contribution rate for health insurance in their first two years in business.

Under the provisions for independents there is a minimum contribution basis. This means you must pay contributions even if your income is actually lower or if your business posts a loss. A maximum contribution basis, on the other hand, means that you need pay no additional social insurance contributions for contribution bases beyond this limit.

Insurance for the self-employed in the first three years

If you are a new entrepreneur going self-employed for the first time or at least have not been insured as a self-employed person during the last ten years, you will be eligible for a reduction in the cost of your health insurance for the first two calendar years of your self-employment, so the contributions you will pay will be lower. This means that your financial situation is taken into account when founding a new business and the founding process is made easier. Moreover, it is possible to pay off back payments over three years.



Direct link

You will find all the information you need in our brochure 'Das verflixte 3. Jahr' (The tricky third year). <https://www.gruenderservice.at/publikationen>

Small business owners

Under certain conditions, sole proprietors may be exempted from compulsory trade health and pension insurance and from making contributions to the provisions for self-employed persons. Your annual profit may not exceed the current marginal earnings threshold, and your turnover may not exceed EUR 35,000 net.

This means that you only have to pay accident insurance contributions. However, this does mean that you do not have a pension or health insurance, and do not pay into the provisions for self-employed persons. As such, it is essential that you acquire additional insurance, e.g. by taking on an employed position.

You can apply for this exemption from compulsory full insurance coverage from the Austrian Social Insurance Scheme for Self-Employed Persons (SVS):
<https://www.svs.at/kleinunternehmer>

! Please note: for the currently applicable figures, please contact the Start-Up Service of your Austrian Economic Chamber office (see page 30) or visit the following web page: www.gruenderservice.at/sozialversicherung

Entrepreneur as a secondary occupation

If you would like to become self-employed as a secondary occupation and have already discussed your intentions with your employer, then you need to prepare well for the next steps towards setting up your own company. There are many issues you will need to consider, from multiple insurance plan coverage and small business operators' schemes to legal matters under employment or tax law.

It is crucial that you obtain information in advance from the Start-Up Service of your Austrian Economic Chamber office (see page 30).

**Contact
your local
Start-Up
Service.**



Taxes

You will find lots of relevant information at wko.at/steuern

As an entrepreneur you do not need to be a tax expert, but a solid basic knowledge will help you take tax considerations into account when making business decisions. You are still personally responsible for paying your taxes, even if you have a tax adviser.

Think of your tax expert (bookkeeper, tax consultant or professional accountant) as a partner who helps you keep a handle on your taxes.

Your most important tax obligations

- Notification of the Revenue Office as to the opening of your trade business and the location within one month from the start of your work using the business start-up form
- Payment, by the required date, of the quarterly advance instalments of income tax (or corporation tax in the case of business corporations), as stipulated by the Revenue Office
- In the case of businesses liable for value-added tax, monthly or quarterly submission of advance VAT returns in good time and payment of the resulting amounts
- Completion and submission of annual tax returns



REVENUE OFFICE

You must provide notification of the launch of your business and its location to the Revenue Office within a month of commencement of activities. The business start-up form can be found on the website of the Ministry of Finance (www.bmf.gv.at). You can also find important information on this in the corporate service portal (www.usp.gv.at).



[Direct link](#)

After the business start-up form has been successfully processed by the Revenue Office, you (or your company) will receive a tax number and, if applicable, a VAT registration number (abbreviated: a 'UID-Nummer' (VAT ID number)). The Revenue Office may visit your premises before issuing the tax number.

THE MOST IMPORTANT TAXES

As soon as you have started up your business and registered it with the Revenue Office, the Revenue Office will normally require you to make advance payments on your income or corporation tax. You must calculate all other taxes you owe (particularly value added tax, wage tax, employer contributions etc.), report them to the Revenue Office and take responsibility for paying them by the appropriate deadline. The Revenue Office will not issue an assessment notice for these taxes.

VALUE ADDED TAX (VAT)

Value Added Tax (VAT) is also called turnover tax. VAT is levied on the supply of goods and other services which an entrepreneur makes within the country in return for payment within the framework of his business, on the entrepreneur's own consumption and the importation of goods (import taxes on imports from third countries, acquisition tax for imports from the EU).

As a rule, it can be assumed that services that entrepreneurs perform for their customers are subject to VAT. As an entrepreneur supplying goods or performing services, you are solely acting as a trustee of the money: you collect the VAT from the customer, which is paid in connection with the goods or services you have provided and you must then pay that VAT onwards to the Revenue Office.

In itself and as a cost factor, VAT only has an effect on the final consumer (consumers: B2C). In normal cases involving business-to-business transactions (B2B) and assuming the statutory requirements have been fulfilled, the Revenue Office will reimburse you for the VAT paid by you as an entrepreneur to your 'upstream suppliers'. Such reimbursement will take the form of a tax rebate. This effectively means that in the B2B domain, value added tax does not impose an additional cost burden.

You will be liable for VAT as soon as the monthly or quarterly amount of VAT received is higher than the input tax resulting from the payments made.

PURCHASE

NET	EUR 600
VALUE ADDED TAX (VAT)	EUR 120
GROSS	EUR 720

SALE

NET	EUR 1.000
VALUE ADDED TAX (VAT)	EUR 200
GROSS	EUR 1.200

BALANCE DUE TO REVENUE OFFICE - EUR 80

INPUT TAX	EUR 120		VALUE ADDED TAX (VAT)	EUR 200
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You must calculate the value added tax yourself. In general, the advance VAT return – which, as a rule, is to be issued monthly – is to be submitted via FinanzOnline. New business owners can bill and submit the advance VAT return on a quarterly basis. They can avail themselves of this privilege in subsequent years too, up to a yearly turnover of EUR 100,000. In most cases, VAT amounts to 20% of the net fee. More favourable tax rates may also be applicable in some cases.

Small business operators' scheme

If your annual net turnover is EUR 35,000 or less, you are automatically exempt from VAT. This limit may be exceeded on a one-time basis by no more than 15% within five years. In this case, you may not invoice any VAT for services performed and you do not need to transfer any VAT to the Revenue Office. On the other hand, you do not have any right to input tax deduction for the pre-services performed on your behalf.

The small business operators' scheme of the Revenue Office versus the micro business operators' scheme of the Austrian Social Insurance Scheme for Self-Employed Persons (SVS)

The small business operators' scheme (Kleinunternehmerregelung) is a scheme that relates solely to value added tax. It is not to be confused with the micro business operators' scheme (SVS Kleinunternehmerregelung), which provides certain concessions in the area of social insurance. This privilege enables you to be exempted from the mandatory insurance of the Austrian Social Insurance Scheme for Self-Employed Persons (SVS) – with the exception of accident insurance.



IMPORTANT!

You pay income tax every quarter in advance. Your estimate as stated on the Revenue Office business start-up form will form the assessment basis for the initial year. Your advance payments are solely based on estimations and predictions. If your advance payments of income tax are disproportionate to the expected profit, you may submit an application by 30 September of any given year, requesting an adjustment to the amounts of the advance payments being made.

INCOME TAX

This is 'wage tax' for self-employed people. The basis of assessment is your yearly profit or surplus. All other revenue (e.g. employment relationship) will be added to any profit and surplus. The sum of all your revenue is your income. Total revenue or income are the basis of assessment for income tax. The tax rate is between 0% and 55%; income tax only becomes payable when your (annual) income reaches EUR 11,000 or above.

Following the end of the financial year, you must submit the annual income tax return and, if applicable, the VAT declaration to the Revenue Office no later than 30 June in electronic form. You must generally submit tax returns to the Revenue Office via FinanzOnline.

Once the tax has been assessed, certain amounts will be offset: if your advance payments were too high, you will receive a credit for the balance; if they were too low, you must make up the difference. In the case of extra-occupational ventures, you generally need to make up the difference for the first year.

Income tax rates 2022 (simplified representation)

Total annual income	Tax rate per income band
EUR 0 – 11,000	0%
EUR 11,000 – 18,000	20%
EUR 18,000 – 31,000	32.5%*
EUR 31,000 – 60,000	42%**
EUR 60,000 – 90,000	48%
EUR 90,000 – 1,000,000	50%
> EUR 1,000,000	55%

* Reduction to 30% in 2023

** Reduction to 41% in 2023

An income tax calculation can be performed on the homepage of the Federal Ministry of Finance: <https://www.bmf.gv.at/services/berechnungsprogramme.html>

CORPORATION TAX

Corporation tax is the 'income tax' on corporations such as a GmbH. It amounts to 25%, irrespective of the amount earned. The tax reform envisages a gradual reduction of the tax rate from 25% to 24% in 2023, and 23% in 2024. The minimum corporation tax advance payment per quarter is always 5% of the minimum share capital required by law. Equity capital of EUR 35,000 incurs a minimum corporation tax of EUR 1750 per year. However, a taxable foundation privilege has been introduced for newly founded corporate enterprises. In the first five calendar years after the business is founded, the reduced minimum corporation tax amounts to EUR 500 per year (this corresponds to a payment of EUR 125 per quarter). During the subsequent five calendar years, an amount of EUR 1000 in minimum corporation tax must be paid each year (this corresponds to a payment of EUR 250 per quarter). Profits are liable for a further 27.5% capital gains tax if they are distributed to the shareholders.

OTHER TAXES

Other taxes may also be payable. If you employ staff, you must also pay wage tax (which the employer deducts from payments to employees and pays to the Revenue Office on their behalf), municipal tax, employer contributions and employer contribution surcharges. The tourism duty (state duty) is payable in all cases, and vehicle tax (for HGVs over 3.5 t), advertising duty (for the inclusion of advertisements in printed matter), normal consumption duty (vehicle sales) or local tax (tourism) are payable, depending on the sector.

The calculator gives you an idea of how much social insurance and income tax you will owe for the current year. It also calculates the back payments you can expect to make in subsequent years.

Social insurance and tax calculator: <https://svrechner.wko.at>

You can use FinanzOnline to send in the advance VAT return (U30) and to send in your VAT, income tax and corporation tax returns. Your Austrian Economic Chamber office also provides detailed information flyers on many tax topics.

[OUR ONLINE TIP](#)



[Direct link](#)

Trade law

For any form of commercial activity, you need a trade licence, which is issued free of charge by the trade authority (district administration, town or city council). Your work is of commercial nature if you practise your trade independently, regularly and for financial gain. An activity is deemed to be 'independent' if you practise it for your own account and at your own risk. In turn, an activity is considered 'regularly practised' if it can be assumed that the activity will be repeated or will usually take a longer period of time to carry out.

TYPES OF TRADE

There are three types of trades:

- 1. Free trade:** (without certificate of professional competence), e.g. services in automatic data processing, retail, advertising agencies, office work, clothing alteration
- 2. Licensed trades and crafts:** (certificate of professional competence required), e.g. corporate consultant, hairdresser, carpenter, personal and social counsellor
- 3. Legally regulated trade:** (subject to special authorisation), e.g. builders, commercial financial consulting, gas and sanitary engineering, electrical engineering

The type of trade licence you need will depend on the activity you intend to carry out. If it is a type of craft, you will need a licence in a licensed trade (craft) (e.g. car repair = motor-vehicle engineering, making furniture = carpenter). However, there are also activities which cannot be so easily classified. In these cases, it will be necessary to find out which trade licence is required.

The trade licence regulates your rights and obligations as a tradesman. Only those independent professions that are usually governed by other laws (e.g. medical doctors, pharmacists, notaries, farmers, etc.) and/or the 'new independent' trades (e.g. psychotherapists, physiotherapists, speakers/performers, journalists, artists etc.) are expressly excluded from the scope of applicability of the Trade Regulations Act.

There are a number of general conditions that must be met in all cases (including for free trades):

- You are 18 or older.
- You are a citizen of an EU Member State or an EEA signatory state or other state with which an international treaty has been signed or you have a residence permit that entitles you to practise the independent activity you desire.
- You reside in Austria, an EU Member State, an EEA signatory state, or a state in which enforcement of administrative penalties is guaranteed by way of an agreement. The managing director under trade law must be in a position to work in the business accordingly.
- There are no grounds for disqualifying you (e.g. convictions on the grounds of tax-law offences, court convictions, and, in specific instances, insolvency proceedings).

CERTIFICATE OF PROFESSIONAL COMPETENCE

Your certificate of professional competence attests to the fact that you have achieved the required level of specialist and commercial knowledge, skills and experience in order to practise a regulated trade independently.

The certificate is awarded to you after you have passed traditional examinations such as the master craftsman's certificate examination (Meisterprüfung), the qualification examination (formerly the concessionary examination) or a number of other options, such as attending vocational training schools (HTL [vocational technical college], HAK [commercial academy], etc.) combined with time on the job. Certificates of professional competence are valid for one person only, i.e. they are not transferable.

What to do if you do not have a certificate of professional competence

- **Qualification or master's examination:** The Austrian Economic Chamber and/or the Austrian Economic Chamber's Institute of Business Promotion offers courses to prepare for the examination. The Austrian Economic Chamber also organises and holds the examinations in the majority of cases.
- **Individual competence (Art. 19 of the Industrial Code):** After determining your individual competence, the trade authority takes your professional experience into account. You should definitely submit all training certificates and employment testimonials and a social security summary for that purpose.
- **Team start-ups (e.g. OG [general partnership], KG [limited partnership]):** Here, the partner with unlimited liability (general partner of KG) must provide their certificate of professional competence.
- **Hiring a managing director under trade law:** The managing director under trade law provides the certificate of competence for the company. They are active in the company for at least one half of the normal weekly working hours and are an employee who is required to pay social security contributions in full and who must at least be paid in accordance with the collective bargaining agreement. To this end, they must be able to enforce the trade law regulations for this trade.

This issue is a tricky one, so be sure to acquire advice from the Start-Up Service and take advantage of our comprehensive expertise for your own assurance.



Business premises law

Choosing and planning a location are important factors for your company's success. A wide variety of criteria play an important part in your decision, including: zoning, access roads, parking space, shipping and receiving options, environmental regulations.

Business premises are defined as any facility that is fixed in a single location and is used to conduct a business activity. Generally, these business premises (including new buildings or conversions) require a licence in accordance with the Industrial Code. This means that you must apply for a business premises permit.

Only once a legally valid letter of authorisation has been issued will it be possible to commence the construction and operation of the premises. Commercial business premises include workshops, hotels, inns, parking areas for lorries and garages.

A business premises permit is not necessary if your business premises do not have a detrimental effect on the protective interests as per the Trade Regulation Act, e.g. office-based companies, retail business with a floorspace of up to 600 m², massage business. One of the pre-conditions that apply to a business premises for which no permit is needed is that it will only operate between certain hours of business.



[Direct link](#)

Before starting a project, registering a commercial activity or signing a rental agreement, please be sure to find out whether you require a [business premises permit](#) or not.

FURTHER PERMITS



Apart from the business premises permit, a number of other authorisations may be required, e.g.: building permit, rededication of space permit, waste management permits (waste management plan), permits under water laws, permits under nature conservation law, permits according to the Federal Roadways Act [Bundesstraßengesetz].

Steps for registering a trade



PREPARATION

Have you compiled the key information about the founding process?
Do you need additional support or a personal consultation?

The Start-Up Service supports you in the first analysis of your business idea and will provide guidance on the topics of trade law, legal form, social insurance, taxes, financing, subsidies, location etc.

We also organise business start-up workshops and a host of events that offer you the chance to find out all the basic information you need. You will find further information and contact details at <https://www.gruenderservice.at/kontakt>

We would also be happy to help you with your electronic application for a business licence.

REGISTERING A TRADE

You must register your trade at the responsible district administration authority – depending on the location of your business. This will be either the district commission, the magistrate or the district municipal authority.

Sole proprietorships must submit:

- Passport (and residence permit if necessary)
- Documentation of academic degrees (if not indicated on your passport)
- A declaration that there are no grounds to be excluded from practising this trade
- Certificate of professional competence (for licensed trades)
- Sworn translation of a foreign criminal record extract (no older than three months) if you have been registered as a resident in Austria for less than five years

Companies must additionally submit:

- Excerpt from the Company Register (no older than six months)

Managing directors authorised under trade law must submit:

- Passport (and residence permit if necessary)
- Confirmation from the regional social insurance company (Gebietskrankenkasse) of the employment of the managing director (issued up to one month prior to registration)
- Certificate(s) of professional competence
- Managing director declaration
- Sworn translation of a foreign criminal record extract (no older than three months) if you have been registered as a resident in Austria for less than five years



[Direct link](#)

Business registration is generally free of charge. Other start-up costs depend on whether you are starting a sole proprietorship or a partnership.

For more information, please visit: <https://www.gruenderservice.at>

In addition to contacting the trade authority, you will also need to contact other authorities such as the Social Insurance Scheme for Self-Employed Persons (SVS), the Revenue Office and, potentially, the company registration court (for general partnerships, limited partnerships and limited liability companies, or if sole proprietorships are being entered).

According to the New Business Support Act (NeuFöG), the Company Register entry fees are waived for new entrepreneurs and new business takeovers. For this to happen, a consultancy form (Declaring the foundation of a new business or the transfer of a business – NeuFöG form) issued by the Austrian Economic Chamber (Start-Up Service, district office or specialist board) is required.

OUR TIP

Use the Start-Up Service's trade registration service. We have the necessary forms to hand, and can send your trade registration directly to the trade authority. You can start working right away if you fulfil all of the requirements during registration. However, for certain trades you must have a legally binding issuance notice before you start practising your trade.

ERASMUS FOR YOUNG ENTREPRENEURS WHAT CAN IT DO FOR YOU? WHAT DOES IT HAVE TO OFFER?

Do you have a business idea and have you been running your own business for less than 3 years? Or are you an experienced entrepreneur looking for fresh momentum?

The programme 'Erasmus for Young Entrepreneurs' offers young entrepreneurs who have been running their own business for a maximum of three years the opportunity to take part in a business exchange with a host entrepreneur abroad. Both will work on joint projects, thereby giving them a chance to forge business

relationships and learn about new markets. There are numerous benefits both for young entrepreneurs and the host entrepreneurs:

- International contacts and collaboration
- Fresh momentum for business plans and exchange of knowledge
- Implementation of projects and new inspiration
- Monthly funding from the EU

COVID-19 information:

The programme is permanently open for applications. Exchanges will take place where this is permitted by the travel restrictions in force in the country in question. If you have any questions, please do get in touch; we would be happy to provide you with further details.

You can find information about eligibility criteria and how to apply here:

erasmus@wko.at
jungewirtschaft/erasmus



Erasmus for Young Entrepreneurs is a European Union initiative.

After founding

Following the successful start-up of your company, you become a member of your professional group/guild/specialist board of your Austrian Economic Chamber. Your specialist representatives within the Austrian Economic Chamber deal with issues affecting your sector and thus represent your interests and are on hand to provide advice and support. You pay a membership fee in exchange for this. Part of your fee, known as a basic levy, directly benefits your sector representatives and supports them in their work on your behalf.

A comprehensive service package is also available from the Austrian Economic Chamber. Your district/regional office or your service centre in the Austrian Economic Chamber can provide you with information on the following issues, among other things:

- Which subsidies can I apply for?
- How do I take on my first employee?
- How do I train apprentices?
- How do I go about crossing the border (export)?
- Which collective agreement do I have to use?
- Do I need General Terms and Conditions?

You can also consult wko.at – here you will find plenty of information leaflets with answers to some of these questions. As an entrepreneur, you will have further access to exclusive information in the 'My sector' area.

You can also make contact with the cross-sectoral and nationwide consortia and platforms of the Austrian Economic Chamber, such as the Junior Chamber (Junge Wirtschaft), Women in Business (Frau in der Wirtschaft), Ein-Personen-Unternehmen (One-Person Businesses), the Enterprise Europe Network or Creative Industry Austria (Kreativwirtschaft Austria).



IMPORTANT LINKS

→ <https://www.wko.at/service/netzwerke/start.html>

→ <https://www.kreativwirtschaft.at/>

→ <https://www.wko.at/service/netzwerke/enterprise-europe-network.html>

Start-Up Services in Austria

BURGENLAND

Start-Up Service
Robert-Graf-Platz 1, 7000 Eisenstadt
Tel.: 05 90 907-2000
Email: gruenderservice@wkbgl.d.at

CARINTHIA

Start-Up Service
Europaplatz 1, 9021 Klagenfurt
Tel.: 05 90 904-745
Email: gruenderservice@wkk.or.at

LOWER AUSTRIA

Start-Up Service
Wirtschaftskammer-Platz 1,
3100 St. Pölten
Tel.: 02742/851-0
Email: gruender@wknoe.at

UPPER AUSTRIA

Start-Up Service
Hessenplatz 3, 4020 Linz
Tel.: 05 90 909
Email: sc.gruender@wkooe.at

SALZBURG

Start-Up Service
Julius-Raab-Platz 1, 5027 Salzburg
Tel.: 0662/88 88-541
Email: gs@wks.at

STYRIA

Start-Up Service
Körblergasse 111-113, 8010 Graz
Tel.: 0316/601-600
Email: gs@wkstmk.at

TYROL

Start-Up Service
Wilhelm-Greil-Str. 7, 6020 Innsbruck
Tel.: 05 90 905-2222
Email: gruenderservice@wktiroel.at

VORARLBERG

Start-Up Service
Wichnergasse 9,
6800 Feldkirch
Tel.: 05522/305-1144
Email: gruenderservice@wkv.at

VIENNA

Start-Up Service
Straße der Wiener Wirtschaft 1,
1020 Vienna
Tel.: 01/514 50-1050
Email: gruenderservice@wkw.at



IMPORTANT LINKS

- www.gruenderservice.at
- www.gruenderservice.at/gruenderguide
- www.gruenderservice.at/unternehmertest
- www.nachfolgeboerse.at
- www.franchiseboerse.at
- www.facebook.com/gruenderservice
- www.gruenderservice.at/video
- <https://wko.at>

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