



ATLAS

BY BNP PARIBAS

CASH MANAGEMENT

www.cashmanagement.bnpparibas.com/cg



BNP PARIBAS

The bank
for a changing
world

Disclaimer

This document has been prepared by BNP PARIBAS for informational purposes only. Although the information in this document has been obtained from sources which BNP PARIBAS believes to be reliable, we do not represent or warrant its accuracy, and such information may be incomplete or condensed. This document does not constitute a prospectus or solicitation.

All estimates and opinions included in this document constitute our judgement as of the date of the document and may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

This document is confidential and is being submitted to selected recipients only. It may not be reproduced (in whole or in part) to any other person without the prior written permission of BNP PARIBAS.

Make sure to always check the latest updates on the [Atlas website](#)

Austria is a federal republic consisting of nine states (German: Bundesländer). The states have some legislative authority distinct from the federal government, e.g. in matters of culture, social welfare, youth and nature protection, hunting, building, and zoning ordinances.

Austria is a highly developed country. In 2020 it was the fifth richest country within the European Union, having a GDP (PPP) per capita of approximately €40 511, with Luxembourg, Ireland, Denmark and the Netherlands leading the list. The manufacturing sector is relatively large, accounting for around 18% of GDP. The most important industries are machinery and equipment, motor vehicles and parts, chemicals, iron and steel, foodstuffs. In addition, tourism is an essential pillar of the Austrian economy. In 2019, the direct and indirect value added from tourism corresponded to 7.3% of GDP.

Germany has historically been the main trading partner of Austria, accounting for about 31% of the country's exports in 2020 and even about 42% of its imports. The central and eastern European countries are playing an increasingly important role, accounting for 15.5% of Austrian's exports. Almost three quarters of Austria's imports come from other European Union member states.

Like other countries in Europe, Austria was badly hit by the Covid-19 pandemic crisis, which has caused the worst recession in nation's modern history. In 2020, GDP declined by 5.7%, in particular due to the decline in activity in Austria's large tourism sector. The Austrian Institute of Economic Research (WIFO) estimates that value added in this sector decreased by 31% to EUR 20.50 bn, corresponding to 5.5% of GDP. The economy is expected to rebound by 3.5% in 2021.

Summary

BNP Paribas presence

Austria is an important market for BNP Paribas:

- Business centre located in Vienna
- Full local market clearing access
- One of very few banks offering CGI format via various channels
- SWIFT member concentrator status, which is not offered through any Austrian financial institutions
- One of very few banks that can local accounts with pan-European cash pooling structures
- Trade finance in Austria is supported through the Frankfurt-based trade centre that provides comprehensive trade services throughout Germany and Austria.

Currency

Currency

- Austria uses the euro (EUR).

Exchange rates

	2016	2017	2018	2019	2020
Exchange rate: EUR per USD	0.9040	0.8873	0.847	0.893	0.88

Source: IMF, International Financial Statistics, July 2021.

Central Bank

The Austrian central bank is the Oesterreichische Nationalbank (OeNB-www.oenb.at).

- The OeNB is a member of the European System of Central Banks (ESCB) and operates certain activities, such as issuing currency, under the authority of the European Central Bank ([ECB – www.ecb.int](http://www.ecb.int)).

Bank supervision

- In November 2014, the ECB, via the Single Supervisory Mechanism (SSM), assumed responsibility for supervising the financial stability of banks operating within the euro zone. However, while the ECB has final supervisory authority over all banks operating within the euro zone, it will only directly supervise those banks classified as ‘significant’ under the terms of the SSM (115 significant banking groups have been recognized to date). ‘Less significant’ banks will continue to be supervised by the national supervisory authority, i.e. the Financial Market Authority (FMA – www.fma.gv.at).

Bank accounts

Resident / non-resident status

- A company is generally considered resident in Austria if its place of effective management is located there.

Bank accounts for resident entities

	Within AUSTRIA	Outside AUSTRIA
Local Currency	Permitted without restriction, fully convertible.	Permitted without restriction, fully convertible.
Foreign Currency	Permitted without restriction, fully convertible.	Permitted without restriction, fully convertible.

Bank accounts for non-resident entities



	Within AUSTRIA	Outside AUSTRIA
Local Currency	Permitted without restriction, fully convertible.	Permitted without restriction, fully convertible.
Foreign Currency	Permitted without restriction, fully convertible.	Not applicable.

Lifting fees

- [Lifting fees](#) are applied on payments between resident and non-resident accounts.
- Large companies are often able to negotiate a per item-based fee structure or a cap.

BNP Paribas Cash Management Capabilities

Collections



Cash collections	
Cheque collections	

Direct debit collections	✓
Domestic incoming transfers	✓
Virtual IBAN	✓
Virtual accounts	●
International incoming transfers	✓
Card acquiring	✓

Payments

Cash withdrawals	✓
Cheque payments	●
Direct debit payments	✓
Domestic outgoing transfers	✓
Commercial cards	●
Virtual cards	✓
International outgoing transfers	✓
SWIFT gpi	✓
Real-time international payments through BNP Paribas' network	●
Card issuing	✓

Channels

Local e-Banking	
Global e-Banking - Connexis	
SWIFT/ host to host	

Payments & collections

Market overview

Credit transfers are the most widely used payment instrument by companies to pay suppliers and employees; they are mostly initiated electronically, although about 15% are initiated on paper. Debit card payments are popular for retail transactions, increasing 11% in 2020. Over two-thirds of all in-store transactions in 2020 were contactless. Mobile wallet schemes are widely used with 32% of smartphone users using mobile payments. However, despite the trend towards electronic payment methods, the use of cash for payments remains commonplace.

Electronic banking services are available from all banks.

Online and mobile banking services are provided by Austria's leading banks. Offered by all major banks in Austria, the Electronic Payment Standard is the most widely used domestic online bank transfer payment service. It is accepted by most Austrian merchants. Zoin, a mobile payment platform, enables funds to be transferred using just a mobile number.

Payment Systems

<u>TARGET2-AT/ASTI</u>	Type	<ul style="list-style-type: none"> • Real-time gross settlement. • Austrian component of the pan-European TARGET2 system. • A new system, ASTI has replaced HOAM.AT.
	Participants	<ul style="list-style-type: none"> • 92 direct.
	Transaction types processed	<ul style="list-style-type: none"> • High-value and urgent EUR-denominated domestic and cross-border credit transfers.

	Operating hours	<ul style="list-style-type: none"> • 07:00 - 18:00 CET, Monday to Friday.
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> • Payments are cleared and settled in real time. • Interbank payment cut-off time = 18:00 CET.
	System holidays	<ul style="list-style-type: none"> • TARGET2 is closed at weekends and on 1 January, Good Friday, Easter Monday, 1 May, 25 and 26 December.
CS.A	Type	<ul style="list-style-type: none"> • Multilateral net settlement system.
	Participants	<ul style="list-style-type: none"> • 73.
	Transaction types processed	<ul style="list-style-type: none"> • Low-value and non-urgent EUR-denominated retail payments (credit transfers and direct debits). • Domestic SEPA payments (credit transfers and direct debits).
	Operating hours	<ul style="list-style-type: none"> • 24 hours a day, Monday to Friday. • Actively monitored from 06:45–18:30 CET.
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> • Cut-off for same-day settlement = 15:00 CET. • Final settlement takes place via ASTI after each cut-off time.
	System holidays	<ul style="list-style-type: none"> • CS.A is closed on all TARGET2 holidays. • TARGET2 is closed at weekends and on 1 January, Good Friday, Easter Monday, 1 May, 25 and 26 December.
CS.I	Type	<ul style="list-style-type: none"> • Multilateral net settlement system.
	Participants	<ul style="list-style-type: none"> • 25 direct, 5 indirect.
	Transaction types processed	<ul style="list-style-type: none"> • Domestic SEPA payments (credit transfers and direct debits).
	Operating hours	<ul style="list-style-type: none"> • 24 hours a day, 7 days a week.
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> • Cut-off for same-day settlement = 15:00 CET. • Final settlement takes place via ASTI after each cut-off time. • Settlement cut-off time = 12:45, 15:00 and 17:15 CET.
	System holidays	<ul style="list-style-type: none"> • CS.I is closed on all TARGET2 holidays. • TARGET2 is closed at weekends and on 1 January, Good Friday, Easter Monday, 1 May, and 25 and 26 December.

Credit transfers

- Credit transfers are used by companies to pay salaries and suppliers, and to make tax and treasury payments.
- SEPA credit transfers can be settled via the CS.A, STEP2 or via correspondent banking networks. There are 468 participants in the SCT scheme.
- Austria's Clearing Service International (CS.I) clears cross-border SEPA credit transfers via the EBA STEP2 access provided by the OeNB and via cooperative agreements with Germany, Italy and the Netherlands.
- High-value and urgent EUR-denominated domestic and cross-border (within the euro zone) credit transfers can be settled in real time via TARGET2-AT or ASTI.
- High-value and urgent cross-border credit transfers can also be settled with end-of-day value via the Euro Banking Association's EURO1 system.
- The European Payment Council's SCT Inst scheme (a pan-European 24/7 instant payment scheme for SEPA credit transfers) enables the transfer of funds (the maximum threshold value is EUR 100,000) to another account in less than ten seconds. As of June 2021, there were 73 SCT Instant RT1 participants in Austria.
- EBA Clearing and Italy's SIA Group have developed and implemented a pan-European platform for instant EUR payments called RT1. It is fully compliant with the SCT Insts scheme and is in line with the ISO 20022 global messaging standards for instant payments.
- EBA Clearing has launched a pan-European request to pay (R2P) infrastructure solution with the support of 27 payment service providers from 11 countries. The new 24/7 service is compatible with the SCT and SCT Inst schemes and allows payees to take the initiative to request a specific payment from the payer.
- TIPS is a pan-European service for the settlement of instant payments in central bank money. The service enables payment service providers and ACHs with access to TARGET2 to offer fund transfers 24/7, 365 days a year. TIPS is aligned with SCT Insts. It is primarily focused on EUR payments but is technically capable of settling payments denominated in other currencies.

Direct debits

- Direct debits (*lastschrift*) are used for regular payments, such as utility bills.
- SEPA direct debits can be settled on a same-day basis via the CS.A or STEP2.
- Core SDDs are offered by 461 participants and B2B SDDs by 439 participants.
- The CS.I clears cross-border SEPA direct debits.

Card payments

- Card payments, particularly debit cards, are increasingly popular, especially for retail transactions. In 2020 approximately 885.6 million debit cards transactions with a total value of EUR 32.7 billion were processed. In the same year, 218.7 million credit card transactions with a total value of EUR 14.8 billion were processed.
- There were 3.64 million credit or delayed debit cards and 10.1 million debit cards in circulation at the end of Q1 2021. Nearly 90% of all cards issued have contactless functionality.
- Maestro-branded debit cards are the most widely issued. Visa debit cards are also popular.
- Worldline processes all debit card transactions on PSA Payment Services Austria's behalf.
- Visa, MasterCard, American Express and Diners Club-branded credit cards are available.
- All cards issued are SEPA-compliant with EMV chips.

ATM/POS

- There were 8,915 ATMs in Austria at the end of Q1 2021.
- There were 158,407 POS terminals in Austria at the end of 2019.
- All ATMs and POS terminals are EMV-compliant.
- The PSA is responsible for the Bankomat ATM system (approximately 7,350 ATMs).

Electronic wallet

- Electronic wallet schemes are available via reloadable pre-paid cards.
- There were 1.7 million cards with an electronic wallet function in circulation at the end of 2019.
- Mobile wallet schemes, such as Google Pay and Apple Pay, are available and increasingly popular. Zoin, a mobile payment platform, enables P2P funds to be transferred using just a mobile number.

Short term investments

Market overview

Interest payable on credit balances

- Interest-bearing current accounts are permitted for both residents and non-residents.

Demand deposits

- Interest is paid on [demand deposit](#) accounts for residents and non-residents, while funds can be withdrawn at little or no notice.

Time deposits

- Time deposits are available in EUR or major foreign currencies with terms ranging from one week to one year.

Certificates of deposit

- Domestic banks issue certificates of deposit with terms ranging from overnight to 12 months. Terms of three and six months are most common.
- Certificates of deposit can be issued paying fixed or variable interest.

Treasury (government) bills

- The Austrian Treasury issues Treasury bills at a discount for terms up to one year.
- The minimum investment is EUR 100,000.
- Government bonds and treasury certificates are also available.

Commercial paper

- Domestic [commercial paper](#) (CP) is issued by companies and public authorities with terms of three, six, nine and 12 months.
- Euro [commercial paper](#) (ECP) is issued by larger companies with a published credit rating. ECP can be issued in a range of currencies.

Money market funds

- Money market funds are available to Austrian investors.

Repurchase agreements

- Repurchase agreements (repos) with maturities ranging from overnight to one week are commonly available in Austria. Longer terms are sometimes available.

Banker's acceptances

- Banker's acceptances are not used in Austria.

BNP Paribas Trade Finance Capabilities

Trade payments

Documentary credits	✓
Documentary collections	✓

Guarantees

Bank guarantees	✓
Standby letters of credit	✓

Supply chain management

Receivables	✓
Payables	✓
Inventory	✓

Trade channels

Connexis Trade	✓
Connexis Supply Chain	✓
SWIFTNet Trade for Corporates	✓
Connexis Connect	✓

Connexis Guarantee	●
SWIFTnet Supply Chain	●

- BNP Paribas has provided trade finance activities in Austria since 2005. One dedicated Global Trade Solutions (GTS) senior trade manager and one operations officer based in the GTS hub in Frankfurt work closely with local risk approvers and the client service desk to provide a comprehensive, integrated trade finance offering to corporations headquartered in, and operating in Austria.

International trade

General trade rules

- As a member of the (EU), Austria follows the EU customs code and applies all associated regulations and commercial policies.
- Trade with countries in the European Economic Area (EEA) and Switzerland is exempt from tariffs and other controls.

Trade agreements

- The EU has trade agreements in place with over 30 countries.
- The EU is currently in free trade negotiations with a number of countries, including the Association of Southeast Asian Nations (ASEAN), Australia, Indonesia, Mercosur (the Southern Common Market), Uruguay, and the USA. The EU and the UK are discussing their future trading relationship, following the UK's departure from the EU.

Imports / exports

Imports	Cars	Vehicle parts	Broadcasting equipment	Refined petroleum	Packaged medical supplies
---------	------	---------------	------------------------	-------------------	---------------------------

Primary Import sources	Germany (39.0%)	Italy (7.0%)	Czechia (5.0%)		
Exports	Cars	Packaged medical supplies	Vehicle parts	Medical vaccines	Flavoured water
Export markets	Germany(28.0%)	USA (7.0%)	Italy (6.0%)	Switzerland (5.0%)	

Import / export volumes

		2016	2017	2018	2019	2020
Exports	- goods USD m	144,428	158,924	179,054	170,816	161,951
	- services USD m	61,502	66,972	74,752	76,352	64,836
Imports	- goods USD m	142,293	157,236	174,704	167,484	155,899
	- services USD m	49,640	55,567	62,445	65,317	55,949
Current account as % GDP		2.1	2.3	3.4	3.3	3.0

Sources: IMF, International Financial Statistics, July 2021.

Trade finance - Imports

Documentation

- Documentation is not required for imports from within the EU, although a commercial invoice should be supplied.
- The following documentation is usually required in order to import goods into Austria from outside the EU:

- customs declaration
- commercial invoice
- bill of lading
- packing list
- certificate of origin (in certain cases).

Import licences

- Import licences are required from the Federal Ministry of Science, Research and Economics for industrial products and from the Ministry of Agriculture and Forestry for agricultural products.
- Import licences are required for a number of consumer products from China, certain textile and clothing products, as well as for items subject to statistical surveillance in accordance with the European Coal and Steel Community (ECSC) Treaty.

Import taxes and tariffs

- Tariffs are set according to the EU customs code for all imports from outside the EU, with higher tariffs for agricultural imports.

Financing requirements

- None.

Risk mitigation

- None.

Prohibited imports

- Austria prohibits the import of certain items in line with EU regulations and UN Security Council resolutions.
- Specific imports are prohibited for health and safety or moral reasons, and/or for national security.

Documentation

- Documentation is not required for exports from within the EU, although a commercial invoice should be supplied.
- The following documentation is usually required in order to export goods from Austria outside the EU:
 - customs declaration
 - commercial invoice
 - bill of lading
 - packing list
 - certificate of origin (in certain cases).

Export licences

- Licences are not required for most exports.
- Licences are issued by the appropriate ministry or the customs authorities, in line with EU trade agreements, the quotas established, and in consideration of Austria's economic needs.

Export taxes and tariffs

- None.

Financing requirements

- None.

Risk mitigation

- Austria has implemented the EU directive on export credit insurance.
- The Oesterreichische Kontrollbank (OeKB), Austria's national export credit agency, provides both state-subsidised export credit and state-supported export credit insurance.

- Export credit insurance is also available from private insurance companies.
- Export financing is available privately from commercial banks.

Prohibited exports

- Austria prohibits the export of certain items in line with EU regulations and UN Security Council resolutions.

Regulatory requirements

Reporting regulations

- Resident companies are required to report transactions to two regulatory authorities: the OeNB and Statistics Austria (www.statistik.at). Approximately 4,800 companies are surveyed regularly.
- The reporting frequency ranges from monthly to annually, depending on the type of transaction. Exports and imports of services and transfers are reported quarterly.
- All cross-border payment transactions above EUR 500,000 (or its equivalent in other currency) must be reported.
- Companies with investment in foreign companies of 10% or above must submit reports to the OeNB monthly.

Reporting method

- Reports must be submitted to the OeNB by the 15th day after the end of the reporting period.
- Reports to Statistics Austria must be submitted by the 15th day after the end of the reporting period.
- Reporting can be done online, by XML or by paper.
- Banks are responsible for reporting statistical data to the OeNB with the exception of foreign investments, which must be reported directly to the OeNB.

Exchange controls

- Austria does not apply [exchange controls](#).
- Restrictions apply to foreign investment from countries outside of the EU in specific industries (airlines, architecture, energy, engineering, shipping) and in accounting, auditing and legal enterprises.

- Financial loans from residents to non-residents in the insurance industry are also subject to some financial controls.

Taxation

Resident / non-resident

- A corporation is resident if it is incorporated in Austria or managed and controlled in Austria.

Tax authority

- Revenue offices of the Austrian Ministry of Finance (BMF).

Tax year/filing

- The Austrian tax year generally corresponds to the calendar year. However, it is possible for companies to have a tax year which differs from the calendar year, in which case approval is necessary from the tax authorities (unless the fiscal year is chosen upon formation of the company).
- Generally, corporate income tax returns must be filed electronically by 30 June of the following year. If tax professionals prepare the return, however, the deadline may be extended.
- Advance payments of corporate tax are required in four instalments.
- Companies may form a consolidated group in Austria. To be eligible to file a consolidated return, a parent company must hold more than 50% in the affiliated company. Non-resident companies resident in the EU or in countries with broad mutual assistance also may participate in a tax group and their losses may be used in Austria. However, foreign losses of non-resident companies are subject to a recapture rule if the non-resident leaves the Austrian tax group, changes its business significantly compared to the year in which the losses were incurred or is subsequently liquidated. An annual corporate income tax return must be filed for each member of the group subject to unlimited tax liability in Austria, as well as for the head of the group.

Financial instruments

- Austrian tax law, with a few exceptions, includes no specific rules dealing with the treatment of loans, options, futures and swaps. These instruments have to be dealt with by applying general tax principles. Guidance may be obtained from the Revenue Guidelines and expert literature on the treatment of such instruments for tax purposes.

Interest and financing costs

- Other than [transfer pricing](#) and thin capitalisation rules, Austrian tax law provides only for limited instances under which interest and interest-related costs may be disallowed:
 - For example, if an interest deduction would be seen as an abusive move in the sense of section 22 of the Federal Fiscal Code (BAO). Generally, abuse is assumed by the Revenue if a transaction in itself is highly unusual and solely geared at avoiding taxation. Interest and interest-related costs can also be disallowed where the recipient of these payments has not been disclosed to the Revenue.
 - Arm's length interest connected with the acquisition of shares from unrelated parties is tax deductible. However, since 1 January 2011, no deduction is possible if the shares are acquired from a related party.

Foreign exchange

- There are no separate tax rules dealing with foreign exchange.
- Assets/ Liabilities denominated in foreign currencies need to be converted into euros at the time of acquisition at the buying/selling rate respectively.
- At each year-end, assets/liabilities have to be valued and recorded at the lower of the historic or current buying rate on the one hand and the higher of the historic or current selling rate (applying the principle of conservatism) on the other hand. Other than that, foreign exchange aspects are not dealt with separately but need to be considered when dealing with the underlying transaction, applying the general tax principles.
- Taxable profits and tax liabilities are reported in EUR.

Advance tax ruling availability

- Taxpayers may request a non-binding ruling on the tax consequences of a proposed transaction and a binding ruling on issues relating to restructurings, tax groups and [transfer pricing](#). For a binding ruling, the taxpayer will be charged a fee of up to EUR 20,000 by the tax authorities.

Capital gains tax

- Capital gains generally are taxed at the same rate as ordinary income. Under the international participation exemption, gains from the sale of a participation in a non-resident company are exempt unless the resident company has exercised an option to have capital gains treated as taxable income.

Withholding tax (subject to tax treaties)

Payments to:	Interest	Dividends	Royalties	Other income
Resident entities	0%/ 23%	0%/ 23%	None	None
Non-resident entities	0%/25%/27.5%	23%	20%	20%

- Interest paid to a resident company is subject to a 15% withholding tax. If the company confirms in writing to the interest-paying institution that the interest income is taxed at 25% as part of its business income, no taxes generally are withheld. No withholding tax is levied on loan interest paid to a non-resident company. However, certain publicly issued corporate bonds may trigger withholding tax. Payments made to a non-resident silent partner in an Austrian company are subject to 27.5% withholding tax (25% of the silent partner is a corporation) unless the rate is reduced or the payments are exempt under a tax treaty.
- Dividends paid to another Austrian company are exempt if the recipient company holds at least 10% of the shares in the distributing company; otherwise, the rate is 25%. Dividends paid to a non-resident company are subject to a 27.5% withholding tax unless the rate is reduced under a tax treaty or the dividends are exempt under the EU Parent-Subsidiary Directive. A refund of the withholding tax is possible for EU/EEA parent companies if the withholding tax cannot be credited in their residence state under a tax treaty.
- Royalties paid to a non-resident are subject to a 20% withholding tax, but the rate may be reduced or the payments exempt under a tax treaty or the EU Interest and Royalties Directive.
- Fees for technical services paid to a non-resident are subject to a 20% withholding tax unless reduced or exempt under a tax treaty.

Tax treaties / tax information exchange agreements (TIEAs)

- Austria has concluded over 90 tax treaties.
- Austria, as part of the OECD/G20 Base Erosion and Profit Shift (BEPS) initiative, is a signatory of a multilateral co-operation agreement (the MCAA). Under this multilateral agreement, information will be exchanged between tax administrations, giving them a single, global picture on some key indicators of economic activity within multinational enterprises (MNE).
- With country-by-country reporting, tax administrations of jurisdictions where a company operates will have aggregate information annually relating to the global allocation of income and taxes paid, together with other indicators of the location of economic activity within the MNE group. It will also cover information about which entities do business in a particular jurisdiction and the business activities each entity engages in. The information will be collected by the country of residence of the MNE group and will then be exchanged through exchange of information supported by such agreements as the MCAA. First exchanges under the MCAA started in 2017–18 on 2016 information.
- The MLI entered into force for Austria on 1 July 2018.

Thin capitalisation

- There is no specific thin capitalisation legislation in Austria, however interest may be reclassified as a dividend in certain situations. The tax authorities usually accept a debt-to-equity ratio of 4-to-1 in tax audits, although this is not considered a safe harbour.
- For financial years beginning after 31 December 2020, an interest limitation rule applies to limit the deductibility of excessive borrowing costs that are greater than EUR 3 million and exceed 30% of the taxpayer's adjusted EBITDA. The rule does not apply to taxpayers that are not fully included in consolidated financial statements; do not have any associated enterprises; and do not have any foreign permanent establishments.
- For tax groups the interest limitation rule applies to the entire group.
- Any excessive borrowing costs that cannot be deducted may (upon application) be carried forward for an unlimited period of time. Any excess EBITDA may be carried forward for five years.
- For loans concluded before 17 June 2016, the interest limitation rule does not apply through tax year 2025.

Transfer pricing

- Standardised transfer pricing documentation is required in line with OECD BEPS recommendations. Penalties of up to EUR 50,000 can be assessed if documentation requirements are not met. Apart from that, no special transfer pricing provisions exist, but the Federal Ministry of Finance has issued guidance based on the OECD Transfer Pricing Guidelines.
- Transactions between affiliated companies must be at arm's length.
- Taxpayers can obtain binding rulings on transfer pricing issues.

Stamp duty

- According to the Austrian Stamp Duty Act certain legal transactions are subject to stamp duty at a rate ranging from 0.8% to 2% if such transactions are evidenced in a stamp duty relevant deed set up in Austria (e.g. leases and rental contracts, assignments, settlements, etc.).
- Planning techniques are available for some stamp duty relevant deeds to mitigate this liability.
- Loans and credit facilities are no longer subject to stamp duty.

Cash pooling

- Austrian tax law does not have specific rules dealing with [cash pooling](#) arrangements; general tax principles apply instead.

Financial transactions / Banking services tax

- Austrian banks and foreign banks with an Austrian branch are subject to a banking tax based on the balance sheet total reduced by equity and covered contributions. The banking tax is 0.024% to 0.029% of the tax base.

All tax information supplied by Deloitte Touche Tohmatsu and Deloitte Highlight 2021 (www.deloitte.com).



BNP PARIBAS

The bank
for a changing
world