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Factsheet for case **AT-2020-16/474**

Company subsidy for fixed costs incl. entrepreneurs wage

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| | |
|--------------|--|
| Country | Austria, applies nationwide |
| Time period | Temporary, 15 April 2020 - 31 December 2020 |
| Type | Legislation or other statutory regulation |
| Category | Supporting businesses to stay afloat – Direct or indirect financial support |
| Case created | 10 April 2020 (updated 16 April 2020) |

Background Information

For companies affected by business closures, a 15 billion euro corona crisis fund ("Nothilfefonds") is available, which consists of several measures (see the cases bank guarantees, state support for tourism), among them the subsidy for fixed costs. To cover fixed costs, non-repayable subsidies are granted to companies that suffer substantial sales losses of at least 40% due to the consequences of the corona crisis.

Eligible are those companies that fully meet the following conditions:

- Companies that have their management or a permanent establishment in Austria
- Companies that have to bear fixed costs from their operating activities in Austria
- Companies that were healthy before the Corona crisis
- Companies which, in the course of the Corona crisis, have suffered a loss of turnover of at least 40%
- Enterprises which take all reasonable measures to achieve sales which help to reduce fixed costs and maintain jobs in Austria

Content of measure

The following fixed costs of the company are eligible:

- Rent of business premises
- Insurance premiums
- Interest expenses
- Licence costs

- Payments for electricity, gas and telecommunications
- Other contractual payment obligations
- Entrepreneur's salary up to a maximum of € 2,000 per month (analogous to the regulations from the hardship fund)
- Loss of value of perishable/seasonal goods, provided that these lose at least 50% of their value during the corona measures

The fixed cost subsidy is staggered and depends on the company's loss of sales:

- loss of 40 to 60%: 25% compensation of fixed costs
- loss of 60 to 80%: 50% compensation of fixed costs
- loss of 80 to 100%: 75% compensation of fixed costs

The fixed-cost subsidy does not have to be reimbursed - provided that all the provisions of the guidelines are complied with. The subsidy is limited to a maximum of 90 million euros per company.

Use of measure

has not started yet at the time of writing (start: 15 April 2020)

Actors, target groups and funding

| Actors | Target groups | Funding |
|---------------------|--------------------------------|----------------|
| National government | self-employed All companies | National funds |

Social partners

| | |
|-------------------------|---------------------|
| Role of social partners | Consulted |
| Form of involvement | Direct consultation |

Employer organisation was consulted.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 10 April 2020: Fixed cost subsidy (www.aws.at)
- 10 April 2020: Fixed cost subsidy - FAQs (www.aws.at)
- 10 April 2020: FAQ Corona Aid Fund (www.wko.at)