

# NEWS

from your custody team in Austria

## EGB News October 2022

### MARKET: AUSTRIA

**The Austrian Federal Ministry of Finance (BMF) has published a draft concerning withholding tax refunds on dividends from listed public limited companies, received by taxpayers with limited liability (non-resident taxpayers)**

The Austrian Federal Ministry of Finance (BMF) has published a draft notice concerning withholding tax refunds on dividends from listed public limited companies, received by taxpayers with limited tax liability (non-resident taxpayers).

The draft notice sets out that for tax purposes beneficial ownership is required as of close of business one day prior to the Annual General Meeting (AGM) and not as per the current rule as of Ex-Date -1.

The Austrian Tax Authorities have communicated that this change in practice will be applied with immediate effect to open, closed and new reclaim applications.

Any observations or comments on this change may still be submitted to the BMF until November 4<sup>th</sup> 2022.

### **IMPACT for Clients:**

With implementation of this new draft, entitlement to a withholding tax reclaim is based on beneficial ownership as per close of business AGM Date minus 1.

Austrian Tax Authorities may reassess previously closed claims against the new practice.

However, the actual dividend entitlement per current market rules remains (no impact on the actual dividend entitlement).

Additional documents to assess beneficial ownership as per AGM Date minus 1, will be required.

EGB will update and publish its Tax-Reclaim Guide accordingly.

