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Educational tax credit for graduate studies in Austria

Summary:

Course fees can be fully offset against income tax in Austria. The only precondition for this is that the course represents a form of further education within your current profession or training in a related profession. This means that you can reclaim up to 50% of your course fees from the tax office.

Full version:

Up to 50% of the study fees will be paid by the Austrian state.

Regardless of whether you are employed or self-employed, you can fully offset course fees against income tax. The only precondition for this is that the course represents a form of further education within your current profession or training in a related profession. This is typically the case with regards to the courses offered by the MODUL University Vienna.

Course fees can also be fully offset against income tax if you are training to enter a new profession. The precondition for this is that at least a temporary job is performed during the years in which the re-training takes place.

It is not only possible to offset the course fees against tax but also all of the other associated expenses (e.g. specialist literature, office supplies, travel expenses, overnight accommodation away from home).

The extent of the tax advantages depends on your overall income. If you earn more than € 60,000 per year, the state will refund half of all costs. In the case of an income between € 25,000 and € 60,000, the tax benefit is 43.2%, and still as much as 36.5% if you earn between € 11,000 and € 25,000 per year.

But what if your employer covers the costs?

Unlike in the case of a bonus, for example, you do not need to pay tax if your employer covers the costs (the financial advantage is therefore also up to 50%). And your employer also benefits. No non-wage labor costs are payable.

On the contrary: The state covers 31% of the costs (in the case of corporations) and up to 60% (in the case of sole proprietorships). For employers, not only the course fees are tax deductible but it is also possible to claim a 6% training bonus and a 20% training allowance.

MODUL University Vienna is unable to provide any guarantee pertaining to your eligibility with regard to the above tax advantages. The tax-deductible status of the course fees should be discussed in advance with your tax advisor or the financial authorities on a case-specific basis.