

## Process/Cost sheet of founding a branch office in Austria for foreign companies

The following tests must be carried out immediately after placing the order. (that's just a formalism)

- Verification according to politically exposed persons regulation
- Check according to the Money Laundering Act
- Verification according to terrorist financing

When the checks are completed, the actual foundation begins.

- Location search
- Check of the company name
- Opening a bank account
- Entry in the commercial register
- Business registration
- Registration of the Permanent representative for the branch office
- Mediation of a tax advisor
- Notification to the municipality / city

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Now your branch office is ready to run.

### And that are the costs of the Founding process

Our Consulting Fee 3900 Euro (Camber and court talks, Founding, bank talks...)

Plus, translation costs to German. The translations must be made by a court-certified interpreter.

### And the monthly running costs of an branch office (These are just examples, the final cost depends on your business model)

Location eg. Vienna 12 up to 20 Euro per m<sup>2</sup>, Upper Austria 7 up to 15 Euro per m<sup>2</sup>

Infrastructure costs, electricity, water, sewer, garbage disposal average cost 100 to 200 Euro

Telecommunications and Internet per employee 70 to 100 Euro

Virtual office for your branch (incl. Phone service and post service) up 250 Euro

Accountant costs 150 Euro plus 50 Euro extra per employee

The accountant costs for the annual financial statements begins from 1000 to 1500 euros and more

Managing director and Permanent representative for the branch office at least 2500 Euro per month

Plus, investments in office equipment, IT soft and hardware, cars and so on

### Optional running costs. Employees without additional costs such as car office etc.

Cost secretary at least 2800 Euro for salary, insurance and taxes (Part time but with experience)

Cost sales man at least 4000 Euro for salary, insurance and taxes

**Attention:** In Austria we have to pay the salary 14 times. 12 months plus vacation and Christmas bonus

The stated costs are to be understood as guidelines. For the actual costs, we need to know more about your desired company structure and business model.

<b>Differences between project office, branch office and GmbH</b>			
	<b>Project Office</b>	<b>Branch Office</b>	<b>GmbH</b>
Share capital needed	No	No	Yes
Verification according to politically exposed persons regulation	Yes	Yes	Yes
Check according to the Money Laundering Act	Yes	Yes	Yes
Verification according to terrorist financing	Yes	Yes	Yes
Check of the company name	Yes	Yes	Yes
Translation of the necessary documents	Yes	Yes	Yes
Opening a bank account is mandatory	No	No	Yes 2/2
Opening a bank account is optional possible	Yes	Yes	Yes
Hire a commercial manager is mandatory	No	Yes	Yes
Entry in the commercial register	Yes	Yes	Yes
Company / Business registration	Yes	Yes	Yes
Permanent representative needed	Yes	Yes	No
Tax advisor / accounting needed	No	Yes	Yes
Notification to the municipality / city needed	No	Yes	Yes
Entitled to practice a trade in Austria	No	Yes	Yes
Possibility to employ staff	No	Yes	Yes
An independent postal address is mandatory	No	Yes	Yes
A virtual adress is possible	Yes	Yes	No
Null tax declaration possible	Yes	Yes	Yes
Running taxes and duties	No	Yes	Yes
Easy termination of the office	Yes	Yes	No
Business visa for manager and spezial workers (3year resident permit)	Yes	Yes	Yes
Independence of the mother company in your home country	No	No	Yes
Founding Costs	€ 4 000,00	€ 5 000,00	€ 40 000,00
Total running costs per month at least	€ 500,00	€ 3 000,00	€ 10 000,00
Total costs for the first 12 month at least	€ 10 000,00	€ 41 000,00	€ 160 000,00

The stated costs are to be understood as guidelines and may vary in your case.

If you have any questions, please do not hesitate to contact us at info@ruttensteiner.com or via WhatsApp +436766607343

We look forward to supporting you in your business in Austria.