

Process / Cost sheet of founding a GmbH in Austria with foreign owners

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 (Only if we don't provide the address)
- Check of the company name
- GmbH contract creation by a notary
- Opening a bank account (If necessary, with an escrow service)
- Transfer of share capital
- Application at the commercial register court
- Entry in the commercial register and Business registration
- Notification to the tax office and national insurance (tax number, VAT number)
- Registration of the managing director under trade law and all other employees with the regional health insurance

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And that are the costs of the Founding process (brief overview)

Founding fee 4900 Euro (includes fees for chamber of commerce, court, notary, bank talks, applications ...)
Share capital at least 5000 Euro in cash but depending on your business it may be better to pay in the entire share capital 35000 Euro. Plus, translation costs to German and possible costs for the escrow service. The translations must be made by a court-certified interpreter.

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

Location eg. Vienna 12 up to 20 Euro per m², Upper Austria 7 up to 15 Euro per m²
Infrastructure costs, electricity, water, sewer, garbage disposal average cost 100 to 200 Euro
Telecommunications and Internet per employee 70 to 100 Euro
Accountant costs 150 Euro plus 50 Euro extra per employee
Minimum tax per month (To be paid annually) 150 Euro
Salary managing director under trade law at least 2000 Euro (Part time but with experience)
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.

Differences between project office, branch office and GmbH			
	Project Office	Branch Office	GmbH
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
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	€ 2 000,00	€ 10 000,00
Total costs for the first 12 month at least	€ 10 000,00	€ 29 000,00	€ 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.