

12 COUNTRIES. 12 TAX SYSTEMS.

The year 2025 brings changes in the areas of taxes, duties and social contributions in all CEE and SEE countries. TPA offers an overview of the most important tax innovations in the year 2025.



Albania

Austria

Bulgaria

Croatia

Czech Republic

Hungary

Montenegro

Poland

Romania

Slovakia

Serbia

Slovenia

Austria

Income tax

Similar to 2024, the income tax brackets, and a number of tax deductions will be adjusted to inflation.

- From 2025:
For the tariff adjustment, the entry-level threshold (=“subsistence minimum”) has been increased by 3.83% to EUR 13,308, and the respective threshold amounts for the different tariff stages
Stage 2 (20%): EUR 21,617
Stage 3 (30%): EUR 35,836
Stage 4 (40%): EUR 69,166
Stage 5 (48%): EUR 103,072
have been raised.
- Inflation adjustment/valorization:
Single-earner and single-parent deduction, alimony deduction, child deduction, deduction for travel expenses, pensioners' deductions
- Increase in travel expenses:
As of January 1st, 2025, the domestic daily and overnight allowances as well as the mileage allowance were increased. Daily allowances increased up to EUR 30.00 (until 2024: EUR 26.40), overnight allowances increased up to EUR 17.00 (until 2024: EUR 15.00) and the mileage allowances up to EUR 0.50 (until 2024: EUR 0.42) per kilometer can be paid tax-free for domestic business trips.
- Small business owners:
If the turnover limit of EUR 55,000 is not exceeded from the year 2025, the entrepreneur can make use of the small business flat rate. There is also a new tolerance regulation: If the limit is exceeded by no more than 10%, the tax exemption can still be claimed until the end of the calendar year. If the limit is exceeded by more than 10%, the tax exemption no longer applies once the limit has been exceeded.

Corporate Income Tax Rate

The corporate income tax rate remains at 23% since 2024 (24% in calendar year 2023).

Value-Added Tax

- Small business owners
The small business threshold will rise from EUR 35,000 (net) (in calendar years prior to 2025) to EUR 55,000 (gross) in annual turnover from the year 2025.
- Taxation of virtual events
From 01.01.2025 the place of taxation for virtual events will be the place where the recipient of the service has his domicile, registered office or habitual residence, if the service is provided to a nonentrepreneur.

- Margin taxation

The reseller may declare that he also applies the margin taxation to the supply of art objects, provided that no reduced tax rate was applied to the supply to him or to the importation by him and the goods were either

- imported by him,
- supplied by the author or his legal successor, or
- not supplied to him by a reseller.

No margin taxation for art objects of annex 2 (Austrian VAT Act) if VAT was incurred on purchase (usually 13%).

- Food donations

Food donations and donations of non-alcoholic beverages to charitable organizations for charitable purposes are exempt from VAT. The right to deduct input tax still exists.

- Elimination of the intermediate bank exemption

Elimination of the tax exemption for services provided between beneficiary companies (banks, insurance companies and pension funds), if these are used directly to carry out beneficiary transactions („intermediate bank exemption“) and provision of personnel by beneficiary companies to mergers. Exemption for services provided by associations to their members remains in place.