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Gratuity flat rate i.a. Austria



Gratuity flat rate in the hospitality sector – unified rules as of 2026

Effective 1 January 2026, a new Austria-wide unified regulation on the gratuity /tip/ flat rate in the hospitality industry will come into force.

What is the gratuity flat rate?

The gratuity flat rate is a fixed monthly allowance processed through payroll accounting, designed to simplify payroll administration without requiring detailed records of actual tips received.

This allowance is exempt from income tax and increases only the assessment base for social security contributions.

What will change with the new regulation?

The new regulation uniform values applicable across Austria. It ensures greater fairness, as it applies to all employees, including those who were previously excluded from the scheme despite receiving tips.

There will be two options for the monthly flat-rate payroll treatment:

For employees with cash handling duties:
- ✓ 2026: €65
- ✓ 2027: €85
- ✓ 2028: €100
- ✓ thereafter: indexed

For employees without cash handling duties:
- ✓ 2026: €45
- ✓ 2027: €45
- ✓ 2028: €50
- ✓ thereafter: indexed

Key aspects of the new regulation:

Legal certainty for both employers and employees
– no retroactive claims by the Austrian Health Insurance Fund (ÖGK) if the flat rate is exceeded
Tronc systems (pooled tip arrangements) are now legally recognised
– tips may be distributed among employees
– transparency requirements must be observed

Additional rules
– option to „opt out“ if actual tips fall below the flat rate
– pro-rated application for part-time employess
– suspension of the flat rate during extended absence (> 1 month)
– exemptions for industries where tipping is not customary (e.g. chain restaurants, care facilities)

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Further changes effective from 2026

Increase of the e-card fee from €14.65 to €25.00, first applicable in November 2025 . From November 2026, the e-card fee will also be deducted from pensioners and from employees entering retirement in the following quarter.

Extended reporting requirements for social security registration: As of 01.01.2026, the agreed working hours must be reported when registering an employee for social security. Subsequent changes in working time during employment will not need to be reported.

The threshold for low-earning employment will be frozen for the year 2026 and remains at €551.10 per month (suspension of indexation, see § 810 (3) ASVG).

Restriction on secondary employment while receiving unemployment benefits:From 01.01.2026, the possibility of minor employment alongside unemployment benefits or emergency assistance will be significantly restricted.

Exceptions will apply, for example, to long-term unemployed persons or to marginal employment that has already been exercised for at least 26 weeks prior to unemployment.

Your Auditorea team

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