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# Total wage tax increased by 6.4% in 2023

## Gross earnings rose more strongly at +8.3%

Vienna, 2024-12-02 – According to Statistics Austria, there were a total of 7.40 million tax-payers in Austria in 2023, 1.1% more than in the year before. Of these, 4.85 million were employees (+1.0%) and 2,55 million were pensioners (+1.4%). Gross earnings increased by 8.3% to 260.84 billion euro, resulting in 34.53 billion euro of wage tax, a plus of 2.08 billion euro (+6.4%) compared to 2022.

“Following the decline in the coronavirus year 2020 and the increases in 2021 and 2022, wage tax revenue rose to a new high of 34.53 billion euro in 2023, which is 6.4% more than in the previous year. This is due to the sharp rise in the gross earnings of wage tax payers in Austria, which increased by 8.3% from 2022 to 2023,” says Statistics Austria Director General Tobias Thomas.

### Male wage tax payers received 60.1% of all gross earnings

Men accounted for 50.1% or 3 709 736 of all wage tax payers, but received 60.1% of gross earnings and contributed 68.4% or more than two-thirds of wage tax revenue. For 17.7% of all wage tax payers, there was no wage tax allowable against income tax due to low remuneration. 73.1% of all employees – more than 3.5 million persons – received pay throughout the entire year, accounting for 90.8% of the gross pay of all employees; in contrast, 1.3 million employees were not employed for the entire year. The average gross annual income for a full year’s employment in Austria varied significantly according to the extent of employment (full-time employment 59 969 euro, part-time employment 27 006 euro).

### 49.7% of employed persons were salaried employees

The largest group among the 4.9 million **employees** were white-collar workers (49.7%), while one third (36.3%) were blue-collar workers. Contract employees accounted for 8.7% and civil servants for 2.8%. 2.2% of all employees were apprentices, and 0.4% had other forms of remuneration (see table 2).

### Increases in gross pay were higher than those in wage tax in years with tax reform

As can be seen in the chart, the comparisons with the respective previous year showed positive rates of change in gross pay across all years. The highest increases were seen in 2022 and 2023 (+6.8% and +8.3% respectively) – due to the high wage settlements as a result of high inflation – and in 2008 (+5.2%). The lowest increases were recorded in 2020 at +1.5% and 2009 at +1.7%, in the years of the coronavirus pandemic and the global financial and economic crisis.

Total wage tax fell in years with tax reforms (2000: –1.3%, 2005: –0.9%, 2009: –7.1%, 2016: –10.8%, 2020: –3.0%). The highest positive change was in 2008 with +8.4%, the largest decrease in 2016 with –10.8%.

The chart also shows that in years without tax reform – due to bracket creep – wage tax increases were always higher than gross pay increases, whereas this was never the case in years with tax reform (see information below).

**Table 1: Main results of wage tax statistics 2023**

Survey characteristics	Taxpayers total		Employees		Pensioners	
	number	billion €	number	billion €	number	billion €
Gross earnings	7 400 428	260.8	4 850 398	192.8	2 550 030	68.1
Total social security contributions	6 784 870	33.3	4 565 228	29.7	2 219 642	3.5
Total wage tax	6 181 883	34.5	4 259 399	26.5	1 922 484	8.0

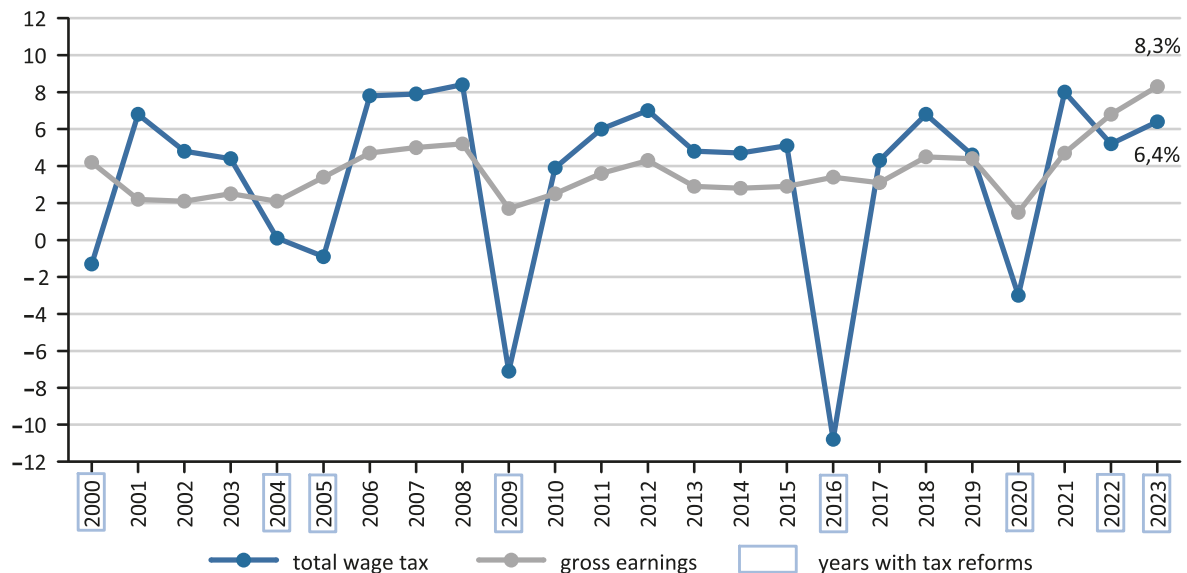
S: STATISTICS AUSTRIA, wage tax statistics 2023.

**Table 2: Taxpayers 2023 by social position and gross earning levels**

Gross earning levels in 1 000 €	Taxpayers total	Employees						Pensioners
		Apprentices	Blue collar workers	White collar workers	Officials	Civil servants under contract	Persons with other incomes	
0 to less than 10	1 357 705	38 735	457 594	349 214	83	29 810	11 837	470 432
10 to less than 20	1 184 625	52 732	245 433	232 512	407	34 674	1 623	617 244
20 to less than 30	1 178 408	14 949	287 148	293 331	1 800	52 922	988	527 270
30 to less than 50	2 063 625	1 635	581 822	630 085	20 769	156 268	756	672 290
50 to less than 70	925 729	-	178 272	411 948	49 742	93 857	715	191 195
70 to less than 100	450 196	-	8 199	305 401	42 860	38 564	898	54 274
100 and over	240 140	-	659	186 940	18 298	15 723	1 195	17 325
<b>Total</b>	<b>7 400 428</b>	<b>108 051</b>	<b>1 759 127</b>	<b>2 409 431</b>	<b>133 959</b>	<b>421 818</b>	<b>18 012</b>	<b>2 550 030</b>

S: STATISTICS AUSTRIA, wage tax statistics 2023.

**Rates of change in gross pay and wage tax from 2000 to 2023**



S: STATISTICS AUSTRIA, wage tax statistics 2023.

For detailed results and further information please refer to our [website](#).

**Information:** Wage tax statistics are based on the pay slips issued to employees and pensioners by employers and pension paying institutions. For persons who had more than one employment or pension relationship in a calendar year and for whom more than one payslip was issued, all payslips (data records) belonging to one person are combined to form a personal data record.

As of the reporting year 2020, there are individuals with the gender “diverse” in the data, as of 2022 with the gender “open” or “inter”. These persons are randomly divided into the two genders “men” and “women” for the data analysis so as not to jeopardize confidentiality.

In the 2023 data preparation, those 101 302 payslips were removed from the data set that showed only the receipt of federal long-term care benefits. Until the 2019 reporting year, these payslips had been assigned to pensioners.

**Tax reforms:** From 2000, the first 50 000 shillings were tax-free, previously they were taxed at 10%. In addition, the marginal tax rates were reduced by 1% for all tax brackets with the exception of the top tax rate (50%). In the 2004/2005 tax reform, the tax-free threshold was raised from 3 640 to 10 000 euro and the number of tax brackets above this was reduced from four to three; however, the initial tax rate was raised to 38.3%. In 2009, the tax-free threshold was raised to 11 000 euro and the tax bracket above which the top tax rate applies was increased from 51 000 to 60 000 euro, while the starting tax rate was reduced to 36.5%. The general deduction was incorporated into the rate. In the 2016 tax reform, the number of tax brackets was increased from three to six and the tax rates were changed. The starting tax rate was lowered to 25%, while the maximum tax rate was raised to 55% for income of more than one million euro. In 2020, the starting tax rate was retroactively reduced to 20% with effect from the beginning of the year and in 2022 the tax rate for the second rate bracket (over 18 000 to 31 000 euro) was reduced from 35% to 32.5%. In 2023, the tax brackets were increased and the tax rates for the second (from 32.5% to 30%) and third bracket (from 42% to 41%) were reduced.

**Statistics Austria** is the central organisation for official data and statistics on society, the economy, the state and the environment. As a national statistical institute, it is committed to the statutory principles of independence, impartiality and objectivity. Statistics Austria is headed by Tobias Thomas, Director General Statistics, and Franz Haslauer, Director General Finance.

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