

## This is how much money is available to you from the Austrian government when you install a new heat pump.

Did you know that an average of 70% of a household's total energy consumption is for heating? That is a lot of energy - and bottom line, that's a lot of money! If you want to save money, now is the perfect time to bring on an effective change on fossil burning heating and switch to a modern, climate friendly heating system.

In this blog post you will get a comprehensive overview of the available Austrian subsidies for environmentally friendly heating and cooling heat pumps installations. Whether you are building a new house or renovating an existing property, in this article you help you find information to take advantage of the present best government subsidies.

### ► Austria's Ambitious Goal: Climate Neutrality by 2040

An important step in this direction is to replace fossil heating systems (oil, gas, coal/all-burners and electrical powered night or direct storage heaters) in private residential buildings with sustainable, environmentally friendly alternatives. No more outdated and environmentally harmful combustion heaters! There are great climate-friendly alternatives such as energy-efficient heat pumps. These environmentally friendly heating systems are widely supported financially by the federal funding program „Get Out of Oil and Gas“. This not only reduces your carbon footprint, it brings possibilities to benefit from attractive subsidy funding!

### ► Up to 75% Subsidy Funding for Replacing Your Heating System!

The main funding comes from the „Get Out of Oil and Gas“ program, which offers grants and bonuses of up to 75% of eligible expenses. These expenses include the costs for planning, material procurement, dismantling and proper disposal of the old heating systems. The specific funding amount is made up of the various flat rates. Funding is only possible for buildings within the country.

The great thing is that the „Get Out of Oil and Gas“ program is not the only funding program available for heat pumps. In addition to the federal government's funding, the individual federal states also have their own funding programs for heat pump installations. However, these state funding programs are often tied to meeting certain efficiency standards. So, there are several opportunities to receive funding.

### ► Federal States Subsidy Conditions (acceptance, total cost of conversion € 34,000)

- **Burgenland:** Up to €3,500, max. heat outlet temperature 55 °C
- **Carinthia:** Up to €6,000, max. heat outlet temperature 55 °C
- **Upper Austria:** Up to €800, max. heat outlet temperature 55 °C. Additionally, one of the following conditions must be met: a combination with photovoltaics (at least 3 kWp) or solar thermal energy (at least 4

m<sup>2</sup>) or 10 years of electricity from 100% renewable energies.

- **Tyrol:** Up to €11,500, max. heat outlet temperature 55 °C
- **Vienna:** Up to €11,900, max. heat outlet temperature 55 °C. The building permit must be at least 20 years old. Also: a combination with photovoltaics (at least 1 kWp) or solar thermal energy (at least 5 m<sup>2</sup>) and a buffer storage (at least 300 l).

## ► Additional Bonuses Can Be Granted for Multiple Measures:

- Conversion from gas stove to electric stove
- Installation of a heat distribution system
- Deep drilling when converting to a geothermal heat pump
- Drafting an overall renovation concept for the building
- Additional installation of a thermal solar system

The application is completed in two steps: First, register and submit your application. The application is subject to the availability of budget funds, registration can be done online by December 31, 2024, at the latest. After a successful registration, the application must be submitted online within twelve months.

NOTICE: PLEASE CONTACT THE RESPONSIBLE AUTHORITIES IN YOUR COUNTRY'S DISTRICT STATE FOR INFORMATION ON THE CURRENT CONDITIONS FOR NATIONAL FUNDING.

## ► Clean Heating for Everyone!

Don't miss out: the additional program „Clean Heating for Everyone 2024“! Here, the Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology (bm.k.gv.at) supports low-income households to switch from an old fossil heating system to an environmentally friendly alternative such as a heat pump system. The households that are in the lower third of income margin are considered low-income. Are you considering clean heating for your future? This program grants up to 100 percent of the actual costs for replacing your old heating system between January 1, 2024 and December 31, 2024. Now that's pretty cool, isn't it?

## ► Eligibility Criteria & GWP Value

The current level of funding for heat pumps depends on the so-called refrigerant GWP value (global warming potential value) used in a specific heat pump model. If the GWP value is between 1.500 and 2.000, the flat rate is reduced by 20%. If the GWP value is below 1.500, the flat rate is granted in full.

The Global Warming Potential describes the greenhouse effect of a substance compared to carbon dioxide (CO<sub>2</sub>) over a period of 100 years. For example: the R134a refrigerant is used in the automobile industry, household appliances, heat pumps, chillers, air conditioning systems. It has a GWP of 1430. This means that its greenhouse effect is 1430 times higher than that of a comparable amount of carbon dioxide.

Currently, there is a strong trend towards alternative refrigerants in the heat pump development, with a lower a GWP value. Coming into the spotlight is, Propane-R290 with a GWP value of 3, having a growing interest as a refrigerant for heat pumps, even in the private sector.

## ► Discover Tax Incentives for Heat Pumps in Austria!

In addition to federal subsidies, there are also tax incentives for heat pump installations and energy-saving renovation measures. Here's the deal: If the remaining costs for a heat pump are more than €2.000 after deducting the federal subsidy, these remaining costs can be claimed as a tax deduction through the special environmental expenses allowance. As of 2024, this will also apply to heat pumps for heating systems with a heat outlet temperature of 55 °C. You are eligible to claim the €400 annually for five years from the installation year. In total, you can deduct €2,000 from your taxes. The same principle applies to energy-saving property renovations, but the amounts are twice as high.

Notice: If you have any questions about the tax implications and possible effects on your tax load, seek advice directly from your tax consultant.

## ► How Much Do I Save Installing a Heat Pump?

This depends greatly on the individual installation situation. A good way to get an overview is to use the online heating cost comparison. If you have any specific questions, we are happy to answer your questions!

## ► Important Things to Know:

- **Cost limits and flat-rate subsidies:** From 2024, federal funding for heat pump installations will be changed to technology specific flat-rate subsidies. Air/water heat pumps can receive up to €25.383 in funding and brine/water or water/water heat pump installations can receive up to €37.252 in funding. There are differentiated flat rates for different heating systems, taking different investment costs into account. For example, single- and multi-family residential properties receive a flat rate of €15.000 in connection to local or district heating. While the installation of a water or brine heat pump is subsidized with €23.000.
- **Technical changes:** An important technical change concerns the heat pump heat outlet temperature, which has been increased from a maximum of 40°C to 55°C, improving the standard efficiency and application options.
- **Eligible costs:** These include the costs of a physical system, e.g. heat pump, planning costs, heat source system, integration into an existing heating system, central heating control, heating storage, heating electrical installation and dismantling and disposal costs for decommissioned boiler and tank system.
- **Social support and funding process:** „Clean Heating for All“ supports low-income households with up to 100 percent of the costs for a new, climate-friendly heating system. The online application begins with the registration of a specific project idea.
- **Funding for different building types:** The funding varies depending on the type of building. For example, for a multi-story apartment building, there is basic funding of up to €45.000 from the federal government as well as additional bonuses for certain measures. Different funding rates are also offered for single- and multi-family properties and terraced houses.

**Austria has taken a bold step forward in 2024, aiming to support modern and efficient heating with a wide range of funding options for heat pump installations, while actively seeing to protect the environment and financially ease the burden on your wallet. Take the opportunity to modernize your home and contribute to climate protection!**