Brief Tax Guide

Greece 2024

اتاق مشترک بازرگانی ایران و یونان
شریک تجاری شما در یونان

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اتاق مشترک بازرگانی ایران و یونان
Iran-Greece Chamber of Commerce

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1 Taxation of individuals

1.1 INCOME TAX (general regime)

Who is obliged to file a Greek income tax return and what is the deadline?

Every taxpayer 18 years of age and older is obliged to file an income tax return electronically.

For the purposes of the income tax return filing (single or joint), it is mandatory that the taxpayer(s) has obtained a Greek tax registration number.

Greek tax residents are subject to Greek income tax and required to report on their worldwide income.

Non-Greek tax residents are required to file an annual income tax return for their Greek source income with the Greek tax office applicable for foreign residents. For that purpose, the appointment of a Greek tax resident against the Greek tax authorities, on a basis of a proxy document, is required.
The deadline for the submission of the Greek income tax returns for a tax year (identical to calendar year) is set to 30 June of the following year. Filing deadline is being extended to 31 December in case of individuals who have submitted an application for the amendment of their tax residency status to that of non-residents.

When is a taxpayer considered Greek tax resident and how is he taxed in Greece?

An individual is considered Greek tax resident if she/he maintains permanent or main residence or usual adobe or center of vital interests in Greece or she/he is a consular or diplomatic or public servant of Greek nationality and serves abroad. Furthermore, subject to the above provisions, any individual who is present in Greece for a period exceeding 183 days, cumulatively during any twelve (12) month period, is considered to be a Greek tax resident as of her/his first day of arrival in Greece. However, respective provisions are not applicable in case of individuals who are present in Greece only for tourism, medical, medicinal or equivalent personal purposes on condition that their presence does not exceed the 365 days threshold.

What are the income tax rates for various sources of income?

EMPLOYMENT AND PENSION INCOME & INCOME EARNED BY INDIVIDUALS FROM BUSINESS ACTIVITY

Income bracket in EUR	Tax rate on income in bracket
0 - 10 000	9%
10 001 - 20 000	22%
20 001 - 30 000	28%
30 001 – 40 000	36%
≥ 40 001	44%

BENEFITS IN KIND

The market value of any benefit in kind (company cars, loans, stock options -under conditions-, house allowance, etc.) received by an individual or his relatives is added to the individual's taxable income, provided that the total amount of these benefits exceeds EUR 300 per tax year.

Exercise of Stock Options

A new stock options tax framework is introduced, where it is stated that if the shares that are acquired upon exercise, are retained for a period exceeding 24 months, or 36 months under certain conditions, are taxed as capital gains at a flat tax rate of 15%, or 5% for shares of newly established companies and if certain conditions are cumulatively met.

Free Shares

Aiming to attract skilled employees and to create a rewarding and incentivized employment environment, a tax reform has been introduced in which capital gain arising from the sale of free shares given by companies to their employees within the framework of a share plan, which require the achievement of specific goals or the occurrence of a certain event, is classified as capital gain and taxed at a flat tax rate of 15%.

MINIMUM IMPUTED INCOME EARNED BY INDIVIDUALS FROM BUSINESS ACTIVITY

For tax years 2023 onwards, a minimum imputed net income from business activity, up to a maximum of EUR 50 000, is introduced for freelancers and personal businesses. Three factors are considered in aggregate in calculating such minimum imputed net income:

- First factor: Whichever is higher between the applicable minimum wage (increased by 10% after the first six years of business activity, by another 10% after the next three-year period and another 10% after the second three-year period following the first six-year period) or the annual salary of the highest paid employee of the freelancer/personal business, and up to a maximum of EUR 30 000 in any case.

- Second factor: 10% of the total annual payroll cost of the enterprise and up to a maximum of EUR 15 000 in any case.

- Third factor: 5% of the amount by which the turnover of the enterprise exceeds the average annual turnover of the corresponding Activity Code Number (KAD), provided that the turnover of the enterprise exceeds the average annual turnover of the KAD (there are, however, cases where this surcharge does not apply).

Certain circumstances may be invoked to challenge the minimum imputed income (e.g. serving the military, being in prison, hospitalization, pregnancy and maternity, adoption and fostering of children, natural disasters, revocation of the business license, prohibition of operation, other reasons of force majeure, etc.). There are also situations where the imputed income is reduced by 50% and cases where this method of imputed taxation does not apply, while special arrangements are provided for freelancers with newly established business activity. In any case, taxpayers have the right to request a tax audit of their business in order to prove that the income they declare, when lower that the imputed income, is real.

Moreover, in order to confront abusive arrangements, for a period of three years after the entry into force of the above imputed taxation method (i.e. until 2026), taxpayers who discontinue their freelance activity and participate as sole shareholders or partners in a single-person company carrying out a business activity with the same object may be taxed with the above mentioned imputed method if a tax comparison in the two cases shows that the tax imposed is lower than the tax which would have been imposed if the taxpayers would have continued to carry out their business activity in the form of a sole proprietorship.

RENTAL INCOME

Income bracket in EUR	Tax rate on income in bracket
0 - 12 000	15%
12 000 - 35 000	35%
≥ 35 001	45%

INTEREST/DIVIDENDS/CAPITAL GAINS/ROYALTIES

Dividends are taxed at the rate of 5%, interest at the rate of 15%, royalties at the rate of 20%, while capital gains arising from the sale of non-listed shares/ securities are taxable at the rate of 15% (unless the seller is a tax resident in a jurisdiction with which Greece has a DTT in place). Capital gains arising from the sale of listed shares are tax exempt, except when the following conditions are cumulatively met, in which case the applicable tax rate is 15%:
the seller is a non-Greek tax resident individual, provided that he is a tax resident in a jurisdiction with which Greece has a DTT in place

- the individual-shareholder seller holds at least 0.5% of the share capital of the listed entity, and
- the individual-shareholder seller acquired the shares after 1 January 2009.

Tax on capital gains from the transfer of immovable property (real estate) is suspended until 31.12.2024.
The tax treatment of each type of investment income should be carefully examined since there are various tax exemptions (e.g., capital gains from the sale of Greek and EU/EEA corporate bonds as well as capital gains from the sale of Greek and EU/EEA UCITS are tax exempt, etc.)

SPECIAL SOLIDARITY CONTRIBUTION

The special solidarity contribution to which total annual income (actual or imputed) was previously subject (based on a progressive scale ranging from 0% to 10%) is abolished as of 2023.

What amounts reduce the income tax liability?

Certain expenses are deducted from the gross income to reach taxable income, mainly including the following:

- Social security contributions mandatory by law.
- Employee's contributions to company's group pension fund.

Furthermore, there are certain tax credits available such as donations and grants of specific instances and to restrictively listed bodies and organizations. The income tax reduction amounts to 20% of the value of donations to the extent that the total amount of donations during a tax year exceeds EUR 100,00 and do not exceed 5% of the taxable income.

What is the tax treatment of contributions made to a company group pension plan and the tax treatment of the benefit received at the end of the program?

From 1 January 2024 and onwards, contributions paid to a company group pension plan are exempt from taxation as employment or pension income up to an amount not exceeding 20% of the insured person's gross employment income (productivity bonus is included in the total employment income for the above threshold's determination). Benefits paid at the end of the program are taxed at progressive rates (depending on the years of participation in the insurance plan) and such rates are reduced by 50% in case periodic payments are received as compared to where benefit is received in a lump sum. More specifically, the rates for lump-sum payments are: 5%, 10%, 15% and 20% for years of participation respectively: over 20, from 10 to 20, from 5 to 10, and up to 5 (while, as mentioned, for periodic payments the above rates become: 2.5%, 5%, 7.5% and 10%). The above rates are increased by 50% in case of early redemption. Special tax treatment applies to amounts already accumulated until 31 December 2023.

What is the tax on luxury living (Luxury tax)?

Tax on luxury living is imposed on the amount of annual imputed income arising from the ownership or use of private cars with large engine power (e.g. cars of 1 929cc to 2 500cc at the rate 5% whilst the respective rate is increased to 13% for private cars exceeding 2500cc) , airplanes, helicopters, swimming pools as well as private yachts/boats exceeding 5 meters (excluding wooden sailing boats and pleasure ships which are constructed or under construction in Greece in conformance with Greek nautical tradition (at the rate of 13%).
The only exemptions from the tax on luxury living are private cars of more than 10 years of age from the date of their first circulation in Greece and cars of disabled individuals, which are also exempt from road tax.

Are there any tax compliance requirements when a taxpayer permanently leaves Greece?

A taxpayer who relocates outside Greece and wishes to transfer their tax residence abroad should proceed with certain exit notification formalities. Specifically, they shall file an application for the amendment of their tax residency status to non-resident no later than the last working day of the first ten (10) days of March of the tax year following the tax year of departure. Furthermore, they are obliged to submit no later than the last working day of the first ten (10) days of September additional supporting documents (e.g. tax residence certificate etc.) in order for the amendment of their tax residence to be completed.

1.2 SPECIAL TAX REGIMES at a glance

High Net worth Individual (HNWI) Regime	Foreign Pensioners Regime	Attracting foreign individuals to work in Greece
Conditions of the program		
• Not a Greek tax resident for the seven (7) out of eight (8) years preceding the transfer to Greece. • Can prove that they or their relatives or a legal entity in which they hold the majority of the shares, invests in real estate or moveable assets or shares of legal entities based in Greece • Minimum investment of EUR 500 000 within a period of three (3) years. • Application must be accompanied by proof of transfer of the minimum amount of the investment (e.g. EUR 500 000) to an account opened at a financial institution established in Greece.	• Foreign pensioner. • Not a Greek tax resident for the five (5) out of the last six (6) years preceding the transfer to Greece • Transfers tax residency from a country with which Greece has in force an agreement for administrative cooperation in tax matters.	• Not Greek tax residents for the five (5) out of the last six (6) years preceding the transfer to Greece. • Transfers tax residence from a member country of the E.U. or the E.E.A. or from a country with which Greece has an agreement in force for administrative cooperation in tax matters. • Provides services in Greece, via employment contract or via business activity. • Declares intention to stay in Greece for at least two (2) years. • Applies only in case of "new job offerings/positions".
Preferential alternative taxation		
• A lump sum tax of EUR 100 000 on an annual basis (extinguishing tax liability on global foreign source income). • Plus a lump sum tax of EUR 20 000 on an annual basis, in case a relative utilizes respective provisions.	• Annual flat tax rate of 7% on total foreign source income.	• Eligible to income tax exemption on 50% of employment income earned in Greece during any tax year. • Exemption equally applies to individuals who will transfer their tax residency in Greece in order to operate business in Greece. Namely, 50% of their business activity income derived in Greece is income tax exempt.

Application deadline & Competent Authority		
• Application shall be filed by 31 March at the non-resident's tax office. • Supporting documents shall be submitted by May.	• Application shall be filed by 31 March at the non-resident's tax office • Supporting documents shall be submitted by May.	• Application shall be filed upon arrival or within the same tax year. If filed the following year, it is examined for such year. • In case of commencement of employment or business activity by 2 July the application is reviewed for respective tax year, otherwise for the following year.
Duration of regime's applicability		
• Fifteen (15) tax years.	• Fifteen (15) tax years.	• Seven (7) tax years.
Greek tax reporting, FTC ("foreign tax credit"), other		
• Annual tax return filing requirement, reporting only Greek source income. • No FTC available. • Exempt from inheritance and donations tax on any foreign assets.	• Annual tax return filing requirement, reporting world wide income • FTC available • Subject to inheritance and donations tax on any foreign assets.	• Annual tax return filing requirement, reporting world wide income • FTC available • Exempt on imputed income from use of residency and private car.

Other Considerations applicable to all regimes	• Imputed Income (on acquisition and possession) • Luxury Tax • Visa requirements/residence permit.

Further to the above, an incentive for "Angel Investors" is also provided. Based on such regime, individuals will have the right to deduct an amount equal to 50% of their contribution from their taxable income in the fiscal year in which this contribution took place as regards capital contributions made via a bank deposit of up to EUR 300 000 per fiscal year, which are invested in up to 3 different start-up companies registered with Elevate Greece (with a maximum investment of EUR 100 000 per start-up company.

1.3 ANTI – TAX AVOIDANCE MEASURES

Foreign Account Tax Compliance Act (FATCA)	► FATCA provisions have been adopted in Greece requiring Greek and U.S. competent fiscal authorities to automatically exchange information provided to them by a Reporting Financial Institution (Reporting FI) regarding financial accounts held by Greek tax residents in U.S. financial institutions and financial accounts held by U.S. citizens or residents in Greek financial institutions, respectively. ► The main information to be exchanged between Greek and U.S. competent authorities indicatively include: for the reportable person/account holder: name, address, Tax ID Number, account number and the account balance or value of the reportable account holder (as of the end of the calendar year concerned or other reporting period), and for the Reporting FI: name and its identifying number.
Automatic Exchange of Information for Financial Accounts (AEOI/CRS)	► An international initiative of the OECD and the Council of Europe for the automatic exchange of tax related information at transnational level. ► It constitutes a global Common Reporting Standard of exchanging information from the source country to the tax residence country concerning information for reportable accounts on an annual basis. ► The bodies responsible for sending information to the competent authorities of the source country are financial institutions of any kind. ► The measures further enhance cross-border cooperation in addressing international tax evasion and tax avoidance.

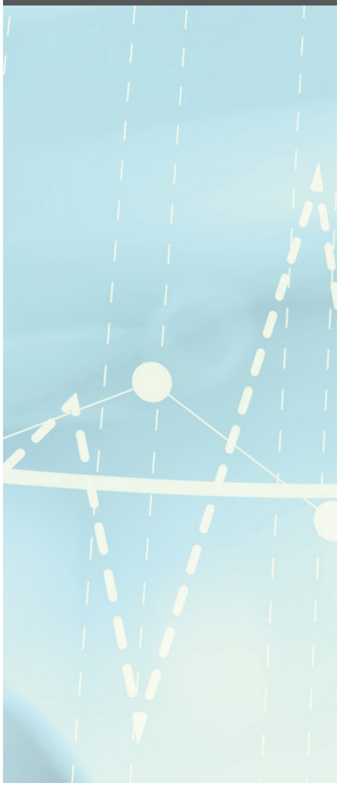
2 Corporate Taxation

2.1 INCOME TAXATION (General Regime)

General tax regime

When is a legal entity subject to income tax in Greece?

Greek tax resident corporations are taxed in Greece on their worldwide income. Non-Greek tax resident corporations are taxed in Greece only on any Greek-source income they derive therein.



When is a legal entity considered to be Greek tax resident?

A legal entity is considered to be Greek tax resident when established pursuant to Greek legislation or it has its statutory seat in Greece or when its place of effective management is in Greece.
In order to determine the place of effective management, the actual facts and circumstances are taken into consideration, including indicatively:

- where day-to-day management is exercised;
- where strategic decisions are made;
- residence of members of the executive management bodies;
- where its book and records are maintained;
- where the meetings of the Board of Directors take place etc.

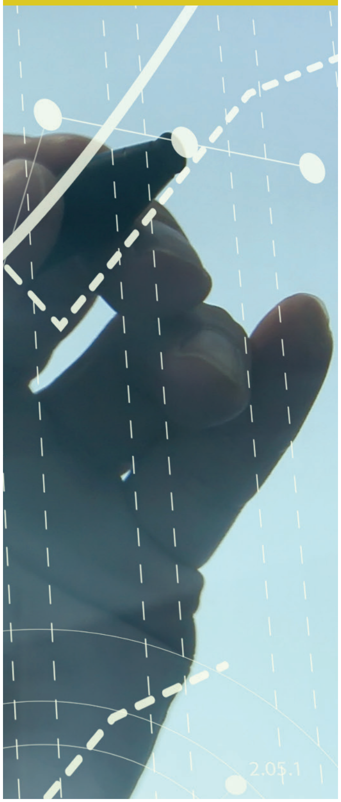
Irrespective of the country where a company has its registered seat, if on the basis of actual facts it results that its place of effective management is in Greece, it can (de facto) be considered a Greek tax resident, in which case its worldwide income may (also) be subject to Greek income tax.

What is a permanent establishment and how is it acquired?

A Greek “permanent establishment” consists of the fixed place of business through which the business of a foreign enterprise is wholly or partly carried out in Greece (e.g. place of management, branch, office, etc.). A permanent establishment is not an independent legal entity; however, from a tax perspective it is treated as a separate taxable presence of the foreign legal entity in Greece.).

How is a Greek legal entity taxed?

All types of income of legal entities are considered income from carrying out business activities, and they are taxed after the deduction of qualifying business expenses, depreciation as well as tax losses carried forward from previous years.



DEDUCTION OF EXPENSES

100% of expenses serving the business purposes of a company or incurred within its normal business transactions are deductible. By exception, R&D expenses are deductible increased by 100%.	Provided (i) they relate to actual transactions whose values are not lower nor higher than market values, (ii) they are properly recorded in the books and supported by relevant tax records, and (iii) they are not included in a list explicitly determining non-deductible expenses.

DEPRECIATION

Fixed assets are depreciated.	Depreciation is performed by the owner of the fixed assets or the lessee in case of a financial lease agreement. By exception, new enterprises are able to defer the depreciation of their fixed assets for the first 3 years of their operation.	Apart from certain assets (e.g. land, works of art, antiques, jewelry, etc.) depreciation is permitted and is calculated at fixed rates. By exception, the depreciation of necessary material and equipment used for carrying out scientific and technological research is calculated at an increased rate (at 40%).

TAX LOSSES CARRIED FORWARD

Tax losses can be carried forward for 5 consecutive years in order to be offset against business profits. Loss carry back is not permitted.

What are the corporate income tax rates for legal entities? Is there an obligation for an advance corporate income tax payment for the following year?

Beneficiaries of income	Tax rate	Advance Tax payment
Legal entities, partnerships, cooperatives, joint ventures etc.	22%	advance tax payment rate is 80%.[2]
Greek Credit institutions and local branches of foreign ones	29%[1]	advance tax payment rate is 100%.

1. Only if and for those tax years that they are subject to the specific provisions of Art. 27A of the Income Tax Code regarding deferred taxation.

2. By exception, new entities are entitled to 50% reduction of their advance tax payment obligation for the first 3 years from the commencement of their business activities (this exception does not apply to legal entities resulting from a conversion or merger).

Which types of income are subject to withholding tax (WHT)?

The following tables summarize the types of income that are subject to withholding tax where **the payer is established in Greece**:

Beneficiaries of income	Type of income	WHT rate	Taxed as income from business activities	Offsetting ability
Greek legal entity or Greek permanent establishment of a foreign legal entity	Dividend	5%	YES	The tax withheld can be offset against income tax.
	Interest	15%*	YES	
	Royalties	0%	YES	N/A

* 0% for interest arising from Greek Government Bonds and T-Bills.

A withholding and income tax exemption applies for intra- group dividends distributed to a Greek tax resident legal entity from its EU subsidiary in the EU (including Greece), under specific conditions (e.g. at least 10% participation in the subsidiary for at least 24 months, etc.)
A withholding income tax exemption applies for intra- group interests and royalties paid by a Greek company to an affiliated company established in another EU Member State (including Switzerland), under specific conditions (e.g. at least 25% participation in the share capital of the paying/ recipient company or when a third company possesses the same percentage of participation in both paying and recipient companies for at least 24 months, etc.).

Beneficiaries of income	Type of income	WHT rate	Taxed as income from business activities	Offsetting ability
Greek legal entity.	Services	0%	YES	N/A
Greek permanent establishment of a foreign legal entity.		0%[1] / 20%[2]	YES	Any tax withheld can be offset against income tax

By exception, fees for technical projects are subject to 3% withholding tax, irrespective of the recipient.

1. There is no withholding on fees for services provided in Greece by a Greek permanent establishment of an entity that is tax resident within the EU/EEA.
2. 20% WHT applies on fees for services provided in Greece by a Greek permanent establishment of a foreign legal entity that is tax resident outside EU/EEA.

The following table summarizes the types of **payments to foreign beneficiaries** that are subject to withholding tax

<table>
<tr><th>Type of payment</th><th>WHT rate (domestic)</th><th>Imposition of WHT</th><th>Tax liability exhausted</th><th>Reduced rate based on DTT</th><th>Exemption pursuant to EU Directives[1]</th></tr>
<tr><td>Profits paid to the Head Office</td><td>0%</td><td colspan="4">N/A</td></tr>
<tr><td>Dividends</td><td>5%</td><td colspan="4">YES</td></tr>
<tr><td>Interest</td><td>15%*</td><td colspan="4">YES</td></tr>
<tr><td rowspan="2">Royalties</td><td>0%[2]</td><td colspan="4">N/A</td></tr>
<tr><td>20%[3]</td><td colspan="4">YES</td></tr>
<tr><td rowspan="2">Service fees</td><td>0%[4]</td><td colspan="4">N/A</td></tr>
<tr><td>20%[5]</td><td>YES</td><td>NO</td><td>NO</td><td>N/A</td></tr>
</table>

* 0% for interest arising from Greek Government Bonds and T-Bills.

1. The exemption applies for payments from Greek subsidiaries to their parent companies within the EU (including Greece), under specific conditions.
2. Where the recipient of such payments is the Greek permanent establishment of a foreign entity.
3. Provided that the recipient of such payments is a foreign legal entity with no permanent establishment in Greece.
4. Provided that the recipient of such payments is a foreign legal entity that is not tax resident in Greece nor has a permanent establishment in Greece or the recipient of such payments is a foreign legal entity tax resident in the EU/EEA (or in a non- EU/EEA country, with which Greece has concluded a DTT containing a non discrimination clause) with a permanent establishment in Greece and the services are provided through such Greek permanent establishment.
5. For fees received by a foreign legal entity which is tax resident outside the EU/EEA, with which Greece has not concluded a DTT containing a non discrimination clause,and which maintains a permanent establishment in Greece, where the services are provided in Greece through its Greek permanent establishment.

Withholding Tax on Supplies to Greek State

Most supplies made to the State are subject to tax withholding as follows:

Supply	WHT rate	Imposition of WHT	Offsetting ability for Greek tax residents	Tax liability exhausted for non-Greek tax residents	Reduced rate based on DDT for non-resident beneficiaries
Gasoline, other liquid fuels, tobacco	1%	YES			
Other Supply of Goods	4%	YES			
Services	8%	YES			

What is the treatment of capital gains arising from the sale of Greek shares?

Any capital gain from the sale of shares in a Greek entity are in principle taxable in Greece. However, capital gains earned by foreign legal entities with no permanent establishment in Greece, from the sale of shares in a Greek legal entity are exempt from income tax in Greece.

Double Tax Treaties (DTT) for the avoidance of double taxation

Greece has concluded DTTs with respect to taxes on income (and on capital in most cases) with 57 countries, based on which a more favorable tax treatment can apply.

LIST OF THE COUNTRIES WITH WHICH GREECE HAS CONCLUDED A TREATY FOR THE AVOIDANCE OF DOUBLE TAXATION

Albania	Hungary	Qatar
Armenia	Iceland	Romania
Austria	India	Russia
Azerbaijan	Ireland	San Marino
Belgium	Israel	Saudi Arabia
Bosnia and Herzegovina	Italy	Serbia
Bulgaria	Republic of Korea	Singapore
Canada	Kuwait	Slovakia
China	Latvia	Slovenia
Croatia	Lithuania	South Africa
Cyprus	Luxembourg	Spain
Czech Republic	Malta	Switzerland
Denmark	Mexico	Tunisia
Egypt	Moldova	Turkey
Estonia	Morocco	Ukraine
Finland	Netherlands	United Arab Emirates
France	Norway	United Kingdom
Georgia	Poland	United States of America
Germany	Portugal	Uzbekistan

2.2 SPECIAL TAX REGIMES & TAX INCENTIVES OVERVIEW

Greek legislation provides a variety of beneficial tax regimes and tax incentives under different content and objectives. Indicatively:

SHARED SERVICE CENTERS OF LAW 89/1967

Law 89/1967 introduces a special favorable tax regime for the establishment of Shared Service Centers in Greece in the form of offices of foreign companies or in the form of Greek legal entities, which provide exclusively enumerated and mainly ancillary services to affiliated companies, such as back office software development, logistic centers etc..
At a glance, the main benefits of the regime are that: a) the taxable profits are determined based on the cost-plus method, b) the applicable mark-up is pre-approved by ministerial decision and is reviewed every five years, c) all expenses on which the mark-up applies are tax deductible for corporate income tax purposes (without any conditions), whilst it is also possible for financial support to be provided in the form of grants.

FAMILY OFFICES

Greek tax law provides incentives for the establishment of special purpose family property management companies (family offices) in Greece. The gross income of family offices is determined by the cost-plus method (including all types of expenses and depreciation, except for income tax) plus a profit margin of 7%, while the tax is calculated at the current rate (22%).

MERGERS AND ACQUISITIONS

Greek legislation provides a number of tax neutral regimes for mergers and acquisitions (M&A) of business entities for the purpose of creating larger, more efficient entities.
With respect to both domestic and cross-border M&As, Greece has implemented the relevant European Union (EU) Merger Tax Directives (introduced into the Greek Income Tax Code), including a common system for the taxation of company reorganizations. Available options are mergers, spin-offs, contributions of businesses or business sectors, share exchanges and changes in the legal form of the company.
Moreover, per recently introduced legislation (Law 4935/2022 “Incentives for the development of enterprises through collaborations and corporate restructurings”), various tax incentives applicable to business restructurings and collaborations have been additionally introduced.
The said new law includes tax-related measures such as (a) income tax exemption on the taxable profits of the company that result from any type of restructuring or, in case of collaborations, the taxable profits of the collaborating persons, (b) tax exemption of capital gains arising from the transfer of fixed assets to third parties, (c) exemption from stamp duty and income tax on capital gains arising from business restructurings, etc.

INCENTIVES TO SUPPORT THE JOB MARKET

Under certain conditions, tax deductibility of employer’s social security contributions is increased by 50% and up to 14 times the minimum wage of an unmarried employee over 25 years old per employment.

SCIENTIFIC AND TECHNOLOGICAL RESEARCH

The expenses of scientific and technological research, including the depreciation of equipment and instruments used for the purposes of conducting scientific and technological research, are deducted from the gross income of companies at the time of their realization, increased by 100%.

PATENT INCENTIVE

The profits of a company arising from the exploitation of an internationally recognized patent in its name and developed by itself are exempt from income tax for up to three consecutive years, starting from the year in which these profits were realized for the first time. The exemption is granted on the condition that there is a connection with the research and development (R&D) expenses incurred by the company for the development of the patent.

"GREEN" ECONOMY

A super deduction by an additional 100% of specific expenses related to green economy, energy, and digitalization is available for small and medium-sized businesses.

OTHER SPECIAL TAX REGIMES

Special tax regimes with beneficial tax features are applicable to shipping companies, Real Estate Investment Companies (REICs) and UCITS (mutual funds).

2.3 GREEK ANTI-TAX AVOIDANCE FRAMEWORK

GENERAL ANTI - TAX AVOIDANCE RULES IN GREECE

Miscellaneous provisions of tax legislation	▶ Focus on the substance of transactions and not on formalistic features. ▶ Obligation for filing and publishing financial statements, maintaining accounting books and collecting / presenting tax records to the authorities. ▶ Not permitting tax deduction for fees paid to a resident of a non-cooperative country or of a country with a preferential tax regime unless certain conditions are met. ▶ Annual publication by the State of a List of non-cooperative countries in relation to tax matters and countries with a preferential tax regime.
General anti - tax avoidance rule	▶ Tax avoidance consists of arrangements which aim to reduce tax obligations, contrary to the spirit of the tax law, and which do not derive from a valid business rationale/practice.

SPECIAL ANTI - TAX AVOIDANCE FRAMEWORK IN GREECE

Thin capitalization	▶ Where net interest expenses exceed EUR 3 million, the amount exceeding 30% of EBITDA is not tax deductible.
Controlled Foreign Companies (CFC)	▶ Undistributed passive income received by a foreign subsidiary of a Greek legal entity from foreign subsidiary transactions with affiliated entities (e.g. income from dividends, interest, royalties, etc.) is included in the Greek entity's taxable income subject to specific conditions (e.g. direct or indirect ownership by the Greek entity in the foreign subsidiary exceeding 50%).
Intra-group dividend distributions and M&A tax neutrality	▶ Tax exemptions applying to intra-group dividend distributions or M&As can be limited in case of abuse of tax legislation.
Hybrid mismatches	▶ Hybrid mismatches (i.e. differences in the legal characterization of payments (financial instruments) or entities (hybrid entities) between two states) are dealt with by primary and secondary correction rules (e.g. non-recognition of tax deduction, income correction, etc., as the case may be).
Exit Taxation	▶ Exit taxation rules apply on cases involving (a) transfer of assets from a Greek head office to a foreign permanent establishment or vice-versa (or between permanent establishments), (b) transfer of tax residence out of Greece, except for those assets which remain effectively connected with a Greek permanent establishment and (c) transfer outside of Greece of underlying business carried on by a Greek permanent establishment, insofar as Greece loses its taxation right on such assets.

2.4 COMPLIANCE OBLIGATIONS

INCOME TAXATION

Tax year	Fiscal year ends on 31 December or 30 June, whereas a subsidiary whose foreign parent owns more than 50% of its shares may have the same year-end as its foreign parent.
Income tax return filing	Annual obligation to electronically file an income tax return for all types of income.
Filing deadline	By the end of the 6th month following the year end.
Time of tax payment	In 6 equal monthly installments (of tax and advance tax).
Penalties	Late or inaccurate filing as well as failure to file will attract penalties and possible penal sanctions.

TRANSFER PRICING OBLIGATIONS FOR INTRA-GROUP TRANSACTIONS

Charges for intra-group transactions must comply with the arm's length principle (the relevant rules apply and are interpreted according to the OECD Transfer Pricing Guidelines). An obligation to prepare a Transfer Pricing Documentation File and to file a Summary Information Sheet exists provided the total value of intra-group transactions exceeds:

- EUR 100 000 cumulatively per tax year if the gross revenues of the taxpayer do not exceed EUR 5 000 000 for the tax year under review, or
- EUR 200 000 cumulatively per tax year if the gross revenues of the taxpayer exceed EUR 5 000 000 for the tax year under review.

Offices or entities serving other group entities and registered pursuant to Law 89/1967 as amended, real estate investment companies as well as legal entities which are exempt from income tax under the Greek Income Tax Code or specific provisions of law are exempt from the above documentation obligation.

The Documentation File must be prepared and the Summary Information Sheet must be submitted by the end of the deadline for the submission of the company's annual Corporate Income Tax Return. Upon a tax audit, the Transfer Pricing Documentation File must be submitted to the Tax Administration within 30 days from relevant request.

The possibility to have Advance Pricing Agreements (APAs) exists for cross border intra-group transactions.. The APA may be unilateral, bilateral or multilateral.
Multinational groups whose consolidated annual group revenues exceed EUR 750 million have Country by Country (CbC) reporting and/or notification obligations within strict deadlines. By virtue of a new Greek law, Directive (EU) 2021/2101 regarding the public reporting of income tax information by certain enterprises that belong to multinational groups or by certain standalone enterprises and branches, was incorporated into Greek legislation (Public CbCR).

3 Indirect Taxation

3.1 VALUE ADDED TAX

What is Value Added Tax (VAT)?

VAT is an indirect consumption tax imposed by the seller on the purchaser. In general, where the purchaser is a VATable person, input VAT incurred on its purchases is offset against output VAT charged on sales carried out by it and any positive difference is remitted to the Greek State, whereas any receivable VAT balance is refunded or carried forward to subsequent periods for future offsetting purposes.
On the other hand, VAT constitutes a cost for a purchaser that does not act as a VATable person.

Who is subject to VAT?

Producers and merchants of goods as well as service suppliers are generally considered to constitute persons who are subject to VAT (i.e. VATable persons), regardless of their place of establishment and of their intended purpose.
Greek VATable persons (including legal entities, entrepreneurs and branches of foreign legal entities) must register for tax purposes prior to commencing business activities in Greece and are assigned a general Greek tax registration number which serves for all tax purposes, including VAT.
Foreign persons without a permanent establishment in Greece are generally required to VAT register in Greece before they carry out any activities that fall within the scope of Greek VAT.
Entities established outside the EU should VAT register in Greece through the appointment of a Greek VAT representative, while entities established within the EU can alternatively opt to VAT register electronically. Regardless of the type of VAT registration, foreign entities that are VAT registered in Greece have the same filing and payment obligations as Greek VATable persons.

Which transactions are subject to VAT?

Transactions carried out for consideration in Greece by VATable persons who are established, or VAT registered in Greece are generally subject to Greek VAT. Such transactions can include the following:

- **sale of new real estate***
- **sale of goods**
- **supply of services**

Transactions within Greece

- **importation of goods**
- **intra-community acquisition of goods**
- **purchase of services from abroad**
- **supply of goods and services to individuals in certain cases**

Cross-border transactions

* By exception, until 31 December 2024 the imposition of VAT on the transfer of new buildings may be suspended, subject to the filing of an application by respective constructor. In such cases, the relevant sales of real estate will be subject to Real Estate Transfer Tax, generally levied at the rate of 3.09%.

Which VAT rates apply in Greece?

Transactions giving rise to Greek VAT are generally subject to the standard rate, currently set at 24% and applying to the majority of goods and services.
Certain goods and services are subject to a reduced rate of 13% (e.g. hotel accommodation, unprocessed food items), while a limited number of goods and services are subject to a super-reduced rate of 6% (e.g. supply of electricity and/or natural gas, pharmaceutical products destined for human use, theatre and cinema tickets).

► *All the above VAT rates are reduced by 30% when concerning transactions carried out to/in the islands of Leros, Lesvos, Kos, Samos and Chios (with the exception of certain goods, such as tobacco products, which are in any case subject to the standard VAT rate).*

Are there any exemptions from VAT?

Greek VAT Law provides for several supplies that are not burdened with Greek VAT (subject to conditions), including (indicatively) the following:

VAT exempt supplies, such as educational, healthcare, insurance and financial services, and the leasing of real-estate (with the exception of commercial leases, where the parties may opt to apply VAT, and short-term leases as long as the lessor is a legal person or an individual owning at least three (3) residences leased on a short-term basis); *and*

zero-rated supplies, such as intra-community supplies and exportations of goods to VATable persons, the majority of services supplied to foreign VATable persons, international transportations, and supplies involving/concerning qualifying vessels and aircrafts.

Subject to conditions, Greek VAT legislation also provides the option to postpone/defer payment of VAT in certain cases, such as when placing goods under special customs/VAT regimes (such as bonded warehouses) and when acquiring new investment goods.

Can the entire VAT incurred from purchases be recovered?

In general, VATable persons charge VAT on their supplies and offset it against VAT incurred from purchases relating to activities that permit VAT recovery; any positive difference is remitted to the Greek State, while any negative (receivable) balance can either be carried forward to be offset in future periods (subject to the general 5-year statute-of-limitation period in Greece), or be claimed for refund (such refunds are normally processed within 4 to 6 months and can trigger a VAT audit, which, under conditions, can be extended to a full-scope audit).
Activities permitting VAT recovery consist of supplies that are subject to VAT and certain supplies not bearing VAT, such as (zero-rated) cross-border sales of goods and services.
The majority of domestic supplies that are exempted from VAT (such as insurance and financial services) do not allow recovery of purchase VAT.
Where a VATable person purchases goods or services that are commonly used in relation to both supplies permitting and supplies not allowing for VAT recovery, the purchase VAT of such common expenses is recovered proportionally (i.e. on a pro-rata basis).
Certain expenses do not permit VAT recovery whatsoever. Such expenses include the following:

- tobacco products and alcoholic beverages purchased domestically, or on a cross-border basis;
- reception, entertainment and hospitality expenses;
- expenses on accommodation, food, beverages, travel and entertainment, when concerning a VATable person's employees or representatives; and

- domestic or cross-border acquisitions of the majority of means of passenger transportation (including private vessels and aircraft destined for leisure or sports), as well as any related fuel, repair, maintenance, leasing and circulation expenses (VAT recovery is, however, permitted where the above means of transportation are destined to be sold, leased or used for passenger transportation for consideration).

Are there any special VAT regimes?

The Greek VAT Code provides for certain special regimes, including the following:

- a regime applying to tour operators, whereby VAT is calculated on the basis of a special mechanism;
- a regime applying to domestic sales of certain electronics and of recyclable goods, which can be subjected to the domestic reverse-charge mechanism (subject to conditions);
- a regime applying to taxpayers with an annual turnover of up to EUR 2 million, who can opt to remit VAT to the Greek State after having collected it from their customers; if such option is exercised, the taxpayer can recover purchase VAT upon the settlement of respective invoices; and
- a regime applying to taxpayers with an annual turnover of up to EUR 10 000, who can opt to not charge VAT or file VAT returns; if such option is exercised, the taxpayer loses his right to recover purchase VAT.

3.2 IMPORT CUSTOMS DUTIES

What are import customs duties?

Customs duties are imposed on the importation of certain goods from countries outside the EU.
Customs duties are calculated in accordance with the EU tariff classification and the value of the imported goods and are paid at the customs office of importation upon customs clearance. As is the case with VAT, placing goods under a special regime can suspend payment of import duties until their customs clearance in Greece. Exportations of goods from Greece are not generally subject to export duties.

Is it possible to defer payment?

Similarly to VAT, the payment of import duties on goods which are placed in special regimes/warehouses before their customs clearance in Greece is deferred, until release of the goods from said regimes.

3.3 STAMP DUTY

Stamp duty is imposed on documents concerning a limited number of transactions calculated, as a percentage of the transaction value. Some of the most common transactions triggering stamp duty are indicatively mentioned below.

Commercial leases[1]	3,6%
Commercial loan contracts (not applicable when the lender is a bank)	2,4%
Private loans (rate depends on the counterparties)	2,4% - 3,6%
Cash advance facilitations	1,2%

1. Unless they are subject to VAT.

Certain exemptions from stamp duty apply under conditions.

Subject to conditions, certain exemptions from stamp duty can apply, such as where it is evidenced that a loan is concluded and entirely executed abroad (certain conditions apply).

3.4 OTHER INDIRECT TAXES AND CHARGES

Type of tax/charge	Description, taxable basis and rate
Special Consumption Tax	Burdens persons purchasing certain types of goods, such as tobacco, energy (electricity, natural gas, etc.), alcoholic products, coffee and petroleum products (different rates apply to different categories of such goods).
Capital Concentration Tax	Is calculated at the rate of 0.2% upon a company's share capital increase.
Competition Committee Duty	Is calculated at the rate of 0.1% upon the injection of capital to an SA company, both at the stage of incorporation and by means of a subsequent share capital increase.
Contribution of Law 128/1975	Burdens borrowers and is calculated at the (annual) rate of 0.6% on the outstanding amount of their bank loans (0.12% for housing loans). Does not apply to loans between banks and loans to the Greek State (amongst others).
Insurance Premium Tax	Ranges between 4% and 20% and is calculated on insurance premiums due and related charges. An exemption applies to life insurance contracts with a term of at least 10 years, insurance contracts covering vessels and aircrafts, and reinsurance services.
Cable TV Duty	Burdens consumers and is calculated at the rate of 10% on total monthly bills.
Fixed telephony and internet duty	Burdens consumers and is calculated at the rate of 5% on total monthly bills.
Duty on cellular phones	Burdens consumers and is calculated at the rate of 10% (excluding VAT). Special exemptions may apply depending on the age of respective consumer.
Special Vehicle Registration Tax	Burdens persons acquiring vehicles and is calculated at rates depending on the type of vehicle and its respective manufacturer retail price before taxes.
Annual Vehicle Circulation Tax	Is payable annually by the registered owner and amount depends on the vehicle's engine size. Certain environmentally friendly vehicles are exempt.
Tax on stock exchange transactions	Is calculated at the rate of 0.1% on the transfer price of shares listed on any recognized stock exchange.
Environmental duty	Amounts to EUR 0.07 (0.09 including VAT) and is imposed on the use of plastic bags.
PVC Recycling fee	Amounts to EUR 0.08 (0.10 including VAT) and is imposed on the use of packaging materials containing PVC (polyvinyl chloride)
Climate crisis resilience duty	Imposed on hotels, rented furnished rooms/apartments, short-term leased properties and self-catering accommodation/furnished mansions (villas) for tourists. The duty burdens the occupant of the room/apartment and is calculated per day and per room/apartment depending on the category of accommodation and the time of year to which it relates.

4 Donation & Inheritance Taxation

4.1 DONATION TAXATION

Features of donation tax	Subject matter of donation taxation:	• **Any property (movable and immovable) located in Greece** and owned by Greek or non - Greek citizens. • **Any movable property located abroad** (e.g. funds deposited in foreign banks, shares of foreign companies etc.) and owned by Greek citizens; • **Any movable property located abroad** and owned by a foreign citizen and donated to a Greek citizen or resident.
	Tax Rates (see tables below with Tax Rates)	**For donations of property:** Progressive scale ranging from 0% up to 40% depending on kinship between donor and donee as well as on the value of donated property **For donations of cash:** fixed rates depending on kinship between donor and donee
	Time when tax obligation is generated:	In principle, the time of donation
	Payment method:	In 12 equal bimonthly installments of at least EUR 500 each, under conditions.
	Deductibility of tax paid abroad:	In principle yes, provided that such payment is appropriately evidenced.

Exemption			• **Donations of movable assets that are located abroad** at the time of the donation and have not been acquired in Greece during the last twelve (12) years, **are exempt from Greek donation tax**, insofar as **the donor is essentially a Greek citizen residing abroad for at least ten (10) years** prior to the donation; upon relocation to Greece, the donation is exempt insofar as the donor has not been Greek resident for the last five (5) years. • Additionally, **donations of movable assets that are located abroad** at the time of the donation **are exempt from Greek donation tax,** insofar as the **donor has been residing abroad for at least twenty (20) years** and has not become a Greek tax resident.
Donation tax return	Liable person:	Tax return	• Both Donor and Donee
		Tax payment	• Donee
	Filing deadline :		• When a notarial deed is drafted for the donation, the tax return is submitted before the date of the contract. • When there is no contract, the tax return is in principle submitted within six (6) months as of the donation.

		Value of donated property (EUR)	%
Tax Rates for donations/ Inheritances of property	Category A[1]	Up to 150 000	0%
		From 150 000 to 300 000	1%
		From 300 000 to 600 000	5%
		Over 600 000	10%
	Category [B2]	Up to 30 000	0%
		From 30 000 up to 100 000	5%
		From 100 000 to 300 000	10%
		Over 300 000	20%
	Category C[3]	Up to 6 000	0%
		From 6 000 up to 72 000	20%
		From 72 000 up to 267 000	30%
		Over 267 000	40%

Tax Rates for donations in cash	Category A[1]	10%
	Category B[2]	20%
	Category C[3]	40%

1. children, spouses/civil partners, parents and grandchildren
2. grandparents and great grandparents, great grandchildren, sisters and brothers, nephews and nieces, uncles and aunts, stepfathers and stepmothers, sons and daughters in law, fathers and mothers in law
3. Any other relative or third person.

As from 1 October 2021 the tax- free threshold for donations between relatives of Category A (i.e. children, spouses, parents and grandchildren) has been extended to EUR 800 000. This tax- free threshold applies to donations of any kind including cash gifts on condition that the donated funds are transferred by bank means.

4.2 INHERITANCE TAXATION

Features of inheritance tax	Subject matter of inheritance taxation:	• **Any property (movable and immovable) located in Greece** and owned by Greek or non - Greek citizens. • **Movable property located abroad and owned by a Greek national** or resident (except those residing abroad for more than 10 years).
	Inheritance Tax Rates (see table with Tax Rates above)	• Same tax rates as for donations of property (ranging from 0% up to 40% depending on the kinship between the heir(s) and the deceased as well as on the value of the property). • There is a **special tax-free threshold of EUR 400 000** for the surviving spouse and minor children.
	Time when tax obligation is generated:	• In principle, the time of death.
	Payment method:	• In 12 equal bimonthly installments of at least EUR 500 each, under conditions.
	Deductibility of tax paid abroad:	• Yes, provided that such payment is appropriately evidenced.
Inheritance tax return	Liable person (both filing and payment):	The heir(s).
	Filing deadline:	9 months from the time of death or from publication of the will depending on whether the heir or the deceased resided in Greece or abroad at the time of the death.

4.3 APPLICATION IN CONJUNCTION TO INDIVIDUALS'SPECIAL TAX REGIMES

HIGH NET WORTH INDIVIDUALS REGIME (HNWI)

Individuals subject to HNWI regime fall explicitly outside the scope of Greek inheritance and donation tax code on any foreign assets they receive as inheritance.

FOREIGN PENSIONER REGIME

The applicants who are subject to the provisions of such a special tax regime are not exempt from inheritance or donation tax on property located abroad.

ATTRACTING FOREIGN INDIVIDUALS TO WORK IN GREECE

The applicants who are subject to the provisions of such a special tax regime are not exempt from inheritance or property donation tax located abroad.

5 Real Estate Taxation

5.1. TAXATION UPON THE ACQUISITION OF GREEK REAL ESTATE

The sale of Greek real estate involving a new building is subject to 24% VAT, which burdens the purchaser and which is imposed on the higher between the sale price and the Objective Tax Value ("OTV"). The OTV is calculated based on a formula which takes into consideration factors/elements characterizing a property, such as its location, surface, age and use. A new building is one that is transferred prior to its first use and whose building permit is issued (or renewed) on or after 1 January 2006.

By exception, until 31 December 2024 the imposition of VAT on the transfer of new buildings may be suspended subject to the filing of an application by respective constructor. In such cases, the relevant sales of real estate will be subject to Real Estate Transfer Tax ("RETT").

The sale of plots of land and the sale of real estate involving buildings not qualifying as new (or falling within the scope of the abovementioned suspension regime) are generally subject to RETT and a municipality surcharge, which burden the purchaser and are calculated at the effective rate of 3.09% on the higher between the sale price and the OTV. Subject to conditions, individuals purchasing real estate destined to cover their principal residence needs can be exempted from VAT, or RETT (as the case may be). The RETT exemption can also apply for certain transfers carried out within the context of regulated leasing contracts.

VAT or RETT are generally VAT recoverable/tax deductible (as applicable) when the purchaser of Greek real estate is a legal entity.

5.2. REAL ESTATE OWNERSHIP TAXES

Ownership of Greek real estate can give rise to a number of taxes/charges that can result in a material burden.

UNIFIED REAL ESTATE OWNERSHIP TAX (UREOT)

The main real estate ownership tax is UREOT, which is imposed on Greek and foreign individuals and legal entities possessing Greek real estate as at 1 January of each year.

For individuals

UREOT consists of the aggregate of the main tax of all buildings and plots of land within and outside city limits, plus the tax assessed on the total value per right in rem to real estate (no supplementary tax is imposed on private individuals).

Main tax	Buildings	The main tax ranges from EUR 2 to EUR 16.20 per sq.m., depending on the building's location/tax zone, and is multiplied by coefficients that depend on factors such as the building's surface, age, use, floor, and number of facades.
	Plots of land located within city limits or zoned areas	The taxable basis is the product of certain coefficients that depend on factors such as the starting price of the plot of land, its surface area and its façade(s). The taxable basis is then divided by the surface area of the plot of land and the quotient constitutes the unit value of the plot of land; such unit value determines the rate of the main tax, which ranges from EUR 0.0037 to EUR 9.25 per sq.m.
	Plots of land located outside city limits or zoned areas	The main tax is calculated at EUR 0.001 per sq.m. and it is multiplied by certain coefficients that depend on factors such as the plot's location, surface area, use, whether it is irrigated, etc. The main tax is increased fivefold, if a residence is built on respective plot of land.

Tax imposed on total value per right in rem to real estate	Up to EUR 400 000	0%
	From EUR 400 001 to EUR 500 000	0.20%
	From EUR 500 001 to EUR 600 000	0.30%
	From EUR 600 001 to EUR 700 000	0.40%
	From EUR 700 001 to EUR 800 000	0.50%
	From EUR 800 001 to EUR 900 000	0.60%
	From EUR 900 001 to EUR 1 000 000	0.70%
	From EUR 1 000 001 to EUR 2 000 000	0.90%
	Exceeding EUR 2 million	1%

The aforementioned provision does not apply where the total value of the real estate property does not exceed EUR 300 000, neither in case of rights on plots of land located outside the city limits or settlement plan. Furthermore, UREOT is increased, if the total value of the real estate exceeds EUR 500 000.

Tax imposed on total value of real estate	Up to EUR 650 000	5%
	From EUR 650 001 to EUR 800 000	10%
	From EUR 800 001 to EUR 1 000 000	15%
	Exceeding EUR 1 million	20%

From years 2024 onwards, UREOT is reduced by 10% for residences of individuals insured by an Insurance Company registered in the Insurance Companies Registry, which is maintained by the Private Insurance Supervision Directorate of the Bank of Greece, against damages from earthquake, fire and flood, provided that respective insurance covers the entire value of the relevant property and at least a three-month period (the 10% reduction is decreased proportionally in case the underlying insurance period is less than one year).

For legal entities

UREOT consists of a main tax and a supplementary tax.
The main tax on buildings, plots of land located within city limits or zoned areas, and plots of land located outside city limits or zoned areas, is calculated as stated above.
The supplementary tax is imposed for the total value of the legal entity's real estate and is calculated as follows:

Supplementary tax	0.55% on the corresponding OTV
	0.1% for property used in order for a legal entity to carry out its own business activities

SPECIAL REAL ESTATE TAX (SRET)

Greek and foreign legal entities owning real estate in Greece can also be subject to an annual Special Real Estate Tax (SRET), which is calculated at the rate of 15% on respective OTV.
A number of SRET exemptions can apply subject to the fulfilment of rather formalistic conditions, including exemptions covering entities who reveal all their ultimate individual shareholders and such shareholders possess Greek tax identification numbers, listed companies, Real Estate Investment Companies/Trusts, regulated financial and banking institutions, and companies whose business income exceeds real estate income. The above real estate ownership taxes and charges are generally deductible for corporate income tax purposes.

Other charges

Less burdensome charges levied through electricity bills are municipality duties and an additional duty (so called "real estate ownership duty") that is calculated at rates ranging from 0.25‰ to 0.35‰, depending on factors/elements characterizing a property, such as its location, surface, and age.

5.3. TAXATION ON INCOME FROM THE EXPLOITATION OF GREEK REAL ESTATE

Legal entities earning real-estate rental income include such income in their business income and are subject to corporate income tax (currently at the rate of 22%)
Rental income earned by individuals from the exploitation of Greek real estate is taxed separately from their other income as follows:

Income from the exploitation of real estate	Tax rate
Up to EUR 12 000	15%
From EUR 12 001 to EUR 35 000	35%
Exceeding EUR 35 001	45%

The above rates also apply to payments resulting from short-term rentals agreed through electronic platforms, provided that the lessor is an individual who rents up to two (2) properties and that respective properties are leased without the supply of any other services apart from the provision of bed linen. However, where the individual provides also other related services (e.g. cleaning) or leases three (3) or more properties, the relevant rental income would be taxed as business income at the following rates (the individuals should also charge Greek VAT at the reduced (current) rate of 13%):

Business income from the exploitation of real estate	Tax rate
Up to EUR 10 000	9%
From EUR 10 001 to EUR 20 000	22%
From EUR 20 001 to EUR 30 000	28%
From EUR 30 001 to EUR 40 000	36%
Exceeding EUR 40 001	44%

5.4. TAXATION UPON DISPOSAL OF REAL ESTATE

Capital gains from the sale of real estate by legal entities are treated as business profits and are pooled with other income to be subjected to corporate income tax (currently at the rate of 22%).

Currently individuals selling Greek real estate are not subject to capital gains tax in Greece. The relevant provision imposing capital gains tax on individuals introduces a 15% tax which is calculated on capital gains exceeding EUR 25 000 (provided the individual has been holding the real estate for at least 5 years), but this provision is not in force until 31 December 2024.

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