Tax Agenda Greece

February 2025

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No.	Fact	Action
1	**Changes to the double-tax treaty (DTT) framework of Greece** On 19 September 2024, Law 5137/2024 ratified the DTT with Japan which entered into force in December 2024. Withholding and other taxes apply starting from 1 January 2025. Negotiations for a Protocol to the DTT with Moldova may commence in the forthcoming period.	Review your local group presence in order to assess whether there is any potential impact arising from the new DTT framework.
2	**Enactment of Public CbCR Directive** Greece has proceeded with the incorporation into its domestic legislation of the Public Country-by-Country Reporting Directive, applicable for financial years that will start as of 22 June 2024. The required reporting comprises of data related to income taxation of multinational groups, specific stand-alone entities and branches operating in Greece. Fines ranging from EUR 10,000 to EUR 100,000 are also provided, calculated by taking into account the turnover, the financial situation and any repetition of offence by the liable person.	Consider the potential impact of this development and put in place the necessary processes to safeguard compliance.
3	**Updated Advance Pricing Agreement (APA) procedures** Recent administrative guidance was issued regarding amended procedural aspects (such as, the application process, deadlines, conditions for resubmitting requests) for APAs. Following evaluation of a submitted application, Greek authorities will either affirm or reject the suggested methodology and thus the pricing suggested by a taxpayer in the cross-border transactions with its group affiliates. Importantly, the new process also provides for a retrospective force clause. In other words, an interested taxpayer may request the extension of the methodology approved for a given tax year also for preceding ones, subject to certain conditions. In particular, the circumstances should not have changed materially.	Review the updated APA processes and assess the feasibility of such a course of action.

Feb Mar Apr May

Use text boxes above the timeline to plan your actions for coming months

Compliance *Risk management* *Cash-flow and ETR impact*

No.	Fact	Action
4	**Changes in the taxation of benefits from Occupational Pension Funds and Group Pension Plans and caps introduced for contributions** A maximum limit (cap) has been introduced on the amount of contributions that can be paid by the employee and the employer into Voluntary Occupational Pension Funds and Mutual Assistance Funds, as well as on the premiums paid by the employee and the employer on behalf of the employee in the context of group life insurance pension plans. The changes are effective for contributions paid in fiscal years starting from 01 January 2024. A progressive taxation system has been put in place for the benefits stemming from Professional Insurance Funds as well as Group Pension Plans, which depends on the insured individual's years of coverage (i.e., the more years an individual has been a covered person, the lower the tax rate will be). Further information may be found here: Tax treatment of contributions and benefits of Occupational Pension Funds (TEA), insurance premiums and benefits of group life insurance pension plans (ey.com).	Review the changes to the taxation system of Professional Insurance Funds and assess any related impact.
5	**Reduction of Capital Concentration Tax (CCT) and listed shares' Sales Tax rates** The CCT rate has been reduced to 0.2% (previously applicable rate was 0.5%), effective for tax liabilities due as of 11 December 2023. In addition, the Sales Tax imposed on the sale of shares listed on stock exchange has been reduced to 0.1% (previously applicable rate was 0.2%). This change is effective from 02.01.2024.	Assess the potential impact of these developments on contemplated share capital increase, as well as on any sales of listed shares

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6	**Developments in the digital tax environment - Electronic books (myDATA) – Electronic invoicing – Electronic delivery notes** Government announcements and provisions of recently voted tax bill ▪ As announced, the Greek government has submitted a request to the European Commission in order to obtain the necessary approval for the mandatory implementation of e-invoicing within 2024 (i.e., not only on B2G but also on B2B transactions). ▪ Extension of the tax incentives relating to e-invoicing (article 71ΣΤ of Law 4172/2013) up to tax year 2024 (incl). ▪ E-books (myDATA) are implemented "universally" from 2024 onwards with the purpose of ensuring that: (i) declared revenues are not lower than those derived from electronic information and (ii) tax deductions and deductible expenses are not taken into account, both for income tax and VAT purposes, to the extent that the tax documents on which the latter are based on, have not been previously transmitted electronically. ▪ From 1 January 2024, VAT returns are pre-filled based on the data transmitted to myDATA platform and are "locked" for editing. ▪ Penalties related to omission and late transmission of data to the digital platform myDATA were introduced. A Decision to define the process and relevant details for the penalties' activation is pending to be issued. ▪ POS are mandatorily interconnected with the Tax Administration and the obligation for their use to all sectors of retail market is expanded. ▪ In November 2024, the Ministry of Finance and the Greek Tax Administration issued Joint Decision A.1174/2024) amending their previous relevant Decisions for the activation of the process for the issuance and transmission of e-transportation documents to myDATA platform as of 01 April 2025, based on the provisions of article 5 of Law 4308/2014 (Greek GAAP). Inter alia, the scope, the timeline of transmission and the implementation of the digital issuance of e-transportation documents was determined, as well as the content and format of e-transportation documents, the procedure, the method and the channels of their transmission to myDATA platform. **Detailed information can be found here:** myDATA | e-transportation documents go live (ey.com) https://www.ey.com/en_gr/technical/tax/tax-alerts/my-data-extension-to-e-transportation-documents-go-live-dec-2024	Review your tax accounting processes in order to safeguard compliance with the relevant requirements.

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7	**Updates regarding the implementation of BEPS Pillar Two in Greece** In a press release dated 9 January 2024, the Greek Ministry of Finance clarified the main parameters of the Bill that incorporates BEPS – Pillar Two and the Minimum Taxation Directive (2022/2523) into domestic law. This shall be relevant to 19 Greek groups and 900-950 Greek subsidiaries of foreign groups, which should have generated revenue in excess of EUR 750 million during the last 2 out of 4 years. Certain exemptions apply, whereas the Greek Ministry of Finance also provided additional information on the contemplated implementation of the Pillar Two rules in Greece. This set of rules applies to every state in which there are group's subsidiaries and primarily the one of the parent company of the group is located. The latter may impose top-up taxation for the entire group, including subsidiaries in states with an effective tax rate lower than 15%. The states where the subsidiaries are established may alternatively choose to impose top-up taxation locally. On 02 April 2024, the Greek parliament voted in favor of a Bill implementing the relevant EU Directive 2022/2523, which was subsequently published in the Government Gazette. In brief, the domestic rules enacted closely follow the wording used in the aforesaid EU Directive. Greece opted to apply a qualified domestic top-up tax (QDTT), as well as three safe harbor rules (i.e., a country-by-country report transitional, an Under-Taxed Profits Rule transitional and a QDTT one). As regards the timing aspects, the Income Inclusion Rules shall apply for financial years commencing as of 31 December 2023, whereas the Undertaxed Profit Rules to those commencing as of 31 December 2024 (except for certain cases).	Assess the impact of the rules to be implemented to your group and safeguard compliance with the relevant rules

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8	**Abolition of stamp duty and enactment of new Digital Transaction Duty (DTD)** The Greek Ministry of Finance enacted Law 5135/2024 abolishing stamp duty and replacing it with DTD. The latter is imposed on specific transactions (e.g., corporate loans, current accounts, deposits and withdrawals, transfer of business, compensation, prizes and awards, as well as certain other specifically defined contracts and transactions). Certain cases (e.g., corporate loans' interest, Greek bond loans, bank loans) are exempt from the DTD. The DTD will be imposed where at least one of the transacting parties is Greek tax resident or a Greek permanent establishment of a foreign tax resident. This will be applicable irrespective of the place of signing or execution of the relevant contract. The changes will be applicable to contracts and transactions concluded or executed as of 1 December 2024. Special rules apply for the interim period. Detailed information can be found here: https://www.ey.com/en_gr/tax/tax-alerts/digital-transaction-duty	Monitor the developments and assess any potential impact on local transactions (e.g., financing ones).

No.	Fact	Action
9	**New Legislation with various tax provisions (including a new tax framework for business transformations, R&D incentives and the extension of the participation exemption to third state investments)** The Greek Parliament including various tax provisions. Law 5162/2024 provides - inter alia - a unified and updated tax framework for corporate transformations (being also aligned with the relevant corporate law framework). The new rules cover both domestic and cross-border transformations. provide for income tax neutrality and certain specific tax exemptions under conditions. Law 5162/2024 includes also rules governing various related issues (e.g., valuation requirements), while it abolishes relevant tax frameworks previously applicable to corporate transformations (except for L. 4935/2022). Besides that, enhanced R&D and patent commercialization incentives (Patent Box), expanded incentives for angel investors are included in new Law 5162/2024, alongside other tax-related changes (e.g., extension of the suspension from the imposition of capital gains tax on the transfer of real estate). Finally, the domestic participation exemption regime is extended to cover capital gains and dividends derived from qualifying participations in non-EU companies, provided these companies are not established in non-cooperative jurisdictions and subject to certain conditions (applicable as of tax year 2025). Specific rules are provided for the deduction of losses from the transfer of titles now qualifying under the participation exemption. Detailed information can be found here: ▪ Greece new tax framework on corporate transformations (ey.com) ▪ New tax incentives for research and development enhancement of innovation and other provisions	Monitor the developments and assess any potential impact on local transactions and entities.
10	**New VAT Code** The Greek government has enacted a new VAT Code, which essentially updates and codifies the existing VAT provisions. No significant changes are included in the new VAT Code, as compared to the previously applicable one. This new VAT Code aimed to update and harmonize the terminology used, erase outdated provisions and eliminate other inconsistences.	Assess the potential impact of these developments on contemplated share capital increase, as well as on any sales of listed shares

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11	**Updated list of non cooperative jurisdictions for tax purposes** The Greek Ministry of Finance and Economics included in Decision A.1198/2024 the updated list of non-cooperative jurisdictions for tax year 2023. As compared to the previous published version of this list, Zambia, Zimbabwe, and Fiji were added, while Saint Martin, Mauritania, Rwanda, and Thailand were removed. Additionally, Vietnam, Benin, Burkina Faso and Papua New Guinea have been considered as non-cooperative for a specific period during 2023.	

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