
Greek Ministry of Finance submits tax bill to public consultation

On 7 July 2020, the Greek MoF submitted to public consultation a draft bill proposing a number of significant changes in the field of taxation. The bill is open to consultation until 14 July 2020. Key topics include:

New tax incentive regime for foreign pensioners transferring their tax residence to Greece

The proposed regime, which is similar to the Italian 7% Substitute Tax regime, aims at attracting individuals who hold foreign pensions to transfer their tax residence to Greece, without further geographical restrictions. Applications concerning year 2020 should be submitted until 30 September 2020.

15% income tax on share plans

The proposed provision aims to equalize the tax treatment of share plans with the 15% beneficial tax treatment introduced earlier this year, in relation to stock options. The proposed rule is set to apply for benefits earned from 1 January 2020.

New extra-judicial settlement of tax disputes to reduce the workload of tax courts

Tax disputes concerning specific types of matters explicitly listed in the law, may be settled before a special committee within fixed deadlines. Upon settlement, assessed penalties will be discounted. The scheme applies for cases pending until 30 October 2020 before tax courts of all instances including the Supreme Court.

Roll back effect of bilateral and multilateral Advance Pricing Arrangements (APAs) under conditions

The revision is proposed in light of the relevant recommendation to Greece set out in the MAP peer review report (Stage 1) of the Inclusive Framework on BEPS Action 4. The roll back effect is proposed to apply also on APAs that are currently being negotiated or have already been concluded. Corrective tax returns for previous fiscal years may be filed, in line with the terms of the APA, without penalties.

Transposition of the EU Tax Dispute Resolution Directive

The Directive being transposed lays down new rules on tax dispute resolution, to allow taxpayers to enjoy more timely decisions in the Mutual Agreement Procedure context with respect to a wide range of disputes related to double taxation.

Transposition of DAC6, the EU Directive on the Mandatory Disclosure of Potentially Aggressive Cross-Border Tax Planning Arrangements

The deadline for the reporting of arrangements the first stage of which was consummated between 25 June 2018 and 30 June 2020 is set to expire on 28 February 2021. Proposed penalties range between Euro 5,000 and Euro 10,000 per reportable arrangement. Lawyers' privilege is acknowledged as limiting the disclosure obligation under DAC6.

Transposition of exit taxation rules under EU Anti-Tax Avoidance Directive ("ATAD")

The provision allows for an interest-free deferral of taxation, upon exit of legal entities, under conditions. The rules apply on exits that have taken place since 1 January 2020.

Transposition of hybrid mismatches rules under EU ATAD

The proposed rules aim at ensuring that tax deductions or credits are taken only in one jurisdiction without resulting in double non-taxation.

VAT quick fixes to increase efficiency in supply chains (EU Directive 2018/1910)

The new rules concerning call off stocks, chain transactions and intra-community supplies are finally implemented, effective as from 1 January 2020, to increase efficiency and certainty in supply chains.

More detailed newsletters on each of the proposed provisions will follow, once the tax bill becomes finalized.

For further details, please contact your regular advisor at Zepos & Yannopoulos, or:

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