

COUNTRY PROFILE



Greece

Tax overview

Corporate Income Tax	22%
Personal Income Tax	44%, progr.
Gift Tax	<10%, direct line
Inheritance Tax	<10%, direct line
Wealth Tax	None

Legal System

Greece has a civil law legal system, with origins in ancient Greek, Roman and Byzantine law.

Corporate Income Taxation

Corporations incorporated in Greece, and foreign corporations effectively managed from Greece, are subject to tax on world wide income at 22%. Non-resident corporations are subject to tax only on Greek source income.

Individual Taxation

Resident individuals are subject to tax on their worldwide income at progressive rates up to a maximum of 44%. There is also a Solidarity tax of up to 10% on certain types of income, to fully suspended in 2023. Greece applies gift and inheritance tax at graduated rates depending on kinship, up to 10% in the case of spouses, children and grandchildren, up to a maximum of 40% in other cases. Greece does not have wealth tax.

Anti-Avoidance Rules

Greece has adopted the EU's Anti-Tax Avoidance Directive (ATAD). Greece has Transfer Pricing rules, Thin Capitalization rules, and Controlled Foreign Corporation (CFC) rules. Greece also has General Anti Avoidance Rules (GAAR).

Controlled Foreign Corporations (CFCs)

CFC rules apply to foreign legal entities where Greek residents directly or indirectly own shares, voting rights, or equity in excess of 50% or are entitled to more than 50% of the profits of the legal entity; the actual tax paid abroad by the foreign entity is less than the

difference between the tax that would be payable in Greece and the actual tax paid abroad; and more than 30% of income is passive. CFC rules do not apply to legal entities with tax residence in the EU or EEA or to those that carry on a substantive economic activity. Greek residents are taxable on their share of the undistributed profits of the CFC.

Foreign Trusts

Greece has not ratified the Hague Convention on the recognition of trusts. However, for tax purposes foreign trusts are treated as entities and subject to CFC rules where the criteria are met.

Greek resident settlors of foreign trusts are not liable to tax for revocations/distributions of principal, are not generally liable to tax on undistributed income, unless CFC rules apply, but are liable to tax on income distributions at 5%. Distributions to beneficiaries, other than the settlors, resident in Greece are taxable at the applicable gift tax rates (10-20-40%), depending on the beneficiaries relationship to the settlor.

Double Tax Treaties (DTTs)

Greece has a broad network of DTTs, which provide relief from double taxation, and clarity on the taxation of foreign investment.

OECD Multilateral Convention

Greece is party to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, which requires exchange "on request," and authorizes spontaneous and automatic exchange.

Common Reporting Standard (CRS)

Greece is a party to the Multilateral Competent Authority Agreement (MCAA) and has implemented CRS for the automatic exchange of financial account information.

FATCA

Greece has a FATCA Model 1 Intergovernmental Agreement (IGA) with the United States for the automatic exchange of account information.

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