

The Tax System in Greece

Section

7

7.1 Introduction to the Greek Tax System

According to the Greek Tax System, if you stay and work in the country you have to pay taxes. However, you may be eligible for certain tax allowances, depending on your family situation, which are taken into account when calculating your taxable

income, as well as the amount of tax you are liable to pay. If you are employed, your employer will deduct income tax from your wages, daily allowances or other remuneration. The amount is imputed to your total tax bill for the year, which is calculated on the basis of your yearly income tax return. If more tax has been withheld than is in fact owed by you, you will be rebated the difference.

Your yearly income tax return should be sent to the Public Financial Offices (DOY) by 1 March of the tax year in question (in exceptional cases by 1 April, 16 April or 2 May for certain types of income explicitly referred to in tax law). You will be informed between May and June of the amount of tax that you have been assessed to pay. Married couples must file a joint tax return in which the tax, charges and contributions are calculated separately for each spouse. Husbands are obliged to submit a tax return for their wives.

Another important issue you should be aware of is that Greece has signed treaties for avoiding double taxation on income with all other Member States except Ireland.

Further information: www.ypetho.gr

<http://europa.eu.int/youreurope/nav/en/citizens/factsheets/gr/taxes/taxation/en.html>

(Source: Europa, Information for Citizens and Ministry of Economy and Finance)

7.1.1 Ministry of Economy and Finance

Ministry of Economy and Finance provides all the appropriate details for the current Greek taxation.

URL: www.ypetho.gr

- General Secretariat for Information Systems

General Secretariat for Information Systems which runs under the supervision of the Ministry of Economy and Finance provides citizens, businesses and public with e-services regarding taxes.

URL: www.e-oikonomia.gr

Email: info@gsis.gr

Tel: +30 210 4802552

- TAXIS net (in Greek only)

Provides Financial E-Services

URL: www.taxisnet.gr

Email: taxisnet@taxisnet.gr

7.2 Personal Income Tax

Personal income tax matters are regulated by Legislative Decree 3323/1955, as amended by subsequent legislation, and Law 2065/92.

7.3 Legal Persons Taxation

The taxation of legal persons is regulated by the provisions of Law 3843/58, as amended by Law 2065/92. Tax is assessed on the net income (from all sources) acquired by all legal persons. The income of companies limited by shares is taxed before the distribution of profits at a single rate of 35% and no other charge is levied. However, income from

the real estate of legal persons is subject to an additional tax, assessed at a rate of 3% of total gross annual income.

7.4 Business Taxation

Also liable to tax are general and limited partnerships, associations of civil law engaged in business or exercising a profession, civil associations of a profit-making or non-profit-making nature, participating companies and joint ventures (of article 2, par. 2 of the Code of Books and Documents). Their net profits are taxed at a rate of 35%, after deduction of profits which are not subject to tax (or which are taxed separately), as well as of profits from the dividends of Greek companies limited by shares (societies anonymes) or mutual funds, while in the case of general and limited partnerships, after deduction of the business fees of up to 3 general partners (those with the highest percentages of participation).

7.5 Tax exemptions

Information for tax exemptions is provided by the Ministry of Economy and Finance or the DOY you have registered with.

Inventory of Taxes in Greece

URL:

[http://europa.eu.int/com
m/taxation_customs/resou
rces/documents/tax_inven
tory_18gr.pdf](http://europa.eu.int/com
m/taxation_customs/resou
rces/documents/tax_inven
tory_18gr.pdf)