



**TAX PRACTICE**

## New draft tax bill put into public consultation

---

July 13, 2020

## TAX PRACTICE

# New draft tax bill put into public consultation

BY PANAGIOTIS POTHOS, LOUKAS PANETSOS, EMMANOUELA VITSA

The Greek Government has published a new draft tax bill, which will be put into public consultation until the 14th of July 2020, before being tabled to the Greek Parliament for its ratification into Law. The most important provisions of this draft bill are the following:

### *Non-dom regime for pensioners:*

Further to the non-dom regime for HNWIs introduced back in December 2019, a new resident non-dom regime is introduced for foreign pensioners transferring their tax residence to Greece, providing for the taxation of their non-Greek income at a favorable tax rate (7%).

### *Extra-judicial Committee for Tax Dispute Resolution:*

An extra-judicial Committee for Tax Dispute Resolution is formed for a specific time period aiming to decongest the administrative courts' workload. Such Committee will remain operative for a specific time period and will deal with cases invoking specific legal grounds (statute of limitation, granting of clear tax certificate, erroneous tax assessment due to numerical mistakes, retroactive

application of the most favorable sanction etc.).

### *Tax treatment of free supply of shares to employees:*

It is explicitly provided that the free supply of shares to the employees as a reward for the achievement of certain goals or the fulfilment of a certain condition is not considered as taxable benefit-in-kind. Instead, when such shares are disposed by the employee, any proceeds are taxed as capital gains (with 15% tax rate).

### *Transposition of three EU Tax Directives into national law:*

Greece transposes the Dispute Resolution Directive (Directive (EU) 2017/1852) regulating the intra-EU dispute resolution mechanism arising from transfer pricing and tax treaty issues and the Directive for Administrative Cooperation 6 (Directive (EU) 2018/822) which introduces the mandatory automatic exchange of information for potentially aggressive cross-border tax planning arrangements. Additionally, the new draft tax bill transposes the exit taxation and hybrid mismatches rules of the Anti-Tax

Avoidance Directive (Directives (EU) 2016/1164 and (EU) 2017/952), which were the only measures of this directive that had not been adopted by Greece.

***Retroactive effect of Advanced Pricing Arrangements (APAs):***

The retroactive effect of bilateral and multilateral APAs is introduced under

specific conditions that have to be met by the applicant entity (the FY for which the retroactive application is filed should not be time-barred, no tax audit order has been notified for the aforementioned FYs).

## Contact Us

---



**Panagiotis Pothos**

**PARTNER**

[p.pothos@kglawfirm.gr](mailto:p.pothos@kglawfirm.gr)

---



*Follow Us*

### **ATHENS OFFICE**

28, Dimitriou Soutsou Str.,  
115 21 Athens

T +30 210 817 1500

F +30 210 685 6657-8

E [kg.law@kglawfirm.gr](mailto:kg.law@kglawfirm.gr)

### **THESSALONIKI OFFICE**

17, Ethnikis Antistasseos Str.,  
551 34 Thessaloniki

T +30 2310 441 552

E [kg.law@kglawfirm.gr](mailto:kg.law@kglawfirm.gr)

[\*www.kglawfirm.gr\*](http://www.kglawfirm.gr)

---

**Disclaimer:** This newsletter contains general information only and is not intended to provide specific legal, or other professional advice or services, nor is it suitable for such professional advice, and should not be used as a basis for any decision or action that may affect you or your business. Before making any decision or taking any action that may affect you or your business, you should consult a qualified professional advisor. We remain at your disposal should you require any further information or clarification in this regard.

©Kyriakides Georgopoulos, 2020