

EXPATRIATES

Greece

Tax facts for International Assignees



INCOME TAX: WHO IS LIABLE

According to law 4172/2013, an individual is considered a Greek tax resident if he/she has in Greece

- a permanent or main residence; or
- habitual abode; or
- the center of vital interests such as personal and economic relations.

An individual residing in Greece for more than 183 days, cumulatively, within any 12-month period is considered as a Greek tax resident from day one.

This provision is not applicable in case of individuals who are present in Greece only for tourism, medical, medicinal or equivalent personal purposes on the condition that their presence does not exceed the 365 days threshold including their short stay abroad.

In any case, an individual's tax residence status is also determined by the provisions of the bilateral Double Tax Treaty (DTT) concluded between the country of origin and Greece where applicable.

Tax residency applies for a full calendar year and cannot be split within a calendar year.

Individuals having their tax residency in Greece are liable to income tax on their worldwide income such as employment income, income from capital etc. Greek tax residents might claim foreign tax credit on any income earned abroad based on the conditions of the applicable Double Taxation Treaty.

Non-Greek tax residents are taxed only on their Greek-source income.

Income Tax Return needs to be filed by June 30th of the year following the year concerned.

BREAKING RESIDENCY - EXIT PROCEDURES

In order to allow transfer of tax residency, the Greek Tax Administration takes into consideration all relevant aspects (economic, social, personal).

In this context, a taxpayer needs to prove that they reside on a permanent and stable basis abroad (e.g., lease agreement, utility bills, bank accounts etc.) and can provide the Greek Tax Authorities with a tax residence certificate issued by another country (or a tax residence certificate plus an employment contract or an employer certificate), in order to be allowed to transfer their tax residency abroad. The possession of real estate property in Greece or participation in the capital or administration of Greek companies should not be considered as a reason for rejecting a taxpayer's application transferring their tax residency abroad.

It is possible for spouses to maintain different tax residencies provided adequate supporting documents are submitted.

INCOME TAX RATES AND SOCIAL SECURITY CONTRIBUTIONS

Income tax rates

Tax Rate	Taxable Income Range	Tax per Range
9%	0-10.000	900
22%	10.000-20.000	2.200
28%	20.000-30.000	2.800
36%	30.000-40.000	3.600
44%	>40.000	

The tax rates above apply to employment income. Certain tax deductions are allowed based on the number of children. Any benefit in kind exceeding €300 is considered employment income. Explicit exemptions from employment income include meal vouchers (€6 per day), travel expenses taking place exclusively within the frame of the business activity of the employer and medical insurance premiums up to €1,500 per employee per year.

Other applicable tax rates:

- Capital income is defined as income gained from interest, dividends and royalties, which is taxed at 15%, 5% and 20% respectively.
- Income arising from the rental of real estate is taxed at 15% for amounts up to €12,000, 35% for amounts from €12,001 to €35,000 and at 45% for amounts over €35,000.
- Tax of 15% applies on gains derived from the sale of real-estate property when it does not constitute a business activity.
- The capital gains tax on property sales has been suspended until December 31st 2022.
- Capital gains tax of 15% also applies on income earned from the sale of company shares and partnership interests, derivatives and state bonds, treasury bills and corporate bonds.

Social security contribution

The primary social security fund (EFKA), social security contributions are withheld at 14.12% at the level of the employee and contributed at 22.54% at the level of the employer. The monthly social security contribution cap for EFKA is set at EUR 6,500.

For further information and to register for future updates contact expat@bdo.global

This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication. No entity of the BDO network, its partners, employees and agents accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

The BDO network (referred to as the 'BDO network') is an international network of independent public accounting, tax and advisory firms which are members of BDO International Limited and perform professional services under the name and style of BDO (hereafter: 'BDO member firms'). BDO International Limited is a UK company limited by guarantee. It is the governing entity of the BDO network.

Service provision within the BDO network is coordinated by Brussels Worldwide Services BV, a limited liability company incorporated in Belgium.

Each of BDO International Limited, Brussels Worldwide Services BV and the BDO member firms is a separate legal entity and has no liability for another entity's acts or omissions. Nothing in the arrangements or rules of the BDO network shall constitute or imply an agency relationship or a partnership between BDO International Limited, Brussels Worldwide Services BV and/or the BDO member firms. Neither BDO International Limited nor any other central entities of the BDO network provide services to clients.

BDO is the brand name for the BDO network and for each of the BDO member firms.

The fee income of the member firms in the BDO network, including the members of their exclusive alliances, was US\$ 11.8 billion in 2021. These public accounting, tax and advisory firms provide professional services in 167 countries & territories, with 97,292 people working out of 1,728 offices worldwide.

© Brussels Worldwide Services BV December 2022

www.bdo.global