

## «Ministerial Decision for VAT refunds»

April 2012

***The Decision does not appear to resolve several issues that relate to delays experienced in VAT refunds***

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*This information is intended only as a general update for interested persons and should not be used as a basis for decision making. For further details please contact PwC: 268, Kifissias Avenue 15232 Halandri tel. +30 210 6874400*

Ministerial Decision POL 1090/2012 was issued this week regarding the automatic VAT refund system. Based on such system:

- Applications are submitted electronically through Taxisnet.
- Such applications will be processed based on chronological order.
- For amounts in excess of 100,000 Euro a provision audit must take place in any case, whilst for smaller amounts audits may be ordered based on a risk-based approach.
- It is stipulated that the audit must be concluded within 2 months, unless it is considered that a regular audit must follow.
- The order for payment must be issued within one month from conclusion of the audit.
- For amounts in excess of 300,000 Euro where Ministerial approval is granted in accordance with art. 32 of L. 3220/2004, it is stipulated that payment must be made within 4 months from the registration of the order in the respective refund books held by the tax office.
- After the lapse of the payment deadline stipulated in the Decision, the liability is considered due and payable. *Note: this may be of practical importance with respect to set-off claims.*

*However, the Decision in question does not appear to resolve several issues that relate to delays experienced in VAT refunds, since:*

- *It does not provide for any consequences in case the audit is not concluded within the provided timeline.*
- *Many of the provisions of the Decisions are made subject to “fiscal restrictions”.*
- *No clear process is provided for pending claims.*

PwC remains at your disposal for any support regarding the pertinent issues.

