

«Legislative Act regulating matters of L.4046/2012 and L.4093/2012»

November 2012

A. Amending provisions on tax matters

Amendments to L. 4046/2012 and L. 4093/2012 were introduced by a Legislative Act published in the no. 229/19.11.2012 Government Gazette.

These amendments refer, amongst others, to tax matters.

Code of Tax Recording of Transactions

- The obligation of issuing invoices is replaced by the obligation of **drafting ownership title**, indicating the data of the counterparties and of the transaction, by the person liable for recording transactions, as well as the Greek State, Greek or foreign legal entities, non-profit making committees or associations, and legal entities established abroad that do not maintain a permanent establishment in Greece, but obtain the ownership or other property right on real estate located in Greece, foreign missions and international organizations, in case of purchasing goods from entities that are not obliged to issue an invoice for the sale of goods.
- The same obligation of drafting ownership title is introduced for entities that are not obliged to issue invoices, in order to evidence transactions in case of purchasing goods or receiving services on behalf of third parties. At the same time, the agent's obligation of issuing an invoice is abolished.
- The content of the invoice issued by a foreign agent is simplified, requiring the indication only of the tax registration number, full name and address.

Extraordinary duty on pharmaceutical products

- From 1.1.2013 onwards, an extraordinary duty of 15% shall be imposed on the retail sales, performed during 2011, of pharmaceutical products that are included in the catalogue of prescribed medicine and compensated by Social Security Funds (SSFs).
- Subject to this extraordinary duty are the License Circulation Holders (LCH) of pharmaceutical products that are included in the catalogue of prescribed medicine.
- The extraordinary duty for 2011 shall be paid by the 15th December 2012, by deposit in a bank account to be indicated by the National Organization for the Provision of Health Services (ΕΟΠΠΥ).

- An option is provided to set off the extraordinary duty due for 2013 with the paid or offset amount corresponding to any claw back for the year 2012.
- In case the extraordinary duty exceeds the claw back for 2012, the option of further set off of the remaining amount with the 2013 claw back or the rebate under L.4052/2012 for medicine included in the catalogue of 2013 is provided.
- In case said extraordinary duty is not paid for own-labeled pharmaceutical products, the latter will be automatically transferred from the catalogue of prescribed and compensated by the SSFs medicine to the catalogue of own-labeled pharmaceutical products administered by a medical prescription which are not compensated by SSFs.
- The rate of the extraordinary duty, the manner of calculation and specific matters of application may be readjusted by a decision of the Minister of Health, in order to achieve the goals of the pharmaceutical expense.

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Special duty for the reduction of pollutant emissions

- The special duty – now specified as the duty for the Reduction of Pollutant Emissions – is maintained as revenue of the Special Account managed by the Operator of Electricity Market S.A. (OEM SA) (provisions of art.143 of L.4001/2001), which is calculated on the basis of the consumption and is differentiated by the relevant Client category.
- The manner of calculating the applicable rates and unit charges imposed on clients is amended and shall be specified by a decision of the Regulatory Authority (PAE) in the 12th month of each year following the budgeted estimation of revenue and expenses of the Special Administrative Account.

These provisions – except the one regarding the Code of Tax Recording of Transactions - shall enter into force on 19.11.2012 (date of publication of the Legislative Act in the Government Gazette). It should, however, be noted that, in order for the Legislative Act to be legally binding, it should be legislatively ratified within 40 days from the date of issuance, as per article 44, par.1 of the Constitution.

