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Greek inheritance tax exemption is extended to non-Greek joint bank accounts

The long-anticipated inheritance tax exemption of non-Greek joint bank accounts has been set in force. The new provision applies to EU and non-EU cash and investment bank accounts.

Key notes

- The provision refers to joint accounts where the funds pass to the surviving joint account holder(s) *by the law itself*, which is the case for Greek joint bank accounts.
- Joint bank accounts in non-cooperative jurisdictions are excluded.
- The exemption does not apply retroactively and covers only cases arising after the publication of the law, i.e. 28 March 2022.

The previous legislation has been identified as in breach of the free movement of capital established in the EU. On this basis, it could be supported that under certain circumstances, a relevant refund claim for inheritance tax paid in the past may be filed before the tax authorities. In such cases, it should be expected that the administrative courts will decide if the claim is acceptable.

Greek family office revamp

The family office may include in its annual expenditures the living expenses of the family members, as well as any amounts associated with their philanthropic and cultural activities. Furthermore, the family office may provide services to any entity in which a family member is a majority shareholder.

Key takeaways

- The scope of the family office activities is significantly extended and the 1mio annual threshold for its expenditures becomes more feasible.
- Although the wording of the provision is not straightforward, it seems that the family office may now provide services to legal entities in which non-Greek resident family members or more distant relatives participate as minority shareholders.

The form of the family office and its place of establishment are a matter of choice. Even in informal family offices, the groundwork for further development is laid by governance, organized wealth management, a succession plan and confidentiality.

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