

Tax Flash

October 2021

Law 4839/2021 has introduced certain amendments on tax legislation:

Increase of the tax-free amount on donations and parental grants to EUR 800.000

The tax-free amount applicable on donations and parental grants of any assets in kind, realized from 01.10.2021 onwards, is increased to EUR 800.000 for the beneficiaries of Category A' (indicatively between spouses, between parents and children, etc.).

The above tax-free amount is also extended on donations or parental grants of cash, that are paid through credit institutions, to aforementioned beneficiaries.

In addition it is noted that any donations or parental grants that have been realized prior to 01.10.2021 shall not be taken into account in calculating aforementioned tax-free amount of any donations or parental grants realized post 01.10.2021.

Non-inclusion of donations/parental grants in the inheritance

From 01.10.2021 onwards, the aforementioned donations and parental grants shall not be taken in account in calculating the inheritance tax between said persons.

In accordance with the explanatory note of said provision, the donations and parental grants up to EUR 800.000 concluded as of 01.10.2021 onwards, shall not be taken into account for the calculation of the inheritance tax due between the same individuals. Therefore, it derives that any donations or parental grants that have been concluded prior to 01.10.2021 shall continue to be taken into account for calculating the inheritance tax due.

Reduction of capital duty to 0,5%

The capital duty is reduced to 0,5% from the 1% rate applicable on any transactions, for which their tax liability arises from 01.10.2021.

Reduced VAT Rates

Reduced VAT rates are provided, for amongst others, specific agricultural, farming goods, industrial food and the provision of services by gyms and dance institutions. The application of the reduced VAT rate relevant to dining, tourism etc. is extended until 30/06/2022.

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