

Tax Flash

November 2018

Law No 4571/2018 entitled “Urgent provisions for the submission of Assets Declaration Returns and other provisions”, which amends, *inter alia*, provisions of the initial relevant Law 3213/2003, has been adopted by the Greek Parliament.

The most important tax amendments can be summarized as follows:

Submission deadlines for Assets Declaration Returns (A.D.R.) and Financial Interests Declarations (F.I.D.)

	Type of return	Submission deadline
	Annual A.D.R./F.I.D.	Within an exclusive 3 months deadline after the lapse of the annual Income Tax Return deadline.
	Initial A.D.R./F.I.D.	Within 90 days from the day the individuals appointed on the obligated status.
	Exclusively: Initial A.D.R./F.I.D. for individuals appointed on the obligated status within the years 2016, 2017 and 2018 (until 30.10.2018).	From 4.1.2019 to 4.3.2019.
	Exclusively: Annual returns for the year 2016 (fiscal year 2015), 2017 (fiscal year 2016) and 2018 (fiscal year 2017).	From 4.1.2019 to 4.3.2019.
	Exclusively: Initial A.D.R./F.I.D. for individuals appointed on the obligated status within the years 2016, 2017 and 2018 (until 30.10.2018) and annual returns for the year 2016 (fiscal year 2015), 2017 (fiscal year 2016), which have already been submitted until 30.10.2018.	No modification is required, if they contain assets existing at the time of submission. However, obliged individuals may confirm and approve the content of the already submitted returns. These returns will be valid as new ones and they will receive a new reference number and proof of submission.
	Initial A.D.R./F.I.D. for individuals appointed on the obligated status for the first time based on Law 4571/2018.	Within 90 days from the publication of the Law (namely until 28.1.2019), without taking into account the period during which the single online platform will be out of order.
	Voluntary completion of inaccuracies of the submitted data.	Within a month after the submission deadline for A.D.R./F.I.D. lapses.
	For the year 2018: Filing of the lists of individuals obliged to submit an A.D.R./F.I.D., by the responsible bodies under which these individuals fall or are supervised.	Until 17.12.2018. To be noted that a null list must also be finalized, in case no obliged individuals exist.

- The audit of A.D.R./F.I.D. is conducted within five years from the end of the submission year. In cases where severe indications or new piece of evidence becomes available that a criminal offence was or attempted to be committed, the audit may exceptionally be conducted until the limitation period for the criminal offence elapses.

Alterations in categories of individuals obliged to submit A.D.R./F.I.D.

- New categories of individuals obliged to submit an A.D.R./F.I.D. are determined. In detail:
 - substitute members of the collective bodies, whose members obtain the obligated status, only when they have actually participated in board meetings, as this arises from official minutes;
 - municipal school boards' Chairmen and bank account administrators;
 - Ministries' Director Generals;
 - all public tenders committee members, regardless of the legal framework the tenders are being conducted, if the budget of the work exceeds the amount of € 300,000;
 - media owners;
 - legal deputies of forestry's directors;
 - local government bodies' regular and substitute members of the organic building units of any kind of organizational level and also the proponents of the examination committees for the appeals regarding buildings without permits, of the Councils, the Regional Councils and the General Council for urban planning matters and disputes, of the Councils, the Regional Councils and the General Architecture Council, of the General Archaeological Council and of the General Council of Modern Monuments;
 - General Accounting Office's Fiscal Service of Supervision and Audit directors.
- It is explicitly stated that the obliged individuals must also declare any assets of persons having concluded into a civil union with them.
- The police force, fire brigade force and coast guard force personnel that is on permanent availability status is excluded from the obligation to submit an A.D.R./F.I.D.

A.D.R./F.I.D. content

- Exceptionally, the first annual electronic return contains all the existing, at the time of its reference, assets and their acquisition value in case it is available.
- The minimum amount of cash out of bank accounts that should be reported in the A.D.R./F.I.D. is increased from € 15,000 to € 30,000. Furthermore, the minimum amount of movable items of significant value is increased from € 30,000 to € 40,000. The said items will be excluded from disclosure.
- Magistrates and public prosecutors must declare their debt obligations to Greek or foreign credit and bank institutions, other public corporations or private entities and individuals as stated on December 31st of the year the declaration refers to. Their declaration must also contain any debt arising from administrative or other fines, state or local taxes and duties, as well as contributions to social security organizations that exceed the amount of € 5,000 on the same date.
- It is clarified that the obliged individual must also declare any assets held by the separated spouse or the member of a civil partnership. Furthermore, the Law regulates cases where the above mentioned persons refuse to provide the necessary information and/or to confirm the A.D.R./F.I.D. content regarding the assets held by themselves or their minor children, as this has been drafted by the obliged individual.

Administrative fees, penalties and fines

- Obliged individuals are allowed to submit a return within 30 days after the submission deadline lapses, following the payment of an electronic administrative fee of € 200, in case they submit their return to the A.D.R. audit committee, or of € 100 in all other cases. Once the 30 days period elapses, the electronic administrative fee is augmented to € 800 and € 300 accordingly.
- Omission to submit an A.D.R./F.I.D. after 60 (rather than 30) days after the submission deadline lapses is considered as a criminal offence.
- It is clarified that a return is considered as inaccurate if the reported assets or their augmentation is not justified from all kind of the obliged person's legally gained income.
- The severe penalty will be imposed only when there is an aim to conceal assets of over € 30,000, that is acquired by the obliged individual through the exploitation of their status.
- The spouse, the separated spouse or the part of the civil union who omits to report or reports partially or inaccurately their or their minor childrens' assets after the lapse of 90 days from the audit body's invitation, confronts criminal sanctions.
- Any third party, which knowingly collaborates into the submission of an inaccurate return and mainly in omitting to report assets, will be punished with imprisonment and fine. Furthermore, persons and employees of corporations who violate their obligation to report the individuals obliged to submit an A.D.R./F.I.D. will be punished with at least 6 months of imprisonment.

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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



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