

Tax Flash

Guidance on the process of submission and exchange of Country by Country Reports according to L. 4170/2013 and L. 4490/2017

December 2017

On December 4th, 2017 Circular POL. 1184/2017 (the “Circular”) was issued, providing for guidelines with respect to the submission and exchange of Country by Country Reports (“CbC Reports”) in Greece

Main Remarks

- The Circular provides guidance with respect to the timing and procedure of submission of the CbC Reports and relative notifications, as well as the completion of the CbC Reports.

Timing of submission of CbC Reports

- The CbC Report of the liable Multinational Enterprises (“MNEs”) must be filed to the Greek tax authorities, either by the Greek Ultimate Parent Entity or other Greek resident entity designated by the Group to file the CbC Report, within 12 months after the end of the Group’s fiscal year that the CbC Report relates to. Especially, for liable MNEs with fiscal year starting on and after January 1st, 2016 and ending before December 31st, 2016, the CbC Report for the respective fiscal year must be submitted by December 31st, 2017 the latest.

The Circular provides for a short extension of 7 working days after the lapse of December 31st, 2017 deadline, to account for cases of non-submission due to proven technical issues for which the competent tax authority is held liable.

- In line with BEPS Action 13, the Circular provides that MNEs having their Ultimate Parent Entity (primarily liable to file the CbC report) resident in a jurisdiction that has implemented a reporting threshold that is a near equivalent of EUR 750 million in domestic currency as it was at January 2015, and this threshold is not met at the jurisdiction of the Ultimate Parent Company, should not be exposed to local filing in any other jurisdictions that are using a threshold denominated in a different currency. It is also provided that for MNEs having a shorter than 12 months reporting period the EUR 750 million threshold is applied on a pro rata basis.

Electronic platform for the submission of the CbC reports

- The CbC Reports should be electronically submitted to the following portal of the website of Independent Authority of Public Revenue (<https://aeoi.aade.gr/aeoiapps/cbc-report/>). The electronic submission of the CbC reports prerequisites that an individual held responsible for the registration of the CbC Reporting entity in the electronic platform obtains login credentials following instruction found in portal (<https://aeoi.aade.gr/aeoiapps/cbc-registration/>) the latest by 15th December 2017.
- The Greek reporting entity should disclose to the competent authority the individual that will be responsible for the registration of the reporting entity in the electronic platform.

Notifications

- Greek entities that belong to an MNE Group subject to CbC reporting requirements must provide notification to the Greek tax authorities regarding the Ultimate Parent Entity or any other entity designated by the Group as responsible for filing the CbC Report by the last day of the year to be reported.
- For the first reported year (starting on or after January 1st, 2016), the deadline for the filing of the notification relating to CbC Report expires the last day that the CbC Report should be filed. This means that for the first year of implementation a dual filing of notifications is required to cover the first and the second year of reporting.
- The notification is relevant to all entities that are tax resident in Greece to the extent that the MNE Group they belong is liable to file a CbC report on any jurisdiction. The CbC notifications should be submitted electronically via sending a completed form available at (<http://www.aade.gr/epicheireseis/themata-diethnoys-dioiketikes-synergasias/country-country-reportingcbcdac4>) to the email address (notifications.cbcdac4@aade.gr).

Content of the CbC Report

- The reporting of the name of the MNE in the CbC Report should follow the literation rules to the Latin alphabet aligned with international standards for transliteration, as specified in ISO 8859. In the fields of the CbC Report, which provide for a free text, i.e. Table 3 of the CbC report, the text should be filled both in Greek and English language.
- The Circular defines that the term “Related Parties” for the purposes of filling the information in the third column of Table 1 of the CbC report, should be interpreted as the term “Constituent Entities” listed in Table 2 of the CbC report.
- The Circular makes an explicit reference to the OECD Guidance for the implementation of Country-by-Country Reporting as regards technical issues related to the completion and exchange of the CbC Reports.

The Circular provides no guidance as to whether and how the secondary mechanism should be effected in the case of constituent entities with the residence in Greece having their Ultimate Parent Entity operating in a tax jurisdiction with which the Greek tax authorities will not have signed or put in effect by December 31st 2017 an agreement for the automatic exchange of CbC reports.

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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:

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