



Private Clients Update

October 2020

Greek special tax resident regimes: do you qualify?

Following the introduction of the pensioners special tax resident regime in July, new guidelines providing clarifications on their redomiciliation in Greece were issued in September (Ministerial Decision A.1217/29.09.2020). We summarize the key points below:

Individuals qualifying for the regime	Retirees receiving pensions by statutory social security and occupational pension schemes qualify. Specific reference is also made to group retirement plans.
Deadline for filing applications	Applications are filed by March 31st of each calendar year, whereas supporting documentation can be filed within two (2) months from the filing date.
Competent tax office	The non-residents tax office located in Athens.
Supporting documentation	The supporting documents include tax residence certificates of the country of previous residence and certificates evidencing the pensioner's status.
Approval timeline	The tax officer issues the decision (approval or rejection of the application) within sixty (60) days from the filing date.
Revocation right	The taxpayer has the right to file a revocation application and be taxed as ordinary Greek tax residents on his worldwide income.

Following the above guidelines, please see a table comparing the Greek special tax resident regimes in the next page:

Residents under special tax regimes	High-Net-Worth Individuals - Investors	Pensioners
Previous tax resident status	Non-Greek residents for seven (7) out of the last eight (8) years	Non-Greek residents for five (5) out of the last six (6) years in a country holding an administrative cooperation agreement with Greece
Extra conditions	Investment of EUR 500,000 within a 3-year period	Entitlement to pension by statutory social security schemes, occupational pension institutions or group retirement plans
Income tax	<ul style="list-style-type: none"> Greek source income: Ordinary tax rates Foreign source income: Annual flat tax of EUR 100,000 plus EUR 20,000 per spouse, child or parent 	<ul style="list-style-type: none"> Greek source income: Ordinary tax rates Foreign source income: 7% flat tax rate
Application of Double Tax Treaties	No reference in the law	Expressively provided in the law
Tax incentives	<p>The annual flat tax exhausts any tax or reporting obligation on non-Greek income / assets</p> <p>No inheritance / gift tax on assets located outside Greece</p>	The 7% tax exhausts the tax liability of the retiree on non-Greek income
Duration and other restrictions	<p>Applicable for 15 years with a revocation right</p> <p>No territorial restrictions inside Greece</p>	
Application filing deadline	By March 31st	
Tax payment timeline	<ul style="list-style-type: none"> Tax on foreign income (flat tax or 7% tax): by July 31st in lump sum Tax on Greek source income: in lump sum or installments following the filing of the Greek income tax return 	

It should be noted that each individual case should be examined on the basis of its particular characteristics and the above-mentioned general principles may not necessarily apply in all circumstances. Our specialized consultants are in a position to assist you with regard to any issue that may arise in your individual case.

Who do I contact to get more information?

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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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