

# 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"> <li>• Greek source income: Ordinary tax rates</li> <li>• Foreign source income: Annual flat tax of EUR 100,000 plus EUR 20,000 per spouse, child or parent</li> </ul>	<ul style="list-style-type: none"> <li>• Greek source income: Ordinary tax rates</li> <li>• Foreign source income: 7% flat tax rate</li> </ul>
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"> <li>• Tax on foreign income (flat tax or 7% tax): by July 31st in lump sum</li> <li>• Tax on Greek source income: in lump sum or installments following the filing of the Greek income tax return</li> </ul>	

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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