



# COVID-19

## Greece Tax and Other Relief measures

16 April 2020



# Relief measures for enterprises, freelancers, personal businesses

Benefits shall apply on condition that beneficiary enterprises will retain the existing number of employees.

Category of Measures	Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)	Profitability	cash flow	Effects
1 Tax	<ul style="list-style-type: none"> <li>Extension to 31.08.2020 for the payment of VAT amounts (as assessed in VAT returns) and installments of other assessed tax liabilities payable from 11.3.2020 to 30.4.2020 without the imposition of penalties or/and interest for late payment. <sup>(1)</sup></li> <li>25% deduction on installments of assessed tax liabilities (excluding withholding taxes and VAT), payable from 30.3.2020 to 30.4.2020, on condition that these payments are timely settled (extension of timely payment for March liabilities to 21.4.2020). <sup>(1)</sup></li> <li>Possibility to offset 25% of the VAT amount arising from VAT returns of the first quarter of 2020 (for single-entry books) and of March 2020 (for double-entry books), which will be timely and fully settled by 30.4.2020, against assessed tax liabilities of any type arising from 1.5.2020 onwards. <sup>(2)</sup></li> </ul>	✓	✓ For liabilities payable from 1.4.2020 to 30.4.2020	✓ For liabilities payable from 1.4.2020 to 30.4.2020	✓	✓	

(1) The said measure is also applicable for enterprises holding post-dated cheques for which the 75-days suspension applies, if their total value is greater than 20% of the average monthly turnover of the enterprise in the immediately preceding tax year.

(2) For enterprises with double-entry books, the measure is effective on condition that the liabilities of February have been paid (except for those whose operation has been mandatorily suspended or temporarily interrupted as of 26 March 2020).

# Relief measures for enterprises, freelancers, personal businesses

Category of Measures	Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)	Profitability cash flow	Effects
1 Tax	<ul style="list-style-type: none"> <li>Acceleration of refunds that are currently pending for the return of income tax and VAT to enterprises, on condition that the total amount of the pending refund claims does not exceed EUR 30 000 per type of taxation and per beneficiary of the refund. Pending audit cases are those where no preliminary tax assessment note has been issued yet. <sup>(1)</sup></li> <li>The VAT rate is reduced to 6% (from 24%) on certain personal hygiene and antiseptic use products. The above reduced rate will be effective until 31.12.2020. <sup>(1)</sup></li> <li>The supply of goods and/or services from Greek suppliers to individuals, entrepreneurs or legal entities, who subsequently donate such goods/services to the Greek State, with the aim to support the latter in its efforts against the COVID-19 spread, can qualify as being exempt from Greek VAT (as per art. 27 par.1 (ΙΩΤ) of law 2859/2000). The condition for such exemption is that respective donations are accepted and approved solely by the Minister of Health, without the concurrent approval of the Minister of Finance being required. Clarifications on the approval procedure were provided with art. 13 of Legislative Act 13.04.2020. <sup>(1)</sup></li> </ul>	✓	✓	✓	✓	✓

(1) This measure applies to all enterprises in general.

# Relief measures for enterprises, freelancers, personal businesses

Category of Measures	Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)	Profitability cash flow	Effects
2 Financing	<ul style="list-style-type: none"> <li>Financing scheme by means of returnable advance payment (for companies with 1-500 employees) which is tax exempt and cannot be forfeited nor offset against any liabilities, with extended return period, low interest rate and a grace period of one year. The applicants should register to the online platform of AADE from 2.4.2020 until 21.4.2020.<sup>(1)</sup></li> <li>Suspension of the capital instalments payment until 30.9.2020 regarding loans and credits that were performing until 31.12.2019. [It is noted that each of the systemic banks has announced specific facilitation measures and the relevant criteria].</li> <li>Coverage of interest payments of performing loans for medium and small enterprises for the months of April, May and June, as well as possibility of extension of the said timeline for two more months if necessary. Applications are submitted to the web site <a href="http://www.ependyseis.gr/mis">www.ependyseis.gr/mis</a> from 15.4.2020 until 30.6.2020.</li> <li>The European Commission has approved the Greek Government's proposal for the strengthening of companies' liquidity of through the issuance of new loans as working capital or for investment purposes, with the guarantee of the Greek State. Legislative provisions are expected to be issued to specify these measures.</li> </ul>	✓	✓	✓	✓	✓

(1) Eligibility conditions, procedure for applying and for granting, calculation method and any other necessary detail will be introduced by similar Decision which will be issued after the lapse of the deadline for applying for said financing. This measure applies to all enterprises.

# Relief measures for enterprises, freelancers, personal businesses

Benefit under 4 shall apply on condition that beneficiary enterprises will retain the existing number of employees.

Category of Measures	Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)	Profitability	cash flow	Effects
3 Cheques	<ul style="list-style-type: none"> <li>The date of payment of companies' securities (cheques, bills of exchange and promissory notes), which were payable in the time period from 30.3.2020 to 31.5.2020, is suspended for 75 days.</li> </ul>	✓	✓	✓			✓
4 Rent	<ul style="list-style-type: none"> <li>Affected enterprises are exempted from paying 40% of the rent for their commercial premises or payment for financial leases for the month of April 2020 (for enterprises locked down by State order this measure applies also to their rent for the month of March).</li> <li>The above reduction similarly applies to financial leases of other assets that are meant to be used solely for commercial purposes by the previous mentioned enterprises.</li> </ul>	✓	✓		✓	✓	

# Tax relief measures for individuals

Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)
<ul style="list-style-type: none"><li>– Extension to 1.8.2020 for the payment of assessed tax liabilities and installments of assessed tax liabilities under a settlement scheme payable from 11.3.2020 to 30.4.2020 without the imposition of penalties or/and interest for late payment. <sup>(1)</sup></li><li>– 25% discount on assessed tax liabilities (with the exemption of VAT and withholding taxes) with payment date from 30.3.2020 to 30.4.2020, in case they are timely paid (extension of timely payment deadline for March liabilities to 21.4.2020). <sup>(2)</sup></li></ul>	✓	✓ For liabilities payable from 1.4.2020 to 30.4.2020	✓ For liabilities payable from 1.4.2020 to 30.4.2020

(1) The said measure is applicable for employees who are suspended from employment, for holders of post-dated cheques for which the 75-days suspension applies, if their total value is greater than 20% of their average monthly turnover in the immediately preceding tax year, as well as for lessors of enterprises which are beneficiaries for the rent reduction of 40%.

(2) The said measure is applicable for employees under suspension of their employment and for holders of post-dated cheques for which the 75-days suspension applies, if their total value is greater than 20% of their average monthly turnover in the immediately preceding tax year.

# Employment and Social Security Measures

Beneficial measures for employers shall apply on condition that they will retain the existing number of employees

Category of Measures	Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)	Effects
					Profitability cash flow
1 <b>Social Security contributions</b>	<ul style="list-style-type: none"> <li>Extension of the deadline for the payment of social security contributions (both employer's and employee's) for February and March 2020 employment, due on 31.3.2020 and 30.4.2020, until 30.9.2020 and 31.10.2020 respectively.</li> <li>Three month extension of the payment deadline of installments of settled employers' liabilities under special settlement due on 31.3.2020 and onwards.</li> <li>Three month extension (from 31.3.2020) of the payment deadline of installments or settled amounts by employees of companies (which have been locked down or significantly affected on the basis of Business Activity Codes).</li> <li>Payment of freelancers' social security contributions corresponding to February and March 2020 and of assessed social security contributions of previous years due on 31.3.2020 and 30.4.2020 respectively, in 4 equal monthly installments starting as of 30.9.2020.</li> <li>Three month extension of the deadline for the payment of installments of freelancers' settled liabilities expiring on 31.3.2020 and onwards.</li> <li>Suspension until 31.8.2020 of the State's right to collect outstanding social security contributions.</li> </ul>	✓  ✓  ✓  ✓  ✓  ✓  ✓		✓  ✓  ✓  ✓  ✓  ✓	✓  ✓  ✓  ✓  ✓  ✓

# Employment and Social Security Measures

Beneficial measures for employers shall apply on condition that they will retain the existing number of employees

Category of Measures	Benefit	Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)	Profitability	cash flow	Effects
1 Social Security contributions	<ul style="list-style-type: none"> <li>Reduction by 25% of freelancers' social security contributions corresponding to February and March 2020 if paid in time (and until 10.4.2020).</li> </ul>	✓					✓ ✓
2 Employment measures	<ul style="list-style-type: none"> <li>Temporary suspension of employment agreements (for employers whose activities are suspended by state order for the period of lockdown and for 45 days for affected employers on the basis of their Business Activity Code) against a state indemnity of EUR 800 and full insurance coverage (on the basis of actual salaries). <sup>(1) (2)</sup></li> <li>Participation of freelancers-scientists (six basic categories of scientists) in the teletraining program of the Ministry of Employment (EUR 600). <sup>(2)</sup></li> <li>Extension of Easter allowance payment deadline until 30.6.2020 (for employers whose activities are suspended by state order or affected employers). <sup>(3)</sup></li> </ul>	✓	✓	✓	✓	✓	✓ ✓ ✓

(1) Suspension of employment agreements can be implemented by affected companies until 20.4.2020, subject to extension on the basis of a Ministerial Decision.  
 (2) The special purpose indemnity paid to employees whose employment agreements are suspended and the benefit paid to freelancers-scientists are tax free and cannot be either seized or set off against debts.  
 (3) For employees, whose employment contract has been suspended and the duration of the employment relation until suspension does not cover the entire period from 1 January to 30 April 2020, the % part of Easter Allowance which corresponds to the days that said employees were under suspension, will be covered by the State.

# Employment and Social Security Measures

Beneficial measures for employers shall apply on condition that they will retain the existing number of employees

Category of Measures	Benefit	Effects			Profitability	cash flow
		Phase 1 (Initial phase)	Phase 2 (Industry, wholesale, insurance, audit firms, stock brokerage firms)	Phase 3 (Energy, gas stations, waste management and infrastructure works)		
2 Employment measures	<ul style="list-style-type: none"> <li>Appointment of safe operation personnel (by affected employers on the basis of their Business Activity Code and while affected) <ul style="list-style-type: none"> <li>At least 50% of the employer's personnel must be included</li> <li>Each employee is employed at least 2 weeks on a monthly basis, continuously or intermittently</li> </ul> </li> <li>Transfer of personnel between companies of the same group (for employers whose activities are suspended by state order or affected employers on the basis of their Business Activity Code while not operating/affected),</li> </ul>	✓	✓	✓	✓	✓

# Other Measures - Extensions

Category of Measures	Measures*
1 <b>Extension of the deadline for submission of tax returns</b>	<ul style="list-style-type: none"><li>– <b>For two months:</b> for Capital Concentration Tax and Stamp duty with a deadline within March and April 2020.</li><li>– <b>Until 29.5.2020:</b> for inheritance tax, gaming tax, gift tax and parental donation tax (for which no notarial deed is concluded), with deadline within March and April 2020.</li></ul>
2 <b>Suspension of tax audits</b>	<ul style="list-style-type: none"><li>– Issuance of preliminary tax assessment notes for taxes and penalties as well as of final tax assessment notes for taxes and penalties is suspended <b>until 30.4.2020</b> (except for refunds cases that are being completed following a tax audit).</li></ul>
3 <b>Suspension of administrative deadlines</b>	<ul style="list-style-type: none"><li>– The deadline for submission of objections/arguments against preliminary assessment notes issued, as well as the deadline for presentation of books or records or any other documents requested by the tax authorities in the course of tax audits, is suspended <b>until 31.5.2020</b> (except for refunds cases that are being completed following a tax audit). This suspension applies to deadlines that have not lapsed as of 11.3.2020 onwards.</li><li>– Deadlines for the submission of administrative appeals and of requests for the suspension of payments, having ended or ending from 11.3.2020 to 31.5.2020, are suspended <b>for sixty (60) days</b>.</li></ul>

\*These measures are applicable to all taxpayers in general.

# Other Measures - Extensions

Category of measure	Measures*
3 Suspension of administrative deadlines	<ul style="list-style-type: none"><li>– <b>Sixty (60) day</b> extension of deadlines, the lapse of which without a decision of the tax administration is considered as a silent rejection of administrative appeals or of requests for suspension of payments (for deadlines which have not lapsed in the period between 20.3.2020 and 31.5.2020 and on condition that the relevant decision of the tax administration had not been issued by 20.3.2020).</li><li>– Procedures/measures taken by the State against taxpayers in order to ensure collection of outstanding tax liabilities is suspended during the period that the operation of courts and prosecutors is fully or partially suspended.</li></ul>
4 Extension of statute of limitation period	<ul style="list-style-type: none"><li>– The statute of limitation period within which the State can carry out audits, ending from 30.3.2020 until 31.5.2020, is extended <b>to 31.7.2020</b>.</li></ul>
5 Extension of the publication of financial reports deadline	<ul style="list-style-type: none"><li>– The annual financial reports publication deadline for companies listed at the Athens Stock Exchange, for the fiscal year ended 31.12.2019, is extended <b>to 30.6.2020</b> (we note that the above mentioned deadline was initially set for 30.4.2020).</li></ul>

\*These measures are applicable to all taxpayers in general.

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