

## Greece Tax Knowledgebase

### Employee personal income tax

#### Tax residence

Individuals are considered Greek tax residents if their permanent or primary residence, habitual abode, or centre of vital interests (i.e., personal and economic ties) is located in Greece.

Additionally, individuals who are physically present in Greece for more than 183 cumulative days within any 12-month period are deemed tax residents from the first day of their presence, provided at least one of the conditions above is also met. Exceptions apply to individuals visiting Greece exclusively for tourism, medical, therapeutic, or similar personal purposes.

The primary criterion for determining tax residency is physical presence in Greece. Still, the centre of vital interests remains a key factor, especially when presence alone does not clearly establish residency.

According to guidance issued by the Independent Authority for Public Revenues (AADE), determining the centre of vital interests involves evaluating all relevant personal and economic ties, such as permanent residence, habitual abode, and the individual's overall life circumstances.

Finally, where applicable, an individual's tax residence may also be determined under the provisions of a bilateral Double Tax Treaty (DTT) between Greece and the individual's country of residence.

#### Conditions for the obligation to file the PIT

Greek tax residents are subject to income tax on their worldwide income, while non-residents are taxed only on income sourced in Greece. Subject to applicable tax treaty provisions, all individuals earning income in Greece are liable to Greek income tax, regardless of their citizenship or country of permanent residence.

#### Tax report in question (Form name)

- Form E1 - Income Tax Declaration for the Tax Year 2024
- Form E2 - Detailed Statement of Rental Income from Real Estate
- Form E3 - Statement of Financial Data from Business Activity

## Tax year

The tax year in Greece is a calendar year.

## Tax rates

Taxable income includes employment income, business income, income from capital (dividends, interest, royalties and rental income), and capital gains from the alienation of real estate and securities. Each category of income is taxed separately. However, the separate taxation of income from freelancers and sole proprietorship is abolished - instead, a unified tax scale applicable to employment income, pensions and business profits is introduced.

When it comes to specific rates, business income and employment income are taxed at progressive rates ranging from 9% to 44% (the lowest rate applies to income not exceeding EUR 10,000, while the highest rate applies to income exceeding EUR 40,000).

Dividends are taxed at a rate of 5%, interest at a rate of 15% and royalties at 20%.

Rental income is taxed at progressive rates ranging from 15% to 45% (the lowest rate applies to rental income not exceeding EUR 12,000, while the highest rate applies to income exceeding EUR 35,000).

Capital gains tax at a rate of 15% applies to gains arising from the sale of securities (listed and unlisted) and derivatives. Exemptions from capital gains tax may apply under certain conditions.

## Tax returns and payment of tax

For the purposes of the income tax return filing (single or joint), it is mandatory that the taxpayer(s) have obtained a Greek tax registration number. Non-Greek tax residents are required to file an annual income tax return only with the Greek tax office applicable to foreign residents. In this respect, they appoint a Greek tax resident as their representative against the Greek tax authorities, based on a proxy document.

Individuals must file a tax return between 15 March and 15 July of the year following the relevant calendar year. Tax due can be paid in 8 equal monthly instalments, with the first instalment due by the last working day of July and the remaining 7 instalments due by the last working day of the following 7 months. If the tax due is paid by the due date for payment of the first installment, a 4% discount is granted on the total amount of tax if the return has been filed by 30 April, 3% if the return has been filed by 15 June, and 2% if the return has been filed by 15 July. For individuals engaged in business activities, the advance payment of income tax on those activities must equal only 55% of the tax due.

Income tax returns for the tax year 2024 are submitted on 15/07/2025. Exceptionally, natural persons participating in legal persons and legal entities that keep single-entry books may submit an income tax return until 31/07/2025. Late initial or amended income tax returns are submitted throughout the year.

## Personal deductions (salary)

Individuals may be eligible for a tax reduction on employment income, with the amount determined by total taxable income and the number of dependent children.

Additionally, Greek taxpayers are required to spend a minimum portion of their income on goods or services within Greece or the EU/EEA using electronic payment methods (e.g., credit or debit cards). Specific categories of taxpayers, including the elderly and individuals with disabilities, are exempt from this requirement. Failure to meet the minimum spending threshold results in an additional tax equal to 22% of the shortfall between the required and actual expenditure.

Specific expenses are deductible from gross income to determine taxable income, as outlined in the Greek Income Tax Code (ITC). Key deductible items include:

1. Mandatory social security contributions;
2. Donations and grants to certain approved bodies or organisations. A tax reduction equal to 20% of the donation value is available, provided that total donations exceed EUR 100,00 and do not surpass 5% of the taxpayer's taxable income.

Foreign taxpayers qualifying as non-Greek tax residents may benefit from the same tax reliefs as Greek residents, provided they reside in an EU or EEA country and either:

1. Earn at least 90% of their global income in Greece; or
2. Can demonstrate that their income level would entitle them to equivalent tax relief in their home country.

## Tax allowances

All fringe benefits are typically considered taxable income for the employee and are therefore treated as such.

## Additional tax reliefs (not mentioned above)

No additional tax reliefs were mentioned above.

## How to submit the tax return

The filing of tax returns of natural persons is effected only electronically - via the Internet.

In order to submit the tax return (individual) in Greece for the tax year 2024, a taxpayer must use the online platform myAADE (<https://www.aade.gr>). For this purpose, the taxpayer must log in with their personal Taxisnet credentials and select the appropriate form, usually Form E1 for natural persons. The return must include:

- all income sources;
- deductions;
- any rental property income (via supporting forms like E2 or E3, if applicable).

After filling in the required fields, the system allows taxpayer to review, save and finally submit their declaration electronically. Upon submission, the tax calculation is automatically generated. Any tax due can be paid in up to eight monthly instalments, with payment details provided upon filing. Taxpayers should retain digital or printed copies of their declarations and payment receipts for their records.

## Others

No additional taxes or tax reliefs were mentioned above.

## Employee taxation of income (int, div, royalties)

### Interest income: Tax rates

Interest from bank deposits in Greece, as well as from Greek government bonds and treasury bills, is subject to a 15% withholding tax at source, which fully settles any further income tax liability. Non-residents are exempt from this tax if the deposit is held in foreign currency.

Interest income earned by individuals, whether from Greek or foreign sources, is generally taxed at a flat rate of 15%. However, where cross-border interest is involved, the applicable rate may be modified by a Double Tax Treaty (DTT) between Greece and the relevant country. In all cases, tax is withheld at source with no further income tax due.

### Dividend income: Tax rates

Dividends distributed for taxable periods beginning after 1 January 2020 – including profit participations in personal companies and distributions from any type of legal entity – are subject to a flat 5% corporate withholding tax.

For income tax purposes, "dividends" include income from shares, founders' certificates, or other profit-participation rights (excluding claims or debts), as well as income from corporate rights such as partnership interests, profit distributions from legal entities, and

similar payments. This also covers liquidation proceeds exceeding the capital contributed by the participant.

Such dividends may be distributed by Greek or foreign entities, in cash or in kind. When received by individuals from Greek sources, they are taxed at the same flat 5% rate.

## Capital gains: Tax rates

Capital gains from the sale of investment products are generally taxed at a rate of 15%, calculated as the difference between the sale price and the original purchase price.

This 15% capital gains tax applies to both listed and non-listed shares. However, exemptions may apply for listed shares if the individual holds at least 0.5% of the company's share capital.

Additionally, a 2% transfer duty is levied on the gross sale proceeds of listed shares.

## Royalty income: Tax rates

Royalties paid to both individual residents and non-residents are generally subject to a 20% withholding tax. However, in the case of non-residents, the rate may be reduced under an applicable tax treaty, or the royalties may be exempt if paid to a corporation and qualifying under the EU Interest and Royalties Directive, as incorporated into Greek tax law.

## Withholding

### Withholding tax on interest: Rates

15% unless reduced by DTA.

### Withholding tax on dividends: Rates

5% unless reduced under DTA.

### Withholding tax on royalties: Rates

20% unless reduced under a DTA

### Fees for technical services:

Fees paid to individuals for technical, consulting, management, and similar advisory services are subject to a 20% withholding tax. However, if the recipient is a non-resident, relief may be available under an applicable tax treaty.

## Employee tax - Special regimes to apply

### Special tax regimes (if applicable)

Greece applies three alternative tax regimes for new Greek tax residents if certain conditions are met. The alternative taxation regimes apply to investors, pensioners, employees or freelancers. The alternative taxation is as follows:

- Investors: Annual flat tax of EUR 100,000 on total foreign-source income (maximum duration: 15 years);
- Pensioners: Flat tax rate of 7% on total foreign-source income (maximum duration: 15 years);
- Employees/freelancers: Taxation of 50% of Greek-source employment/freelance income (maximum duration: 7 years).

These regimes must be formally opted into, and eligibility is determined case-by-case by the AADE.

### Impatriate Law (Inbound employee regulations)

As of 2020, Greece introduced a special tax regime offering an alternative method of taxing income from salaried employment and business activity for individuals who transfer their tax residence to Greece.

This regime applies exclusively to the filling of new positions and offers favourable tax treatment under the following cumulative conditions:

- The individual was not a Greek tax resident for five of the six years preceding the transfer of their tax residence;
- The individual transfers their tax residence from an EU/EEA country, or from a third country with an active administrative cooperation agreement with Greece in the field of taxation;
- They provide services in Greece under an employment relationship with a Greek legal entity or a permanent establishment (PE) of a foreign company in Greece;
- They declare their intention to remain in Greece for at least two years.

### Expatriate Law (Working abroad rules)

Individuals commencing their employment in Greece are subject to various taxes depending on their salary income, as well as other potential income which they may earn. Such taxes are determined based on their specific factual circumstances and depending largely on their tax residence, source of income and related financial status.

# Native Teams

For high-net-worth individuals, a flat tax regime is in place, making Greece highly sought after by investors. The program is ideally for those who wish to transfer their tax residency to Greece.

The flat tax for high-net-worth individuals requires a flat annual tax of EUR 100,000 on all foreign-sourced income, regardless of the actual amount earned. There is also an option to include family members, requiring a further EUR 20,000 per person per year. One of the main benefits of the Greek non-dom tax regime is that taxpayers are not required to live in Greece for more than 183 days per year in the country, offering flexibility for global citizens.

## Digital nomads' tax regimen

Greece launched its Digital Nomad Visa program in 2021, offering remote professionals the chance to live in the country while working for employers or clients abroad. The visa is available to non-EU citizens and is issued for one year, with the option to renew. In 2024, the rules changed: applications must be submitted through Greek consular offices in the applicant's country of citizenship or residence, not within Greece itself.

Eligible for application are:

- Remote employees whose employers or clients are not registered in Greece;
- Freelancers with a stable income;
- Business owners whose companies do not operate or provide services within Greece.

Although the digital nomad visa offers a suitable path for extended stays in Greece, individuals who find the associated residency conditions challenging may consider an alternative: the Greek Golden Visa Program.

This program is designed for non-EU investors and their immediate family members seeking long-term residence in Greece through real estate investment. The standard minimum investment threshold is €700,000.

However, for real estate acquisitions in high-demand locations such as Attica, Thessaloniki, Mykonos, Santorini, and other islands with populations exceeding 3,100, the required investment rises to €800,000. In contrast, properties located in all other regions of Greece are subject to a reduced €400,000 threshold, provided the property meets the minimum size requirement of 120 square meters.

This route offers a more permanent residency solution, particularly for individuals prioritising long-term relocation and asset investment within Greece.

## Double taxation agreements ( link website)

<https://www.aade.gr/en/international-issues/issues-international-tax-content/texts-contrasts-treaties-avoidance-double-taxation-greece>

## Impatriate Law (Inbound employee regulations)

### How to apply and deadlines for employees

This alternative taxation regime for relocated employees also applies to individuals who relocate to Greece to engage in individual business activities under similar conditions. If the application is approved:

- 50% of the income from salaried employment or individual business activity earned in Greece will be exempt from income tax;
- Additionally, deemed income rules related to the use of a residence or passenger car do not apply to individuals under this regime.

Applications must be submitted by the individual to the Greek Tax Administration according to the following timelines:

- If the commencement of employment or business activity occurs by 2 July of the relevant year, the application must be submitted by year-end, and the regime will apply to that year;
- If employment or business activity begins after 2 July, the application must be submitted by the end of the following year to apply for that subsequent year.

This favourable tax regime is available for up to seven tax years, with no option for renewal or extension.

## Expatriate Law (Working abroad rules)

### How to apply and deadlines for employees

Greece's non-dom tax regime: Requirements and documentation

Greece offers a favourable alternative tax residency regime for high-net-worth individuals (HNWIs) who wish to become tax residents under special conditions. The key requirements are as follows:

#### **Eligibility criteria:**

- The applicant must not have been a Greek tax resident for at least 7 of the previous 8 years prior to application;



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- An investment of at least EUR 500,000 must be made in Greece within three years of entering the regime. Eligible investments may include:

1. Real estate;
2. Greek government bonds;
3. Shares in Greek companies.

This special tax regime is valid for up to 15 years, offering long-term tax certainty and planning advantages.

Required documentation for inclusion in the flat tax regime:

**1. Greek tax registration number:**

- Proof of tax ID issuance and submission of the application for regime inclusion.

**2. Passport:**

- A copy of a valid passport.

**3. Power of Attorney (PoA)**

- Must be notarised and apostilled (or signed before a competent authority in Greece, such as a municipal office).
- The PoA must confirm that the applicant:
- Meets all eligibility requirements under Greek tax law, and
- Commits to investing EUR 500,000 in eligible Greek assets within the three-year period or provides proof that the investment has already been completed within the application year.

**4. Foreign tax residence certificates**

- Required if the applicant resided in Greece during any of the last seven years, to substantiate their non-resident status during the relevant period.

**5. Optional family inclusion**

- The applicant may include their spouse, parents, or adult children in the regime for an additional EUR 20,000 flat tax per person on their foreign income.
- Required documents include:
- A notarised declaration of consent from each family member, and
- An apostilled certificate of kinship.

## Digital nomads' tax regime

### How to apply and deadlines for employees

If a digital nomad plans to stay in Greece for less than six months, they will not be considered a tax resident, and therefore, no Greek income tax will apply. However, if the digital nomad stays longer than a year and transfers their tax residence to Greece, they

# Native Teams

may qualify for favourable tax treatment under Article 5G of the Greek Income Tax Code, as introduced by Article 40 of Law 4578/2020.

Key benefits for digital nomads:

- 50% tax exemption on income from employment or business activity in Greece,
- No deemed income assessments for housing and private vehicles under Article 33 of the Income Tax Code,
- Applies for up to 7 tax years, starting from January 2021.

To benefit from this regime, the digital nomad must:

- Not have been a Greek tax resident for 5 of the last 6 years;
- Transfer their tax residence from an EU/EEA country or a jurisdiction with an active tax cooperation agreement with Greece;
- Work in Greece either as an employee of a Greek entity or a permanent establishment of a foreign company, or as a self-employed individual.

This initiative aims to attract skilled foreign professionals by providing tax certainty and reducing the effective tax burden.