New Draft Bill Proposing Changes to Tax Legislation

A. **New Tax Bill**
B. **The Key Pillars of the Proposed Provisions**

A. New Tax Bill

1. The Ministry of National Economy and Finance has submitted a draft bill for public consultation, entitled 'Administrative Cooperation in the Field of Taxation – Transposition of Council Directive (EU) 2023/2226 of 17 October 2023, and Council Directive EU 2025/872 of 14 April 2025 Amending Directive 2011/16/EU on Administrative Cooperation in the Field of Taxation, and Other Provisions'.
2. The principal provisions concern the transposition into Greek law of two EU Directives — 2023/2226 and 2025/872 (DAC8 and DAC9, respectively) — through amendments to Law 4170/2013 (the **Law**), the framework statute governing administrative cooperation in the field of taxation.

B. The Key Pillars of the Proposed Provisions

1. Expansion of definitions and scope:
   a. New definitions are introduced into Article 4 of the Law, and the scope of automatic exchange of information is broadened to include advance cross-border rulings, advance pricing agreements and reportable cross-border arrangements.
   b. A unique service identification code is also introduced as additional information relating to each Reportable Seller.
2. Crypto-Assets: a mandatory automatic exchange of information is established for Reporting Crypto-Asset Service Providers (DAC8).

3. Supplementary Tax:
   a. The format for filing and exchanging information relating to Supplementary Tax Information Returns under Law 5100/2024 (Pillar 2) is specified.
   b. Transitional provisions are set out for the first fiscal year of reporting.
4. Strengthening of audit and enforcement mechanisms:
   a. Provisions are introduced regarding statistical data on automatic exchanges, submission and communication of Tax Identification Numbers, enhanced information reporting and assessment of the effectiveness of administrative cooperation.
   b. A central registry for crypto-asset information is established.
5. Data protection and technical matters:
   a. Data-protection provisions are amended.
   b. Annexes I and V relating to rules on reporting, due diligence requirements for financial accounts and platform operators are updated.
   c. New Annexes VI, relating to crypto-assets, and VII, on supplementary tax information returns, are introduced.
6. The Property Ownership and Management Registry (**MIDA**):
   a. MIDA is designated as the information source for determining primary residences located in small settlements for the purposes of the Unified Real Estate Ownership Tax (ENFIA) exemption.
   b. Until MIDA becomes fully operational, primary residences will continue to be identified based on the income tax return of the preceding tax year as currently applicable.
7. Binding Tax Rulings (**BTR**):
   a. A new Article 9A effectively introduced the institution of the tax ruling into the Tax Procedure Code[1].
   b. BTRs are signed by the Governor of the Independent Authority for Public Revenue (AADE).
   c. They provide an advance interpretation of the applicable tax or customs legislation in relation to specific factual circumstances that have not yet occurred.
   d. The Tax Administration issues BTRs within 150 days from receipt of complete applications, supporting documentation and payment of the full administrative fees.
   e. BTRs may not be issued in relation to:
      i. transfer pricing matters;
      ii. the application of foreign law; and
      iii. issues that are the subject of pending administrative appeals or judicial proceedings.
   f. BTRs are binding on the Tax Administration, provided that the underlying facts remain unchanged, the applicable legislation has not been amended and no divergent

[1] Law 5104/2024.

interpretation has been issued by a Supreme Court.

g. A minimum fee of €5k is required for the admissibility of an application.
h. The total fee ranges from €15k to €50k depending on the complexity of the interpretative issue, accumulation of issues, legal form and size of the applicant's business and any request for expedited processing submitted by the applicant.
i. BTRs are published on the Independent Authority of Public Revenue's website in an anonymised form.

8. Penalties for failure to file or late filing of withholding tax returns and VAT returns:
   a. The €100 penalty for the late filing or non-filing of a withholding tax return or VAT return is now also applicable to taxpayers maintaining accounting books, even in cases where the return reflects no tax liability or results in a credit balance.
   b. A retroactive favorable measure, effective from 19 April 2024, provides that penalties of €250 or €500 imposed for such zero or credit returns are cancelled or offset.

9. Obligation for electronic payment for transactions of €500 and above:
   a. The rule governing cash payments for transactions of €500 and above is amended.
   b. The threshold is now assessed based on the total value of the transaction, rather than the value of the separate tax documents issued in connection with it.
   c. Where a business accepts cash payment for such a transaction, the penalty imposed is equal to twice the amount paid in cash.



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