Recent Developments in Tax Legislation

Council of State - Decision 327/2024 Notification of Commercial Agreements to the Tax Authorities and Deductibility of Expenses

1. By way of Decision 327/2024, the Council of State (*ΣτΕ*), ruled that commercial agreements between Greek legal entities or between a Greek and a non-Greek legal entity, must be notified to the Greek Tax Administration in order for the expenses related to the agreements to be deductible for tax purposes.
2. The Council of State also ruled that the lower Court, the Court of Appeals, is not obliged to examine the taxpayer's compliance with this requirement, unless the Greek State specifically claims that the commercial agreement related to the audited expenses has not been notified to the Greek Tax Administration.
3. If the Greek State does not raise a claim in relation to the commercial agreement before the First Instance Court and/or the Court of Appeals, the expenses are automatically deemed deductible.



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