

TAX BRIEFING: Monthly Insight

Recent Developments in Tax Legislation

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A. Law 4818/2021 Transposes into Greek Legislation the Provisions of EU Directives 2017/2455, 2019/1995, 2018/1910 on VAT on Distance Sales and Provision of Services

1. EU Directives 2017/2455, 2019/1995 and 2018/1910 introduce new VAT rules regarding online cross-border transactions.
2. The new provisions aim to simplify e-commerce transactions between EU Member States as well as imports from third countries.
3. The new e-commerce provisions are included in Articles 47b, 47c, 47d, 47e and 47f of the Greek VAT Code (Law 2859/2000 - VATC).
4. The new rules cover B2C transactions:
 - a. intracommunity distance sales of goods;
 - b. distance sales of goods imported from third countries, except for goods subject to excise duty;
 - c. intracommunity supply of services; and
 - d. supply of services by non-EU suppliers to EU consumers.

5. A new threshold of €10,000 for distance sales is introduced across the EU, replacing all previous thresholds. If the new threshold is not exceeded, VAT is charged at the supplier's country VAT rate, otherwise the VAT is charged at the country of the destination.
6. All goods imported in the EU are subject to VAT and any minimum threshold is abolished.
7. The successful MOSS (Mini-One-Stop-Shop) mechanism is extended to cover all distance intracommunity sales as OSS (One-Stop-Shop).
8. Two new simplification schemes are introduced for imports of goods by individuals of intrinsic value less than €150 and do not apply to goods subject to excise duty.
 - a. The first is the Special Import Scheme or Import One Stop Shop (IOSS). Under the IOSS scheme the seller becomes liable for the VAT payment. This entails the seller registering with IOSS in one Member State and obtaining a VAT registration number valid across the EU.
 - b. The second is the Special Arrangements for declaration and payment of import VAT (Special Arrangements) for cases where the IOSS scheme is not used. In this case the VAT is paid by the consignee or the individual bringing the goods before the Customs office.
9. Books recorded in CDs, DVDs or electronic means as well as electronically supplied book editions are subject to VAT at the rate of 6%.
10. Operators of online platforms and marketplaces are liable for VAT reporting (deemed suppliers) even if they do not participate directly in the transaction.

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11. Online platforms and marketplaces have to keep records available for 10 years electronically if requested by a Member State.
 12. The Independent Authority of Public Revenues (IAPR), issued Circulars 2133 and 2138/2021 providing guidelines for the implementation of the new regimes
 13. The new provisions apply as of 1 July 2021.
- B. Law 4821/2021 Provides for the Payment of the Annual Real Estate Tax (ENFIA) in Instalments, Discount on Income Tax and Extension of the Time Period for VAT Suspension on Real Estate.**
1. Article 77 of Law 4821/2021 amended Article 8 of Law 4223/2013 with regard to the payment of the Annual Real Estate Tax (ENFIA).
 2. Under the new provisions ENFIA is payable in 6 instalments, the first being due by 30 September 2021 and the last on 28 February 2022.
 3. By virtue of Article 79, building constructors may submit applications for VAT exemption by 31 December 2021 for building permits issued by 30 June 2021. For building permits issued from 1 July 2021 onwards, the time period is 6 months from the issuance of the permit.
 4. The VAT exemption applies until 31 December 2022.
 5. Article 82 provides for a 3% income tax discount in the case of lump-sum payment of tax due until 31 August 2021.

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