

TAX BRIEFING: Special Edition – Vol. 8

## Recent Developments in Tax Legislation: Urgent Measures Relating to the Covid-19 Pandemic

This Briefing provides an overview of the legislation introducing new Tax provisions which arise out of the Covid-19 pandemic

### In This Issue

- A. Extension of Time Limit for Payment of VAT Due for the Time Period Between 1 and 31 October 2020**
- B. Extension of Time Limit for Payment of Established VAT Expiring in November 2020**
- C. Extension of Time Limit for Payment of Established Debt Expiring in November 2020**
- D. Measures on the Extension or Suspension of Deadlines of the Tax Procedure Code**
- E. Introduction of a New Framework for the Settlement of Established Debt Suspended Due to Covid-19**

New Government announcements, Ministerial Decisions and legal provisions introduce the following tax measures as a result of the second wave of the Covid-19 pandemic.

#### **A. Extension of Time Limit for Payment of Established VAT Between 1 and 31 October 2020**

1. Ministerial Decision A.1236/2020 provides that the time limit for the payment of VAT due for the time period between 1 and 31 October 2020 is extended to 30 April 2021.

2. Eligible legal entities are those whose:
  - a. main or secondary activity is included in the list of Code Activity Numbers issued and updated by the Ministry of Finance as a result of Covid-19; and
  - b. registered seat is located in a level 4 regional unit (high risk areas for Covid-19 infections) for at least 14 days.
3. For the same time period, the collection of VAT which has been declared within the relevant time limits and is due on 30 October 2020 has been suspended until 30 April 2021.

#### **B. Extension of Time Limit for Payment of Established VAT Expiring in November 2020**

1. By way of the Government announcements issued on 31 October 2020 and 5 November 2020, the time limit for the payment of VAT due for the period between 1 and 30 November 2020 is extended to 30 April 2021 for legal entities whose operation has been suspended by a State order.
2. These liabilities may be repaid in 12 interest-free instalments or 24 instalments with an interest rate of 2.5% from May 2021 onwards.

# BERNITSAS briefing

## C. Extension of Time Limit for Payment of Established Debt Expiring in November 2020

1. By way of the Government announcements issued on 31 October 2020 and 5 November 2020, the time limit for the payment of tax debts established in November 2020 is extended to 30 April 2021 for legal entities whose operation has been suspended by a State order.

## D. Measures on the Extension or Suspension of Deadlines of the Tax Procedure Code

1. Ministerial Decision A.1241/2020 stipulates that the time limit for the issuance of decisions by the Dispute Resolution Directorate relating to joint and several liability of BoD members which expire between 30 October 2020 and 31 December 2020 is further extended to 30 June 2021.

## E. Introduction of a New Framework for the Settlement of Established Debt Suspended Due to Covid-19

1. Article 289 of Law 4738/27.10.2020 (Government's Gazette A' 207) introduces a new framework for the settlement of established tax debts, the payment of which has been suspended

due to Covid-19.

2. More specifically, legal entities whose main or secondary activity is included in the list of Code Activity Numbers issued and updated by the Ministry of Finance as a result of Covid-19, are entitled to request the payment of their established tax debts in 12 interest-free instalments or in 24 instalments with an interest rate of 2.5% from 31 May 2021.
3. The amount of the minimum monthly installment is €30.
4. In case of delay in payment of a single installment, a monthly surcharge is imposed at the rate of 5%.
5. The settlement scheme is abolished when the legal entity:
  - a. does not pay two consecutive monthly instalments; or
  - b. delays the payment of the last two instalments of the settlement for more than two months.
6. Further details regarding the deadline by which legal entities should file the relevant application will be determined by a Ministerial Decision of the Ministry of Finance.

## Contacts



**Panayotis Bernitsas**  
Managing Partner  
E pbernitsas@bernitsaslaw.com



**Fotodotis Malamas**  
Counsel  
E fmalamas@bernitsaslaw.com

This Briefing is intended to provide general information and is not meant to constitute a comprehensive analysis of the matters set out herein or to be relied upon as legal advice. It is not meant to create a lawyer-client relationship. Legal and other professional advice should be sought before applying any of the information in this Briefing to a specific situation.

Bernitsas Law Firm is a partnership of attorneys regulated by Presidential Decree 81/2005 and Law 4194/2013, as currently in force, with its registered address at 5 Lykavittou Street, Athens 106 72, Greece.

If you no longer wish to receive Briefings from us, please click here to [Unsubscribe](#)