

**Prooptiki** was established as an accounting firm back in 1984; today, it is one of the most successful companies in the economic sector, providing consultation on accounting-tax and payroll issues.

**Prooptiki's** clientele lists a wide range of economic sectors, such as tourism, hotels, commerce, service provision, IT, telecom, real estate management, etc.



#### SERVICES OFFERED BY PROOPTIKI SA

- **Accounting:** A full range of accounting support in accordance with the Greek GAAP and IFRS.
- **Tax Consulting:** A full range of tax services to cover all tax fields. Our Goal is to have the maximum benefits, with the minimum tax liabilities and risks, always in strict compliance with local legislation and Code of Books and Records.
- **Payroll:** Complete solutions in managing and issuing the payroll, full support as far as the obligations towards government funds are concerned and continuous and updated information on Labor Law/ Insurance issues
- **Business Consultancy:** We can assist you on aspects such as:
  - ◆ Entity set up. Together we can find the most suitable structure for your business (limited company, partnership, sole trader, limited by shares company), or set up a branch of a foreign company.
  - ◆ Business plans and cash flow forecasts
  - ◆ Business and management advice
  - ◆ Human resources consultancy
  - ◆ Provision of management information
  - ◆ Tax compliance and advise
- **Auditing:**
  - ◆ Internal audits, Management audits, Compliance audits
  - ◆ Cash flow, Due diligence, Financial Statements, Special audits.

## *Golden Visa: new updates*

The framework for granting residence permits to citizens of third countries for investments in real estate is redefined. Particularly:

- Increases, depending on the area where the investment is implemented, the minimum acquisition value of the real estate at the time of its acquisition as well as the total contractual rent for the specified tourist accommodation leases. And the areas of the country that require a higher amount of investment are expanding.
- In the case of investment, through the purchase of real estate:
  - the required minimum acquisition value of the property remains at 250.000 euros in the explicitly defined cases
  - restrictions are placed on the minimum surface area of the main premises, if it is a structured real estate or a property for which a building permit has been issued, and the cases where the investment is allowed to concern more than one property are redefined.
- Prohibitions are placed on the use of real estate acquired by full ownership and ownership by citizens of third countries for the initial granting or renewal of an investor's residence permit.
- In case of non-compliance with the mentioned prohibitions, the revocation of the residence permit and/or the imposition on the owners and/or the owners of the property of administrative fine, which constitutes public revenue, is foreseen.
- A transitional period until August 31, 2024 is foreseen, so if the interested party presents the relevant documents, he will be able to complete his investment by December 31 in accordance with the previously applicable provisions

## *New tax and other provisions*

The main provisions of the bill will include the following:

- **Pre-filled tax returns:** Abolished for taxpayers, who have income exclusively from wages and pensions. The tax return is automatically pre-filled by the AADE and is also automatically finalized if the taxpayer does not raise objections within the deadline for submitting the tax returns.
- Taxpayers who keep books based on the simple accounting system are exempted from the obligation to present their accounting records to the tax administration, as long as all the relevant data (income - expenses) are transmitted to the myDATA platform.
- **Faster procedure for issuance of tax certificate** when there are debts to third parties. With this arrangement, the Municipality-Public parties will communicate with the AADE only electronically, either for the prohibition of providing information or for the lifting of this prohibition.
- **A specific time frame is set for tax audits.** Maximum time limit for the completion of the tax audit, in one year from the notification of the audit order with the possibility of extension for 6 months if the audit has started in the meantime and another 6 months provided that during this time it is possible to completion of the audit.

## ***Climate resilience tax***

A climate resilience tax is imposed, in favor of the State, which replaces the accommodation tax, per daily use and per room or apartment. The fee is an obligation for the resident, who used the room or apartment and is paid by the businesses.

Depending on the months (March-October and November-February) the corresponding fees are imposed.

## ***EFA property tax***

With the decision 1312/2023, the Council of State ruled that the imposition of the EFA does not exceed the limits of the legislator's discretion according to the Constitution to shape the relevant tax system from time to time and to determine the appropriate way of taxing various categories of taxpayers and tax items neither as to the determination of the circle of (ultimately indeed) taxed persons, which does not appear to be arbitrary, nor to the determination of the basis of the tax burden, i.e. the object of the tax and its amount.

## ***Pre-fill of VAT returns from the obliged self-employed professionals and businesses***

AADE (tax administration) introduced a new system with mandatory pre-completion of VAT returns for companies and self-employed professionals.

- The VAT returns pre-filled via myDATA platform by AADE since 1<sup>st</sup> of January 2024.
- Income amounts cannot be less than what is sent to myDATA platform and expenses amounts cannot be more than what is sent to myDATA platform.
- There is a provision for deviation from this rule up to a percentage of deviation of 30%, which will be reviewed periodically, so that it is gradually eliminated.
- After deadline expenses amendment is allowed in a following VAT period but always within the tax year.

## ***VAT on food & drink services***

The supply of non-alcoholic beverages, juices and coffee is now subject to two different VAT rates (24% or 13%), depending on whether they are intended for on-site consumption, an act characterized as the provision of a restaurant and catering service, or whether they are intended to be "take away" with the result that the relevant VAT rate is applied each time.

## *Law 5073/2023 introduces reforms to the activity of short-term rental properties*

- Eligible short-term leases will be required to have a maximum duration of 60 days, as opposed to a maximum duration of 1 year under the previous framework. The 60-day limit will apply to each short-term tenancy individually, therefore, by way of example, taxpayers are entitled to rent their properties throughout the year, provided that the duration of each short-term tenancy does not exceed 60 days. The new framework applies to short-term leases regardless of whether the property is listed on a digital platform or not and regardless of whether the short-term lease is entered into via a digital platform.
- The income that private individuals obtain from the short-term rental of up to two properties is classified as real estate income. This applies on the condition that no services are provided, apart from the supply of bed linen as under the previous framework. Income earned by individuals from short-term rentals of three or more properties is now classified as business income rather than real estate income, as it was until now.
- For leases entered through digital sharing economy platforms, taxpayers' failure to register properties in the "Short-Term Property Registry" results in fines equal to 50% of the gross income generated within the year of the violation, with a minimum 5,000 euros. Repetition of the same offense within the year increases the fine to double.