

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.

New business shutdown procedure

The procedure can be done electronically by professionals and entities.

Time and conditions

- Natural and legal persons or legal entities submit, if they do not have inventories, fixed assets or marketable goods, a declaration of termination of business within 30 days, either from the final cessation of their business for individuals, or from their dissolution or from the end of the liquidation proceedings or from the announcement of their deletion from the General Registry or from other Registers for legal persons or legal entities.

Conditions

- In order to complete the termination, it is required that all tax returns for the tax years and tax obligations have been submitted.

Time & Method of Submission of Supporting Documents

- When submitting the business interruption declaration, the required supporting documents are declared or attached by the taxpayer.

Verifications

- The determination of the time of termination of operations by the Tax Administration is carried out based on verifications, such as:
 - Failure to register with the Tax Administration Registry.
 - Non-existence of a commercial vehicle for private or public use on the requested date of cessation of operations.
 - Not carrying out business activity during the relevant period, as evidenced by the time of issuance of tax information.
 - Failure to submit VAT debit or credit declarations dating back to a time subsequent to the requested date of cessation of operations. Submission of zero declarations does not affect the determination of the date of cessation of operations.
 - Failure to submit Income Tax returns with income or expenses from business activity, the result of which (profit/loss) dates back to a time later than the requested date of cessation of operations.
 - The existence or absence of real estate on a date later than the requested date of cessation of operations.
 - Failure to submit returns of special and withholding taxes and returns of fees, for transactions that date back to a time later than the requested date of cessation of operations.
 - The absence of a pending audit order or a completed audit order for a tax period subsequent to the cessation and/or of confirmed debts following an audit.

Shutdown Procedure

- Once the inspections verify the shutdown time, the shutdown procedure is completed immediately

The taxpayer receives on the electronic platform of the myAADE digital portal, a relevant notification with a link that leads to the digital application for the termination of operations on the myAADE digital portal of the AADE, in which the Termination Certificate is uploaded.

In the event that the system checks determine a time of termination of operations later than the requested and which the taxpayer accepts, the termination procedure is completed and registered in the Tax Registry. But, if the taxpayer does not accept it, the termination procedure cannot be completed immediately on the digital application and his request is forwarded to the competent tax department.

Debts to Social Security Authorities

- The existence of outstanding debts to EFKA does not affect the determination of the date of termination of operations by the Tax Administration.

Extension of digital delivery documents

Phase A (Basic Functions of Issuance and Transmission of digital delivery notes to myDATA), which includes issuance of documents, Transmission of data to myDATA and updating the recipient.

Possibility of controlling movements during them by scanning the QR Code displayed on the movement documents.

Businesses for the first period: Optional until 31/3/2025, mandatory from 1/4/2025:

- Until 31/3/2025, optional transmission to the myDATA digital platform of the data of the digital monitoring of the movement of goods for Phase A is determined for the obligated businesses of the first period (turnover over €200,000, as well as businesses that distribute medicines and medical consumables, energy products, building materials, olive fruit and olive oil).

For these businesses, Phase A becomes mandatory from 1/4/2025.

Businesses for the second period: Optional until 30/9/2025, mandatory from 1/10/2025:

- Until 30/9/2025, optional transmission to the myDATA digital platform of the data of the digital monitoring of the movement of goods for Phase A is determined for the obligated businesses of the second period (other businesses that are not included in the first implementation period).

For these businesses, Phase A becomes mandatory from 1/10/2025.

Phase B (Digital monitoring of movement, transshipments and delivery of goods), which includes digital monitoring of loadings/transshipments, Receipt of documents and goods by scanning the QR Code of the movement documents, Quantitative and qualitative control by the recipient.

For all businesses: Optional from 1/5/2025 to 30/9/2025, mandatory from 1/10/2025:

- From 1/5/2025 to 30/9/2025, the optional transmission of digital goods movement monitoring data to the myDATA digital platform for the B' phase is determined for all obligated businesses.
- From 1/10/2025 and onwards, the digital goods movement monitoring data for all obligated businesses are mandatorily transmitted to the myDATA digital platform and the exceptions for issuing digital movement documents come into force.

Fines:

- €5,000 for those required to maintain a single-entry accounting system
- €10,000 for those required to maintain a double-entry accounting system

Main provisions:

- **Abolition of the Business Tax for self-employed individuals**
Abolition of the Business Tax for self-employed individuals, including employees who are paid with specific documentation (service provider document).
- **Exemptions from the calculation of income from salaried work**
Added to the exemptions from the calculation of income from salaried work is the voluntary financial benefit paid by the employer to an employee within a period of 12 months from the birth of a child, up to the amount of 5.000 euros per year.
- **Gratuity exemption from income tax**
Gratuities that customers voluntarily give directly to employees who work in bars, café, restaurants etc. up to the amount of 300 euros per month are exempt from income tax.
- **Taxation of fees for on-call doctors**
The salaries of doctors and other staff of the National Health System are increased, through the independent taxation of the fees they receive for being on call.
- **Tax exemption for 36 months for the income of individuals from the rental of properties that were declared vacant or were available for short-term rental**
An exemption is established for 36 months for the income of individuals from the long-term lease entered into between September 8, 2024 and December 31, 2025 and concerning properties that were declared vacant or were available for short-term rental. The condition is that the lease, from which the exempted income comes, has a duration of at least three years.
- **Regulation of ENFIA Tax and state aid for insured homes**
The reduction of ENFIA tax is doubled, from 10% to 20%, for residences of individuals, with a taxable value of up to 500,000 euros, that are insured for natural disasters (fire, earthquake, flood).
- **Gratuity exemption from social security contributions**
- **Reduction of employer-employee health care insurance contributions**
Healthcare insurance contributions are reduced by 1 percentage point and total 6.10%, 4.05% for employers and 2.05% for employees.
- **Adjustments for the Pensioner Solidarity Contribution**
As the annual pension increases, the threshold of each category of the pension will correspondingly increase, resulting in the protection of the pensioner's income.
- **Fee of climate crisis resilience adjustment for all hotel and holiday accommodation places**
- **Business insurance against natural disasters**
- **New cruise fee**
A fee is imposed in favor of the State on passengers of cruise ships disembarking at the country's ports. The fee is charged per passenger and per port.

- **Exemption from the fixed telephony subscriber fee**
Telecommunication lines provided through a fiber optic network with speeds of 100 Mbps are exempt from the fixed telephony subscriber fee.
- **Temporary restrictions on short-term rentals**
From January 1, 2025 to December 31, 2025, with a possible extension until December 31, 2026, it is not permitted to register for the first time in the Register of Short-Term Accommodation Properties residences located within the boundaries of the first, second or third Municipal Area of the Municipality of Athens
- **Expanding incentives for scientific and technological research expenditures**
Scientific and technological research expenses paid for the provision of a project or service to enterprises registered in the National Register of New Enterprises, as well as the depreciation of equipment and instruments used for the needs of carrying out scientific and technological research, are deductible from the gross income of these enterprises, at the time of their implementation, increased by 150%.
- **Expansion of incentives for angel investors**
Additional tax incentives are introduced for angel investors - individuals - in start-ups. Increase in the maximum investment limit in start-ups from 300.000 euros to 900.000 euros
- **Expansion of patent incentives**
A full exemption from income taxation on profits derived from patent exploitation is provided for the first three years. In addition to this exemption, an additional 10% exemption from taxation on profits from patent exploitation is added for the following 7 years.
- **Taxation of Closed-End Business Participation Mutual Funds**
New method of taxation of closed-end Business Holdings Mutual Funds, which is calculated on the difference in the value of the corporate holdings on December 31 of each tax year in relation to the acquisition value of these shares. A percentage of 10% is applied as a rate on the current interest rate of the main refinancing operations of the Eurosystem of the European Central Bank. By paying this tax, all tax obligations of the shareholders are exhausted, including any capital gains tax at the time they transfer the shares to third parties.
- **Tax incentives for transformations**
Abolition of the previous tax framework for corporate transformations:
 - Law 1297/1972
 - Art. 1-4 of Law 2166/1993
 - Law 2578/1998 on cross-border transformations
 - Art. 52 -56 of Law 4172/2013
 - Art. 61 of Law 4438/2016

Tax incentives

The incentive of exemption from paying income tax on realized pre-tax profits, by 30%

- The tax exemption applies for up to 9 tax years
- the tax benefit in cases of business transformation cannot exceed the total amount of 500,000 euros over a period of up to 9 years
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* *More details are expected and there will be a relevant analysis in subsequent newsletters*

- **New framework for submitting an income tax return**

The period for submitting income tax returns for the previous tax year by individuals is provided, which starts on March 15 and ends on July 15 of each year. For individuals who participate in legal entities with single-entry bookkeeping, the deadline is set on the last working day of July each year.

- **Extension of property Value Added Tax suspension until December 31st of 2025**

The possibility, provided by article 9 of the n. 5000/2022 (A' 226), to the taxable person of building constructions for sale, to opt for the suspension of the Value Added Tax (VAT) until 31.12.2025, so that the delivery of the properties is not charged with VAT, without correspondingly having the right to deduct the tax for these operations.

- **Extension of the suspension of Article 41 of the Income Tax Code for the imposition of capital gains tax on the transfer of real estate until 31.12.2026.**

- **Exemption of intercompany dividends from income tax and conditions for exemption of income from capital gains from the transfer of shares to legal entities**