

12.02.21

COVID-19 Alert

Our multidisciplinary coverage on key areas affecting your business

1. General

Quarantine guidelines

Stricter lockdown measures have been enacted as from 11.02.2021 until 01.03.2021: Citizens are not allowed to leave their home-quarantine except: to commute to and from work (provided that they hold an employee circulation certificate filled in by their employer), to visit pharmacies, supermarkets and other food stores, to provide assistance to persons in need, to attend wedding, baptism or funeral ceremonies, to visit hospitals, banks, doctors, public services -if e-service is not available- to visit to the workplace of a first-degree relative or spouse within the municipality of residence, for physical exercise, for walking a pet, feeding of stray animals within the municipality of residence. Citizens are expected to fill in a special circulation form or send a free-of charge text to a designated 5-digit number (13033), stating the reason for exiting their house. The respective forms for citizens and employees are available in <https://forma.gov.gr/>. Moreover, a nighttime curfew has also been enacted, from 21:00pm until 05:00am (on weekdays) and from 18:00pm until 05:00am (on weekends) for the high and very high alert regions, including Attica and Thessaloniki, allowing citizens to move outside their homes only for health-related or work-related reasons. The use of protective face masks will be obligatory for all citizens, in all public spaces and in all businesses, irrespective if indoors or outdoors. A different set of measures applies for each region in Greece, based on their risk classification (level of monitoring, high alert level, very high alert level and metropolitan areas level, in which the regional unit of Attica belongs). Administrative fines of EUR three hundred (300) per breach are imposed.

Travel restrictions

- Travelers to Greece must have been diagnosed negative for COVID-19 following laboratory test carried out within 72 hours prior to their arrival in Greece by certified laboratories, hold a certification of the above diagnosis and fill in the online PLF (Passenger Locator Form), at the portal <https://travel.gov.gr> with their contact details in Greece before their arrival. Moreover, travelers entering Greece from abroad (including EU and Schengen Treaty countries) are subject to a mandatory precautionary quarantine of seven (7) days upon arrival, unless they remain in Greece for a shorter period of time.
- Citizens may move within the boundaries of their Prefecture with the exception of movement to permanent residence.

Operating Businesses

- Supermarkets and other grocery stores, pharmacies, gas stations, banks, optical stores and courier services, telecommunication services providers and delivery/ take-away services remain open. Retail stores operate by using the “click away” or “click in shop” purchase method, depending on the classification of each area (e.g. in Athens only operation of retail stores via e-commerce is possible).
- All businesses that operate also via e-commerce continue to do so normally.

Closed Businesses

All other services and shops included in the list of Business Activity Codes of businesses that shall keep their operation suspended until the gradual lifting of the lockdown measures, remain closed.

Educational institutions

Although the country's primary, middle and high school students had gradually returned back to schools after attending online lessons since the beginning of the year, the operation of schools is suspended again in the most heavily affected and densely populated areas in Greece until 01.03.2021.

2. Employment

- Employers, whose activity is on lockdown by order of the authorities or are designated as severely impacted under the applicable list of Activity Codes (KAD), have access to the mechanism of temporary suspension of employment contracts. Employees whose employment contracts have been suspended are entitled to a special state benefit of EUR 534 for February on a prorated basis and full social security coverage borne by the State.
- The "SYN-ERGASIA" mechanism for the support of employment in businesses that have suffered a turnover reduction remains available until 28 February 2021, while the Ministry of Labour has already announced the intention to extend it until 31 March.
- Employers may unilaterally place their employees on remote work, while they are obliged to place on such system at least 50% of their personnel that can provide their services under such system. Furthermore, employers are required to adapt the working hours of their personnel to provide for gradual, within two hours, arrival and departure of their employees at the work place in order to reduce crowding.
- Employees placed in quarantine for a period of 7 or 14 days, in accordance with the recommendations of the National Public Health Organisation, may be obliged during the quarantine to provide remote work. In case remote work is not possible, after their return to the office the employees may be required to work for one extra hour per day and up to a maximum of half the working hours of the quarantine.
- Given the suspension of operation of schools, the special leave for parents of students up to 15 years has been reactivated, while a special leave has been introduced for parents of children that have contracted COVID-19.
- Furthermore, a paid 3-hour leave has been introduced so that employees can be tested for COVID-19.
- Employees belonging to vulnerable groups are entitled, upon their request, to provide remote work. The employer is obliged to accept such request on condition that work can be provided remotely. If work cannot be provided remotely, the employer is required to take all measures necessary to ensure that employees belonging to vulnerable groups do not provide work that requires them to come in contact with the public, or - as a means of last resort for the protection of said employees - to suspend their employment contracts.
- Lastly, a variety of additional support measures have been introduced for the unemployed and special categories of employees and employers in the sectors of tourism, culture etc.

3. Tax & social security

Payment extension of VAT liabilities due in November 2020 - February 2021 for post-dated cheques holders

- For enterprises holding post-dated cheques which have been suspended for 75 days and their total value exceeds 20% of the average monthly turnover of the previous fiscal year, the payment deadline for VAT amounts due in November and December 2020 has been extended until 30 April 2021.
- The payment of instalments of VAT liabilities based on settlement schemes due in November 2020 has also been extended for the above enterprises by one month as of the last instalment payment deadline, while for those due in December 2020 it is suspended until the following month of the above November instalment payment deadline.
- By virtue of recently enacted Law 4772/2021, the above measure has been extended to cover VAT liabilities due within January and February 2021 while the new payment deadline thereof expires by 31 May 2021.

Payment extension of settled tax & social security liabilities instalments due in November - December 2020 and January 2021

- Payment of instalments of tax liabilities based on settlement schemes due in November 2020 has been extended until the end of the settlement scheme. This measure concerns enterprises whose operation is suspended by virtue of State decision. The above measure has been recently extended to cover also instalments due in December 2020 and January 2021.
- The extension shall also apply for instalments of settled tax liabilities payable within November 2020 - January 2021 of employees whose employment contract is under suspension. These will be paid in respective monthly instalments at the end of the settlement scheme.
- Likewise, payment of settled instalments of social security contributions due between No-

vember 2020 until January 2021, as well as subsequent monthly instalments, will be deferred by one month for the above enterprises.

- By virtue of the Press Release issued on 11 February 2021 by the Ministry of Finance, the extension of payment of instalments of settled tax liabilities until the end of the settlement scheme will also cover those due in February 2021. Official guidelines on this are still expected.

Previous extensions of tax & social security liabilities' payment granted to affected enterprises and are still in force

- Payment deadline of VAT and tax liabilities arising from assessed debts and instalments of settlement schemes due between 11 March and 30 June 2020, which were subject to initial extensions expiring by the end of October 2020, have been further extended until 30 April 2021. For affected enterprises seated in Level 4 Regional Units for precautionary measures for at least 14 days, the above extension also applies for VAT amounts due in October 2020. During the extension period no interest and surcharges shall apply.
- For enterprises whose operation was suspended by virtue of State decision, the payment of VAT amounts due in November 2020 has been extended until 30 April 2021. Payment in this case can be effected either in twelve (12) interest-free instalments or twenty-four (24) instalments at 2,5% interest rate, starting from May 2021 onwards.
- The payment deadline of February, March and April 2020 social security contributions subject to initial extension by the end of September, October and November 2020, respectively, has also been further extended until 30 April 2021 while no interest and surcharges shall apply during the extension period.
- By virtue of the Press Release issued on 11 February 2021 by the Ministry of Finance, a further payment extension of existing tax liabilities, already deferred until 30 April 2021, by 31 December 2021 has been announced; following such extension, a settlement scheme will be

possible for payment of these in either twenty-four (24) interest-free instalments or forty-eight (48) instalments at 2.5% interest rate. Official guidelines on this are still expected.

Treatment of 25% discount of March 2020 VAT and other settled debts as non-taxable revenue

- The Independent Authority for Public Revenue (IAPR) clarified through a relevant circular that the extraordinary revenue arising from the 25% discount offered to affected enterprises for timely payment of the March 2020 or Q1 2020

VAT, respectively, and other settled debts in the context of the Legislative Act dated 11.03.2020 will not be treated as taxable.

- The reasoning based on the guidelines issued for such purposes is that the discount has been adopted as a measure to support those businesses that have suffered serious economic implications from the COVID-19 pandemic, therefore should not be taxable at the same time. Likewise, it is not to be taxed in case of distribution or capitalisation, as it may not qualify for business income.

4. Real Estate

Rent Reduction

- Pursuant to art. 26 of Law 4772/2021 (published in the Greek Government Gazette A'17/05.02.2021), due to the persistence of COVID-19 pandemic and in order to combat the negative repercussions thereof, the release from the obligation to pay the entire amount of rents due for January and February 2021 is offered to commercial leases for businesses whose operation has been suspended or temporarily prohibited due to COVID-19 and businesses that are affected by COVID-19.
- In addition, according to Law 4753/2020 amending legislative act dated 20.03.2020 (ratified by L. 4683/2020), which is still in force, the reduction by 40% on the total amount of the payable rents is still valid for January and February 2021 and applies to residential leases where the lessee is an employee whose employment agreement has been suspended. This includes student housing leases and residential leases where the Lessee is the spouse or lawful partner of the person whose employ-

ment agreement has been suspended, as well as leases where the Lessee is a seaman whose relevant agreement has been suspended.

- The owners of leased assets will enjoy tax benefits and reductions.

Suspension of the operation of the Land Registries and Cadastre Offices

- By virtue of Ministerial Decision nr. Δ1α/Γ.Π.οικ. 9147 (published in the Greek Government Gazette B' 534/10.02.2021) the operation of the land registries and cadastre offices in Attica (among other districts that fall under epidemic level of "very increased danger") is partially suspended until 01.03.2021 and they will not be open to the public. The following main sets of actions before such authorities are suspended: (a) due diligence checks by lawyers/court bailiffs (b) filing and registration of notarial deeds and any other acts (c) filing of applications for the issuance of certificates (d) all relevant procedural and substantial deadlines (e.g. conversion of prenotation into a mortgage).

5. Dispute Resolution

Strict restrictions are imposed on the operation of courts throughout the country and in a number of instances their operation is suspended until 01.03.2021.

Contact our COVID-19 multidisciplinary task force

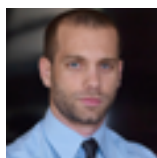
Corporate Law & Compliance



Stefanos Charaktiniotis

Partner

s.charaktiniotis@zeya.com



Antonis Giannakodimos

Senior Associate

a.giannakodimos@zeya.com

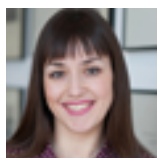
Tax & Accounting



Maria Zoupa

Partner

m.zoupa@zeya.com



Georgia Voutsas

Senior Manager

g.voutsas@zeya.com

Employment & Labour



Manolis Zacharakis

Partner

m.zacharakis@zeya.com

Healthcare



Nefelie Charalabopoulou

Partner

n.charalabopoulou@zeya.com

Established in 1893, Zepos & Yannopoulos is one of the leading and largest Law firms in Greece providing comprehensive legal and tax services to companies conducting business in Greece.

280, Kifissias Ave.
152 32 Halandri
Athens, Greece
Tel.: (+30) 210 69 67 000
Fax: (+30) 210 69 94 640

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