

Transfer Pricing: Greek Tax Administration issues Circular POL 1184/2017 on procedural aspects of filing and exchange of Country-by-Country Reports

Pursuant to the transposition of Council Directive (EU) 2016/881 introducing the automatic exchange of Country-by-Country (CbC) reports within the EU and the ratification by Greece of the “Multilateral Competent Authority Agreement on the Exchange of CbC Reports” under Law 4490/2017, Greek tax authorities have issued Circular POL 1184/2017 in order to determine the main aspects with regards to the procedure of filing and exchange of CbC Reports.

By way of reminder, CbC reporting obligations apply for MNE groups with an annual consolidated turnover exceeding the amount of Euro 750M.

The issued guidelines stipulate a range of procedural issues, such as the competent directorate in the Ministry for receiving and exchanging CbC reports, the electronic platforms and methods for communicating said files to the administration, the language of the Report etc., while explicitly referring to the OECD Transfer Pricing Guidelines in relation to the implementation of the CbC reporting obligation.

With regards to the filing of CbC reports by Greek companies acting as Reporting entities, Circular POL 1184/2017 introduces the electronic platform, for which a special manual is already available online, and sets out the main issues with respect to the language to be used. Reporting entities should complete an electronic registration process by 15 December 2017, in view of the deadline of 31 December 2017 for filing CbC reports concerning fiscal years that have started on or after 1 January 2016 and have ended until 31 December 2016.

The Circular provides guidance also with respect to the submission of Notifications by Greek Constituent Entities of their Group’s Reporting Entity for fiscal years starting from 01 January 2016 onwards. Greek Constituent entities are expected to submit a specific notification form by e-mail. The template for such form is already available on the website of the Independent Authority for Public Revenue.

The deadline for filing notifications, in principle expires on the last day of each reporting year. Exceptionally, for the first reporting year, Circular POL 1184 reiterates that Constituent entities which are resident in Greece should submit such notifications by the deadline for filing the CbC Report. Therefore, 31 December 2017 is the deadline for filing notifications concerning fiscal years starting on or after 01 January 2016 and ending until 31 December 2016, as well as for fiscal years starting on or after 01 January 2017 and ending on 31 December 2017.

Until today, Greece has committed to exchange CbC Reports with all EU member states and 41 other OECD member states as of mid-2018. As regards exchange of CbC reports with the US in particular, ratification of the bilateral Competent Authority Arrangement between the US and Greece, signed on 27 September 2017, is currently pending.

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