

# Tax incentives to attract foreign individuals into Greece

Just a few months following introduction of a special tax regime addressed to HNWIs redomiciling into Greece, while investing in Greek real property, the Greek government has now introduced an additional tax regime addressed to foreign pensioners. The new tax regime aims to create an attractive tax environment for retirees in a similar way to the Italian 7% *Substitute Tax* regime.



# Retirees re-domiciling into Greece; tax incentives in a nutshell

## Conditions to qualify

Qualifying individuals should:

- Be earning non-Greek source pension amounts; the scope of qualifying pensions should be further defined
- Have held their tax residence outside Greece for 5 out of the last 6 years
- Be former residents of a country holding an administrative cooperation agreement with Greece

## Applicable tax incentives

- A 7% flat tax applies on foreign source pensions and any other foreign source income
- Effective tax rate is subject to application of Double Taxation Conventions (DTCs) between Greece and relevant source states. To be noted that under most DTCs between Greece and OECD states taxing rights on pensions are in principle attributed to the state of tax residence (save for pensions related to governmental functions)
- An exemption from special solidarity contribution applies

## Maximum duration

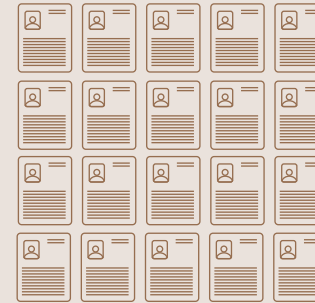
15 tax years from qualification

## Application procedure

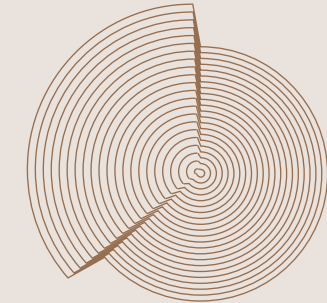
- Filing of an application by March 31 of the relevant tax year
- Approval of the application by the Greek tax authorities within 2 months from its filing
- Notification of the foreign tax authorities on the transfer of the applicant's tax residence into Greece

In the meantime...

The HNWI redomiciliation tax regime has already been running for a year

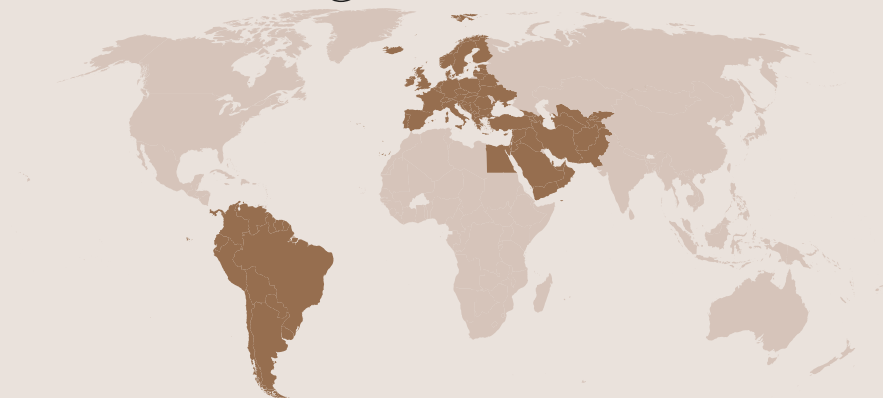


20+  
applications approved



1/3  
of the applicants admitted to  
the new regime represented by  
Zepos & Yannopoulos

states of origin



## Lessons learned

The application process has been a relatively straightforward procedure regardless of nationality and citizenship of the applicant. However, non-EU applicants should further address matters related to their permanent residence status in Greece.

## For further details



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