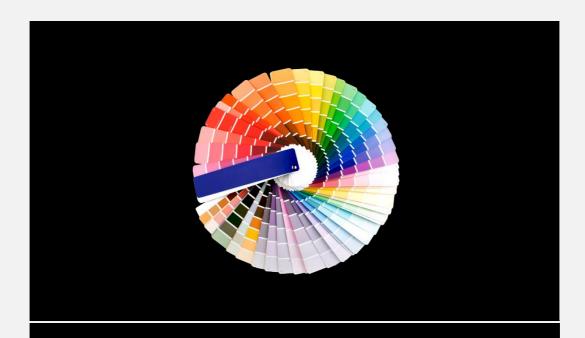
Greece | Tax News | December 29, 2016



Recent Developments on VAT Law 4446/2016

By virtue of Law 4446/2016 (Government Gazette A' 240/22-12-2016), important changes have been introduced to the Greek VAT Code (Law 2859/2000).

Contact

Maria Trakadi

Tax Managing Partner mtrakadi@deloitte.gr

Tel.: +30 210 67 81260

Kyriaki Dafni

Tax Senior Manager kdafni@deloitte.gr

Tel.: +30 210 67 81293

Increase of reduced VAT rates on certain islands delayed

The planned increase in the special VAT rates that apply to certain Greek islands is postponed for one year until 1 January 2018.

The VAT rates on the islands of the prefectures of Chios, Lesbos, Samos & Dodecanese (besides Karpathos and Rhodes) currently are reduced by 30% of the standard VAT rates; this special treatment was due to expire on 31 December 2016. As a result of the postponement of the rate increase, the reduced

rates will continue to apply on these islands; for all other islands and the mainland, the standard rates will apply.

In light of the above, the rates as from 1 January 2017 will be as follows:

Area	Standard rate	Reduced rate	Super reduced rate
Mainland and all islands, including Karpathos and Rhodes (except those in the next box)	24%	13%	6%
Islands of the prefectures of Chios, Lesbos and Samos & Dodecanese (besides Karpathos and Rhodes)	17%	9%	4%

Changes to VAT remittance upon collection scheme

Several changes relating to the VAT remittance upon collection scheme are introduced, the most important being an increase of the upper threshold of the annual turnover of VAT payers that may be subject to the scheme, from EUR 500,000 to EUR 2 million.

VAT payers that opt for the VAT remittance upon collection scheme are subject to the following requirements:

- Must pay output VAT due to the State at the time consideration is received from the customer/ recipient of the invoice and not at the time the invoice is issued for the relevant supply of goods or services; and
- Must deduct the relevant input VAT incurred at the time the relevant invoices are settled with their suppliers instead of at the time the invoices are received.









Deloitte Certified Public Accountants S.A., Deloitte Business Solutions S.A. and Deloitte Accounting Compliance & Reporting Services S.A. are the Greek member firms of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500 ® companies through a globally connected network of member firms in more than 150 countries bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 225,000 professionals make an impact that matters, please connect with us on Facebook, LinkedIn, or Twitter

In Greece, "Deloitte Certified Public Accountants S.A." provides audit services, "Deloitte Business Solutions S.A." financial advisory, tax and consulting services and "Deloitte Accounting Compliance & Reporting Services S.A." accounting outsourcing services. With a staff of more than 600 and offices in Athens and Thessaloniki, Deloitte in Greece focuses on all major industries including financial services, shipping and ports, energy and resources, consumer business, life sciences and health care, manufacturing, technology, media and telecommunications, real estate and public sector services. Deloitte clients include most of the leading private and public, commercial, financial and industrial companies. For more information, please visit our website at www.deloitte.gr

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

3a Fragoklissias & Granikou str., 151 25 Maroussi, Attika – Greece, Tel: +30 210 6781 100 © 2016 All rights reserved.

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line.