

Greece

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1. Types of tax

Currently, the Greek legislation provides for inheritance tax or donation tax on assets transferred through inheritance or donation.

1.1 Inheritance tax

All property located in Greece, regardless of ownership, and any movable property located abroad that belongs to a Greek citizen or to any other person domiciled in Greece, are subject to Greek inheritance tax. As a general rule, Greek inheritance tax is levied on every form of property that is transferred from the deceased due to a “causa mortis” acquisition (inheritance, bequest of a life insurance) on the basis of the following principles:

- The principle of territoriality, according to which Greek inheritance tax is levied on every asset that is found in Greece.
- The principle of citizenship, according to which inheritance tax is levied on every movable asset that belongs to a Greek citizen and found outside Greece, wherever he might have his residence while he was alive, unless if



the testator before his death was living outside Greece for 10 or more consequent years. Hence, movable assets located abroad and belonging to a Greek citizen who was established outside Greece for at least 10 consecutive years is exempt from Greek inheritance tax.

- ▶ The principle of domicile, according to which inheritance tax is levied on the moveable assets of a foreign national located outside Greece, if said individual had his domicile in Greece at the time of death.

1.2 Gift tax

Donations of the below would trigger a donation tax liability in Greece:

- ▶ Any movable or immovable property situated in Greece (regardless of the nationality or residence of the donor and of the beneficiary)
- ▶ Any movable property of a Greek national situated abroad (regardless of the nationality or residence of the beneficiary)
- ▶ Any movable property of a foreign national situated abroad, which is being gifted/donated to a Greek national or to foreign national who resides in Greece

1.3 Real estate transfer tax

The real estate transfer tax is calculated on the transfer sales price/value and burdens the buyer of the real estate property. The value of the real estate shall be calculated depending on the system applied in the specific location for determining the value of real estate: a) where the system of objective evaluation of property is applicable, the above tax shall be calculated according to the price/value attributed to the respective real estate on sale by reference to the objective value of the particular land plot, given that the law determines the minimum price/value for each square meter (m²) of the respective land plot (this serves as a guide to calculate the tax due depending on the surface of the respective real estate on sale); b) where no objective property evaluation system is applicable, the tax authority shall take into account comparative data (i.e., financial data, such as the sale prices from sale transactions made on adjacent properties) to calculate the value of the particular land and the tax due. However, if the selling price is higher than the objective value, real estate transfer tax shall be applied on the selling price.

It is also noted that an additional 3% burden is imposed on the payable amount of the real estate transfer tax as a duty in favor of the local municipality (Law 3033/1954, Article 37) hence the total tax liability is set at 3.09% – moreover, the prospective buyer should also take into consideration the remuneration of the notary public and of the lawyer who will sign the contract as additional burdens.

A number of exceptions may be applicable from the above real estate transfer tax liability – most important of which is the exemption for an individual purchasing the property as his/her “first residence” (typically granted to Greek tax residents with no ownership of property to be used as their first primary residence in Greece). Such exemption is applied up to a certain threshold of the transfer value. Further, similar exemptions may apply, e.g., where the prospective third-country national can prove their intention to reside permanently in Greece on the basis of a “long-term” residence permit.

1.4 Endowment tax

Currently there is no “wealth tax” applicable in Greece. However, real estate property tax (ENFIA) is imposed on real estate property rights found on Greek land regardless of the nationality and tax residency of the property right owner.

2. Who is liable?

2.1 Inheritance tax

The beneficiary (heir, legatee, etc.) is liable for filing of the IHT return and for payment of inheritance tax according to the IHT assessment issued by the tax authorities.

2.2 Donation tax

According to the regime applicable up to the enactment of amendments to Law 4646/12.12.2019, as a general rule the beneficiary is liable to file the donation tax return (unless the donation is concluded by means of a notarial deed, in which case both donor and beneficiary are liable to file the donation tax return). Both the donor and the beneficiary will be required to file the donation tax return; where the donation takes the form of a notarial deed, the donation tax return will be completed by the notary public who prepares the deed.

It is the beneficiary of the donation who is liable for payment of donation tax.

3. Rates

As a general rule, the inheritance tax rates depend on the relationship of the beneficiary to the deceased. The rates are higher for more distant relatives and unrelated persons as follows:

Inheritance tax rates

Category A

(Spouse,* children,* parents, grandchildren, grandparents)

Estate band (EUR)	Tax rate (%)	IHT/estate band (EUR)	Taxable assets (EUR)	Corresponding IHT (EUR)
0-150,000	-	-	150,000	-
150,001-300,000	1	1,500	300,000	1,500
300,001-600,000	5	15,000	600,000	16,500
Above 300,000	10			

(*) Where the heir is the underage child of the deceased (or the wife of the deceased, provided that the marriage lasted for a minimum of five years), an exemption from inheritance tax up to a value of EUR400,000 of estate is provided; a 5% IHT rate applies for the EUR400,000-EUR600,000 income band, and a 10% IHT rate applies for estate in excess of the EUR600,000 threshold.

Category B

(Siblings, nephews and nieces, aunts and uncles, son-in law, daughter in law, parents-in-law, great-grandchildren, great-grandparents, etc.)

Estate band (EUR)	Tax rate (%)	IHT/estate band (EUR)	Taxable assets (EUR)	Corresponding IHT (EUR)
0-30,000	-	-	30,000	-
30,001-100,000	5	3,500	100,000	3,500
100,001-300,000	10	20,000	300,000	23,500
Above 300,000	20			

Category C (all other parties)

Estate band (EUR)	Tax rate (%)	IHT/income band (EUR)	Taxable assets (EUR)	Corresponding IHT (EUR)
0-6,000	-	-	6,000	-
6,001-72,000	20	13,200	72,000	13,200
72,001-267,000	30	58,500	267,000	71,700
Above 267,000	40			

On certain conditions Greece may provide a tax credit against the Greek IHT due (where applicable) for inheritance tax paid in another country on movables if applicable.

As a general rule, the above rates apply also in connection to donation tax, although cash donations are subject to flat donation tax rates that vary from 10% to 40% depending on the relationship between donor and beneficiary.

4. Exemptions and reliefs

The law introduces a number of exemptions from inheritance tax and donation tax.

Inheritance

Local legislation provides for some exemptions from inheritance tax, most notable of which are for rights of the individual (deceased person) on:

- a) Monetary deposit held in a joint bank account of a Greek bank or foreign bank (on certain conditions)
- b) Shares in maritime companies (including shares in holding companies with participations in ship-owning companies) owning vessels under Greek or foreign flag, provided that the vessels have tonnage exceeding 1,500 gross tonnage
- c) Vessels under Greek or foreign flag with a tonnage exceeding 1,500 gross tonnage
- d) Moveable assets located outside Greece belonging to a Greek national who has been resident outside Greece for 10 or more consecutive years
- e) Real estate property intended to be used as primary residence of the beneficiary child or surviving spouse of the deceased (thresholds apply)
- f) Rights inherited by the Greek State are exempt from inheritance tax
- g) Rights inherited by ecclesiastical institutions and non-for-profit organizations (such as charities, educational institutions) are not exempt anymore from inheritance tax, but are subject to a flat IHT rate, currently 0.5%

With effect as of 1 October 2021, a donation tax-free threshold has been introduced for the first EUR800,000 of assets donated per beneficiary for Category A individuals; for example, a parental donation of any kind of asset by a parent to the child is exempt from donation tax for the first EUR800,000 and a 10% donation tax is imposed where this threshold has been surpassed (= 10% of the part exceeding the EUR800,000 threshold).

Donation

As a general rule, the above (e) and (f) exemptions and the advantageous tax treatment in connection to persons falling under case (g) apply also in relation to donation tax. Moreover, an exemption from donation tax may apply on certain conditions in cases of donations of moveable property located abroad that have not been acquired during the last 12 years in Greece by Greek citizens.

5. Filing procedures

Inheritance

As a general rule, a nine-month filing deadline applies; the filing deadline is 12 months if the deceased person at the time of death or the beneficiary were residents outside Greece.

Donation

As a general rule, a six-month filing deadline applies. In case of donations effected by means of a notarial deed, the donation tax return is filed before the conclusion of the notarial deed.

In early 2022, it was expected that the Greek tax administration would launch the possibility for electronic filing of inheritance tax returns and donation tax returns.

6. Assessments and valuations

Complex rules apply in connection to the valuation of assets that are subject to inheritance or donation tax and depending on the nature of the asset – especially in relation to the valuation of non-listed shares or other titles donated or inherited or real estate property depending on whether the respective property is located in a region where objective values apply or not.

7. Grants

Grants (κληροδοσίες) are also subject to inheritance tax; the beneficiary of the grant is required to file an inheritance tax return and account for inheritance tax on the basis of rates applicable depending on their relationship with the deceased person. In some cases (e.g., non-for-profit organizations that receive grants on the basis of the deceased's will) a preferential IHT rate would apply (0.5%).

8. Life insurance

Bequests of life insurance may be subject to donation tax or inheritance tax, depending on whether the beneficiary is specifically mentioned in the life insurance contract or not.

9. Civil law on succession

Greek civil law introduces specific rules in connection to forced heirship, matrimonial regimes and civil partnerships, intestacy and hereditary funds.

9.1 Forced heirship (νόμιμη μοίρα)

Children of any deceased person, spouse and parents of the deceased must inherit at least one-half of the share each of them is entitled to inherit by law, irrespective of any testamentary provisions.

9.2 Matrimonial regimes and civil partnerships (αξίωση συμμετοχής στα αποκτήματα)

The right of inheritance that the surviving spouse of the testator has by will or by law should not diminish the spouse's right to the portion of property gained over a marriage and deemed to be matrimonial property.

9.3 Intestacy (εξ αδιαθέτου διαδοχή)

If no provisions are made in prospect of death, a complex statutory order of intestate inheritance is applied to all persons covered by Greek inheritance law. The heirs-in-law (individuals only) include children of the deceased, his or her spouse and parents, brothers and sisters, and other relatives. All of them are divided into five priorities (categories of heirs).

The heirs of each next category inherit if there are no heirs of the preceding categories or if all of them have refused inheritance.

The heirs in the higher priorities inherit statutory intestate shares preferentially to the heirs in the lower priorities. The sizes of these shares depend on the number of heirs involved in the inheritance. In the absence of heirs-in-law, then the estate is declared heirless and passes to the Greek State (sixth priority/category).



The main categories of heirs are as follows:

- ▶ First category heirs – children (or, if they have predeceased, grandchildren) of the deceased and surviving spouse of the deceased
- ▶ Second category heirs – parents, siblings (full and half brothers and sisters) or children/grandchildren of predeceased siblings and surviving spouse of the deceased
- ▶ Third category heirs – grandparents of the deceased (or their children and grandchildren if they are predeceased) and the surviving spouse of the deceased
- ▶ Fourth category heirs: great-grandparents of the deceased and surviving spouse of the deceased
- ▶ Fifth category heirs: surviving spouse of the deceased
- ▶ Sixth category heir: the Greek State

10. Estate tax treaties

Greece has entered into estate tax treaties with Germany, Italy, Spain and the United States to prevent double estate taxation.

