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Factsheet for case GR-2020-11/280

Outstanding tax payments postponed to August

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Country	Greece, applies nationwide
Time period	Temporary, 11 March 2020 - 31 August 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Deferral of payments
Case created	04 April 2020 (updated 04 May 2020)

Background information

The Greek government's package of measures to support businesses and individuals affected by coronavirus measures began its implementation Friday (March 20). Specifically, payment of outstanding debts that had a deadline between March 11 and April 30, 2020, will be extended to August 31. The same will hold true of debts under an installment plan. The same exact dates of payment deadlines and the August extension also holds true for VAT-related debts.

Content of measure

The measure applies to all businesses that have been negatively affected by the situation:

1. Businesses that have ceased their operations with a State decision
2. Businesses that have been substantially affected by the situation.

Greek authorities have created a list of the latter based on the Code of Business Activity (ΚΑΔ) as this has been declared to the Tax Authorities. The list is updated regularly.

For these companies, and only in the condition that they will not dismiss any personnel, payments related to:

- a. Tax liabilities due at 31/03/2020,
- b. Tax liabilities generated from 11/03/2020 until 30/04/2020,
- c. Monthly Installments relating to past debt arrangements, are suspended for 4 months (until 31st of August, 2020) without interest or surcharges.

In the event that the suspension is not utilized by a company and debts are paid at the timeframes originally set (e.g. until 31/03/2020, 30/04/2020 etc.) there is a provision, but has not yet been legislated, of having a 25% discount on certified tax debts, installments of tax arrangements (excluding VAT).

For businesses which compulsorily discontinue their operation due to the spread of coronavirus or their KAD is included in the list of the Ministry of Finance, there is a provision by law that they will pay 60% of the rent on the commercial property for the months of March and April. The same applies to the rent of employees of undertakings who are compulsorily ceasing their activity due to the spread of the coronavirus and whose employment contract is suspended, on the condition that this is their first residence

Use of measure

The estimation is 500,000 companies with more than 1,5 million employees.

Actors, target groups and funding

Actors	Target groups	Funding
National government	Other workers & citizens All companies	Other

Social partners

Role of social partners	No involvement
Form of involvement	Not applicable

Not applicable

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 20 March 2020: Κορονοϊός: Αναστολή καταβολής ΦΠΑ και βεβαιωμένων οφειλών των επιχειρήσεων που επλήγησα (www.epixeiro.gr)
- 21 March 2020: Outstanding tax payments in Greece postponed to August (www.tornosnews.gr)
- 05 April 2020: suspension of tax and VAT payments (covid19.gov.gr)