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Factsheet for case GR-2020-14/287

Deductions from assessed tax liabilities for companies retaining employees

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Country	Greece, applies nationwide
Time period	Temporary, 30 March 2020 - 30 April 2020
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Direct subsidies (full or partial)
Case created	05 April 2020 (updated 04 May 2020)

Background information

Legislative Act 30 March 2020/2020 includes provisions to support businesses economically affected by the COVID-19 crisis by providing (among others): a 25% reduction of assessed liabilities on installments of tax payments that are due between 30 March 2020 through 30 April 2020 (value added tax (VAT) and withholding taxes are not eligible for this 25% reduction.

The total cost of all the provisions included in the Legislative Act amounts to €4.7 billions, that is 2.5% of GDP.

Content of measure

Entities whose operation has been mandatorily suspended or have been economically affected because of COVID-19 (their main activity must be among the specific Activity Code Numbers announced by the Ministry of Finance on 26 March 2020), including freelancers and individual entrepreneurs, are entitled to a 25% deduction on their installments in relation to

- (i) assessed tax liabilities and
- (ii) settled tax liabilities on the basis of a special settlement or payment facilitation process, which are due on 30 March 2020 through to 30 April 2020, on condition that these payments are timely settled.

The above deduction does not apply to liabilities arising from the retrieval of government reliefs nor to tax liabilities towards foreign states. By virtue of special Ministerial Decision, the timely payment of the March tax liabilities, which are eligible for the 25% deduction, has been extended to 10 April. Based on relevant

announcements by the Ministry of Finance, the above reliefs shall apply on condition that the beneficiary enterprises will retain the existing number of their employees.

Use of measure

Entities whose operation has been mandatorily suspended (249,474) or have been economically affected (595,395) because of COVID-19 (their main activity must be among the specific Activity Code Numbers announced by the Ministry of Finance on 26 March 2020), as well as freelancers and individual entrepreneurs.

Actors, target groups and funding

Actors	Target groups	Funding
National government	Other businesses	No special funding required

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

No involvement

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 30 March 2020: Act of Legislative Content of 30.03.2020 "Measures to combat the pandemic of coronavirus COVID-19 and other urgent provisions" (www.et.gr)