

## **Tax incentives for the transfer of the tax residence of the individuals (L. 4758/2020)**

Law 4758/2020 introduces amendments on the current taxation of the income received from employment services and business activity services for individuals that has transferred their tax residence in Greece.

### **Employment income**

The new provision of the law with effect from 01.01.2021 states that the individuals who transfers their tax residence in Greece can be subject to a special tax regime.

The individual must fulfill the following conditions:

- The individual must not be a Greek tax resident for the previous 5 to 6 years before the amendment of the tax resident status
- The individual has to be relocated from a country that Greece has a valid agreement for cooperation on tax issues
- The employment services should be provided to a Greek entity or to a legal branch of a foreign company
- The individual has to remain Greek Tax resident for at least 7 years

The deadline to apply for this regime is the 31 of July within the year in which the individual commences the employment relationship. The decision of the acceptance or rejection of the application should be issued within 60 days from the date of the application

Provided that the application will be accepted from the tax authorities, the individuals will be exempted from paying the 50% of the income and solidarity tax.

Individuals can be subjected to this special tax regime for 7 years.

### **Income from business activity.**

The special taxation regime could be applied for these individuals who will transfer their tax residence in Greece with the same restrictions and terms provided above.

