



i-paye



**Guide to Contracting in  
Greece**



# COUNTRY HIGHLIGHTS (2017)

## Greece – Individual

Currency	Euro (€)
Tax Year	Starts 1 January    Ends 31 December
Tax Rates	First 20,000€ at 22% Next 10,000€ at 29% Next 10,000€ at 37% Balance at 45%
Solidarity Tax	First 12,000€ at 0% Next 8,000€ at 2.2% Next 10,000€ at 5% Next 10,000€ at 6.5% Next 25,000€ at 7.5% Next 155,000€ at 9.0% Balance at 10%
Social Security	Employers 35% to 47% with some elements capped Employees 15% to 24% with some elements capped.
CGS/CRDA	7.86% on earnings up to 154,464€ 8.00% on earnings above 154,464€

### Tax Residency

An individual becomes Tax Resident in Greece if;

- The centre of vital interests is in Greece, that is they are domiciled; or
- Their habitual abode is in Greece. An individual's habitual abode is deemed to be Greece if the individual has spent 183 days or more physically in Greece.

An individual who is Tax Resident is taxable on Worldwide Income except if exempt under a double taxation treaty.

An individual who is not Tax Resident is taxable in Greece on Income earned or generated in France.

### Social Security

Social Security is payable in France unless the individual is paying Social Security in the country in which their employer is based and they are habitually resident. A certificate of continuing liability to Social Security is required to exempt the individual from French Social Security.

### Right to Work

EU and EEA Nationals have an unfettered right to work in Greece without the need to hold a VISA or Work Permit.

Other Nationals, generally, need to have the relevant approval to work prior to their arrival in Greece, with applications to be made to the Greece Consulate nearest their place of residence abroad.

# I-PAYE Service

I-PAYE is not at present registered as an employer in the Greece and all individuals are obliged to file a local Tax Declaration to report the employment income paid by us.

All income is reported to the Greek Tax Authorities, with deduction for expenses allowed under Greek Tax Law. Any expenses that are reimbursed that are not allowed or are above published rates will be subject to a withholding equivalent to the Greek Taxation due.

I-PAYE will provide UK Nationals that habitually reside in the UK. I-PAYE will not normally seek to employ Greek or other European Nationals to assignments based in the Greece.

## As an employee of I-PAYE then you simply would register as working in Greece and the rest is down to us.

### Frequently Asked Questions

**Q. I currently work on a project in the United Kingdom through a PSC and have an assignment in Greece, is it true that I can operate the same model in Greece?**

A. Under Greek Domestic Law a UK PSC may be considered as having a Permanent Establishment in Greece, which means that all income derived by the business will be subject to Greek Taxation. No matter the taxation position of the company any employment income paid in respect of duties performed in Greece will be subject to Greek Taxation and Social Security from day 1.

In addition any dividends payable to shareholders will be subject to Greek Dividend Taxation either at resident or non-resident rates.

**Q. What happens if I choose to ignore the rules?**

A. Greece as with all European Countries may seek to apply the Mutual Assistance Recovery Directive (MARD) to request the UK and other Tax Authorities to collect any unpaid moneys due.

From 1 October 2017 new legislation has been enacted in the United Kingdom that means that any entity engaging in or with business that evades taxation in a Foreign Country will be subject to an unlimited fine. Failing to report income to the Greek Authorities is Tax Evasion, not avoidance, and under Greek Law would generally lead to a criminal conviction.

**Q. I want to do it correctly where should I seek advice?**

A. Unfortunately, the Greek Tax Office only provide advice in Greek and many of the general advice given on other websites is out of date. Specialist advice should be sought before going on assignment.

More information is available from I-PAYE on 0151 449 3500



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