

Commercial – Corporate

By virtue of a ministerial decision issued in July 2019 the obligations of special types of companies to be registered in the Central Beneficial Owner Register (CBOR) were clarified.

On 14 September 2019, all online retailers will have to ensure that they are compliant with the Payment Services Directive 2 (PSD2), which was transposed into national law by L.4537/2018, and the Implementing EU Regulation elaborating on certain provisions of the PSD2.

The EU Directive mandates that any online transaction over €30 requires strong customer authentication. This will mean that anyone making an online purchase will be required to identify themselves through two-factor authentication (2FA)

Tax & Social Security Law

By virtue of a new law issued in late July 2019, certain provisions of L.4611/2019 on “Settlement of debts to Social Security Bodies, Tax Administration and Local Authorities” (120-installments Debt Settlement Regulation) were amended so as to become more favorable to debtors.

More specifically, *the number of settlement installments for commercial entities is increased to 120 (from 36 under the previously applicable law), provided the basic debt subject to the settlement shall amount to less than €1.000.000. The minimum amount of each monthly installment is set at €20 and the interest rate on the settled debts is reduced by 2% (from 5% under the previously applicable law, to 3%).*

The I.A.P.R. has initiated a public consultation ending on 06.09.2019 on a new e-platform called “myDATA” (=my Digital Accounting & Tax Application), aiming at introducing the e-books in the daily business transactions of all undertakings.

The benefits of the new digital environment shall be the reduction of the administrative costs of the undertakings, the enhancement in the transparency of the business transactions and the prevention of tax evasion and smuggling.

By virtue of a circular of the I.A.P.R. issued in July 2019, instructions on the income tax refund and the VAT refund to legal entities, in case of their non-compliance with the applicable tax provisions for the filing of related documentation with the tax authorities, were communicated.

In such cases a fine for non-compliance shall be imposed by the competent tax authorities as well as a corrective tax assessment note shall be issued. It should be noted that the tax administration reserves the right to issue a new order for the performance of a new full or partial audit on the accounting data of the respective legal entity in due time.

The I.A.P.R. amended Circular (POL) 1103/2017 on the VAT refund as a matter of priority and without prior audit to certain entities (Golden List).

Under the new decision the completion of the VAT refund procedure to undertakings with a high

level of tax compliance is further accelerated, as well as the criteria for the integration and re-integration of these undertakings in the Golden List are rationalized.

By virtue of a circular issued in July 2019, the Circular (POL) No.1165/2018 on the application of the provisions of art.84 par.1 and 5 of L.2238/1994, regarding the five-year and the fifteen-year limitation period, accordingly, was amended following the issue of the court judgement No.732/2019 by the Supreme Administrative Court (Council of State)

More specifically, in case of filing of a late tax return after the lapse of the initial five-year limitation period, thus as regards tax returns filed from the sixth year after the expiry of the five-year limitation period, the fifteen-year limitation period does not apply; on the contrary, a shorter three-year limitation period, commencing from the end of the year in which the late tax return should have been filed, and not exceeding a fifteen-year upper limit, applies. Therefore, *for any late income tax returns filed in the thirteen, fourteen, or fifteen year after the expiry of the applicable deadline for their filing, the fifteen-year limitation period cannot in any way be extended.* It should be noted that for fiscal years commencing after 01.01.2014, the tax administration under art.36 par.1 and 2 of L.4174/2013 may proceed to the issue of an administrative, estimated or corrective tax assessment decision within five (5) years as of the end of the year in which the deadline for the filing of the tax return expires. The period in question is extended, inter alia, in case the taxpayer files an initial or an amending tax return within the fifth year of the limitation period, by one (1) year after the expiry of the five-year limitation period.

GDPR

Fine (€150.000) imposed by the Hellenic DPA on an auditing company registered in Greece (PwC) for unlawful processing of employees' personal data (application inappropriate legal basis, violation of the transparency principle and violation of the accountability principle).

Under Decision No.26/2019, the DPA imposed on the company acting in its capacity as "controller" (i) an obligation to adopt corrective measures of compliance with the violated provisions of art.5(1) and (2), 6(1) of the GDPR and the violated accountability principle to be applied within a three-month-period, under art.58(2) of the GDPR, as well as (ii) an administrative fine of €150.000,00 under art.83 of the GDPR. The DPA have rejected employee consent, which was invoked by the company as the legal basis for the processing of employee data given the nature of the relationship and the influence an employer is deemed to exercise upon its employees.

European Commission has decided to refer Greece and Spain to the Court for not transposing Data Protection Law Enforcement Directive (EU) 2016/680.

In the relevant press release (in July 2019), the Commission argued that the lack of transposition of the above Directive by Spain and Greece "*creates a different level of protection of peoples' rights and freedoms and hampers data exchanges between Greece and Spain on one side and other Member States who transposed the Directive on the other side*". Although, the Commission has already opened the infringement proceedings, to date, Greece and Spain have not adopted the national measures necessary in order to transpose the Directive.
