

Commercial – Corporate

- **The draft law on the General Commercial Register (GCR or GEMI in Greek) was submitted to open public consultation ending on 10.5.2019.** The proposed legislation aims, among other, to: (i) transfer monitoring and examination of the registrable corporate data and deeds from the regional directorates responsible for commerce and development to the GCR offices (*fundamental change of monitoring and control competencies concerning the SAs*); (ii) enhance automation and computerization of procedures and elimination of state intervention. *The registration of several corporate deeds should follow after a simple completeness check*; (iii) introduce a **certificate of good standing** for any legal entity irrespective of its legal form;
- **The recent L.4548/2018 on SAs is further amended.** According to the new provision company auditors become liable to convene a General Assembly of listed SAs, in case the total equity falls below 50% of the share capital of the company, as long as the Board of Directors of the company in question does not fulfill the said obligation (i.e. of convening the G.A.). Moreover, the persons appointed by the BoD for the preparation of the financial statements may be assigned with the task of signing the financial statements as well.

Tax & Social Security Law Updates

- **By virtue of L.4607/2019, specific amendments on the VAT Code and on the obligation of filing the E9 statement due to changes in the real estate property after 01.01.2019 were adopted.** The amendments of the currently applicable VAT provisions concern the harmonization of the VAT Code with the Council

Directive (EU) 2016/1065 regarding the treatment of vouchers, whereas the new provisions on the filing of the E9 statement include specific references to the procedure for the imposition of fines and penalties in case of breach of the aforementioned filing obligation.

- **In early May 2019, the Independent Authority for Public Revenues (“I.A.P.R.”) adopted an amendment (A.1177/2019) of the circular (POL. 1033/28.1.2014) regarding the obligations of credit and financial institutions, investment firms and private insurance companies to share client data with the tax authorities pursuant to the article 15 L.4174/2013.** According to the new provisions, the aforementioned legal entities are obliged to send to the competent tax authorities tax data of their clients relating not only to interests on deposits and Greek state bonds, but also to **repos and foreign securities.**
- **By virtue of a decision of the I.A.P.R. (A.1164/2019), the tax register (gsis) will be directly connected to the register of civil status kept by the Ministry for the Interior and to the register of Greek Identity Cards kept by the Greek Police Authorities.** Under the new legal framework the tax register will be automatically updated with civil status changes and identity card data by the end of 2019.
- **The I.A.P.R. has issued in May 2019 Q&As in relation to intra-group dividends issues.** Section A refers to the taxation of the dividends received by a legal person or a legal entity and the conditions under which an income tax exemption is granted as regards dividends received by a Greek legal person or permanent establishments of

other member-states registered in Greece pursuant to the provisions of art.48 of L.4172/2013. Section B refers to the conditions under which no withholding income tax is due on dividends distributed by the persons liable under art.61 of L.4172/2013, whereas Section C I contains issues relevant to the application of rules on the prohibition of abuses (reference to the EU Parent-Subsidiary Directive and art.48 and 63 of L.4172/2013).

- **By virtue of L.4611/2019 changes in Annex III of the VAT Code (art.68 L.2859/2000), by extension of the application of the reduced VAT rates (13% and 6%) on certain (listed) categories of goods and services were adopted and entered into force as of 20.05.2019.** Basic articles of foodstuff, such as oil types, meat and fish preparations, sugars, cocoa, fruit and vegetable juices, coffee, tea, pastes, preparations based on cereal, flour or milk etc. are subject (as of 20.05.2019) to the reduced VAT rate of 13%. In the field of services, food and water services supplied by restaurants, coffee shops and other related businesses are now subject to the reduced VAT rate of 13%. On the contrary, on-site consumption as well as taken away delivery of alcoholic and non-alcoholic drinks, coffee and beverages is subject to the standard VAT rate (24%). Last but not least, the supply of electricity and gas, as well as district heating shall now be subject again to the reduced VAT rate of 6%.
- **L.4611/2019 on “Settlement of debts to Social Security Bodies, Tax Administration and Local Authorities” introduced a beneficial settlement of debts in up to 120 installments depending on the category of the debt and the debtor.** Only due and payable debts existing up to 31/12/2018 to the Tax Office, the Customs Authorities and the Tax Auditing Centers can be subject to the new settlement provisions of this law. The total amount of the aforementioned debts can be settled in up to 120 installments in case of natural and legal persons or non-profit legal entities and in up to 36 installments in case of legal persons or profit-making legal entities. The minimum amount of each monthly installment is specified at 30€. The filing of all income tax returns for the

years 2013-2017 is required as a necessary condition for consideration of the application for the settlement. The deadline for the electronic filing of the relevant applications in the TAXIS platform expires on 28.06.2019. Furthermore, due and payable debts (up to 31/12/2018) arisen out of social security contributions of natural and legal persons are subject to the 120-installment settlement. The minimum installment amount cannot be less than 50€, whereas there is no minimum number of installments but only a maximum number (up to 120). The relevant application can be filed electronically at the official website of EFKA (Consolidated Social Security Body) (www.efka.gov.gr) and the deadline for the filing expires on 30/09/2019.

Employment Law

By virtue of L.4611/2019 crucial employment law provisions included in L.3198/1955, L.1892/1990, L.4387/2016, the Civil Code etc. were amended. Most of the new provisions entered into force on 17.05.2019, with the exception of provisions relating to the organisation and structure of the Labour Inspectorate Body and the operation of the electronic system “ERGANI”, whose entry into force is conditional to the issuance of a relevant decision (on a case-by-case basis) by the Minister of Labour.

Under the new provisions the termination of an employment contract by the employer is effective only for valid cause stated in writing, and after payment of the relevant compensation. In case of doubt as to whether the termination of the employment contract by the employer is for valid cause or not, the burden of proof lies with the employer (amendment of art.5 par.3 L.3198/1955).

The employee is obliged to perform his/her duties with due diligence and is liable for damages caused to the employer through his/her fault. In case of the employee's negligence at the performance of his/her duties, the competent court may hold the employee harmless from and against all damages caused to the employer, especially in case of slight negligence, or under

specific conditions examined in concreto (amendment of art.652 G.C.C.). The employee cannot, further, waive his/her rights provided in the relevant provisions of the Civil Code (art.679 G.C.C.).

With regard to the part-time and full-time employment conditions, it is now provided that, unless a part-time employment contract is executed in writing or served within eight (8) days as of its execution to the competent Labour Inspectorate, the employee is deemed to perform his/her duties under a full-time employment contract (amendment of art.38 par.1 and 3 of L.1892/1990).

According to art.51 of L.4611/2019 (to-be-in-force as of 01/07/2019), the compensation due to employees in case of termination of their contracts by employers in the private sector and the corresponding relevant tax due under art.15 par.3 of L.4172/2013, must be paid by wiretransfer through the professional payment accounts of the employers to the beneficiaries.

GDPR

- **The national (Greek) Data Protection Authority has recently reached a decision accepting a petition for the repeal of a link from the Google-search results (right to be forgotten).** The link referred to the content of a Presidential Decree published in the Government

Gazette, which included information about the award of pardon to a named individual (complainant) convicted in the past for a certain crime. The DPA decided that the information included in the said Presidential Decree relates to sensitive personal data (criminal conviction) of the complainant, thus the complainant's right for protection of her personal data is excessively (disproportionally) affected. Under the aforementioned, and after balancing the public interest in disclosure of the award of pardon (transparency principle) and the personal rights and interests of the affected individual (complainant) under the GDPR provisions, the DPA adjudicated that Google as a data controller must repeal the link in question.

- **Under the decision 65/2018/2019 of the Greek Data Protection Authority, issued in May 2019, the guidelines specifying the criteria for the drawing up of a Data Protection Impact Assessment, pursuant to art.35 par.4 GDPR were communicated.** This detailed decision includes a number of indicative cases and scenarios, which may be subject to the DPIA obligation provided in the relevant GDPR provision.
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