



Consistent with our commitment to provide [updated information](#) on current tax issues, we set down below some interesting tax provisions introduced by virtue of the recently published Law 4876/2021.

Within the provisions of the recently issued Law 4876/2021 (FEK A' 251/23.12.2021) under the title **"Regulations for the confrontation of the coronavirus pandemic COVID-19 and the protection of public health and other urgent provisions"**, there are certain tax provisions, which have been included due to their urgent nature and mainly concern extension beyond 31 December 2021 of the period of force of certain tax regulations.

Some interesting tax regulations introduced by the new legislation are listed below.

## VAT

Applicability of the following reduced VAT rates is extended until 30 June 2022: a) the reduced VAT rate of 6% on goods such as filters and lines for hemodialysis, hemofiltration, hemodiafiltration and plasmapheresis, as well as for items used for personal hygiene and protection against viruses; and b) the reduced VAT rate of 13% on the importation of art objects, collections, or antiquities as well as on tickets to enter the zoos.

## Donation Tax

The exemption from donation tax for donations received (under conditions) by non-profitable legal entities is extended until 30 June 2022.

## Real Estate Transfer Tax (RETT) / Donation Tax

The transfer of real estate effected by virtue of final contracts concluded between 1 January 2022 and 31 January 2022 for the sale, donation or parental donation of real estate, shall be considered to have taken place on 31 December 2021 for tax calculation purposes, on condition that the relevant tax returns for payment of the respective tax (transfer tax, donation/parental donation tax) are submitted until that date, i.e. until 31 December 2021. As a result of this provision, the objective values of real estate that were in force until 31 December 2021 will also be applicable for the calculation of transfer tax or donation/parental donation tax for contracts for the transfer of real estate

that will be concluded until 31 January 2022 (on condition that the relevant tax returns are submitted until 31 December 2021), despite the anticipated change of the objective values of real estate expected to take place as from 1 January 2022.

## Income Tax Code

### ***Incentives to taxpayers for performing transactions by virtue of electronic means of payment (article 15 Law 4172/2013)***

Especially for tax years 2022 to 2025, certain subcategories of expenses related to the receipt of health services (for which the use of electronic means of payment is not widely opted by taxpayers, and which are to be determined by a relevant decision of the Minister of Finance), shall be taken into consideration at twice their value on what concerns covering the necessary amount of expenditure required for taxable persons (individuals). Especially for tax years 2022 to 2025, it is provided that an amount shall be deducted from the taxable income of individuals derived from salaries and pensions, business activity and real estate, only for income tax calculation purposes, which is proportionally equal to thirty percent (30%) of the expenses made by individuals for the receipt of certain categories of services (e.g. housing, education, transport, etc., to be further determined by a relevant decision of the Minister of Finance) by virtue of electronic means of payment. The deductible amount shall not exceed five thousand euros (EUR 5 000) per year, nor shall it exceed the actual income from salaries and pensions, business activity and real estate.

### ***Regime of article 5C of Law 4172/2013***

It is extended until 17 January 2022 at the latest (instead of 30 November 2021) the deadline, within which the Tax Administration may issue the relevant decisions regarding applications submitted for entering the special tax regime for taxation of Greek source employment income and business activity for individuals who are transferring their tax residence in Greece. This extension relates to decisions to be issued for applications submitted within the year 2021 concerning the

commencement of employment or business activity until 31 July 2021 (deadline for the submission of the relevant application was 30 September 2021).

### ***Amendment of the date of entry into force of article 48A of Law 4172/2013***

The exemption (under conditions) of Greek tax resident legal entities from capital gains tax arising from the transfer of securities (according to the provisions of article 48A of Law 4172/2013) shall apply to income earned as from 1 January 2020 onwards (instead of 1 July 2020 onwards, as per the provisions previously in force).

### ***Increased deductibility of advertisement expenses (article 22C of Law 4172/2013) also for tax year 2022***

Advertisement expenses incurred by an enterprise during tax year 2022 shall also be deducted from the gross income of the enterprise at the time they were effected, being increased by 30% (subject to conditions).

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This Newsletter aims to provide the reader with general information on the above-mentioned matters. No action should be taken without first obtaining professional advice specifically relating to the factual circumstances of each case.