



Greece

WTS Global Country TP Guide

Last Update: December 2017

1. Legal Basis	
Is there a legal requirement to prepare TP documentation?	Yes
Since when does a TP documentation requirement exist in your country?	2008
Are TP policies of multinational enterprises in principle accepted by the tax authorities, if they are in line with the OECD TP Guidelines?	Yes
Which TP methods may be applied?	(CUP, RPM, CPM, TNMM, PSM, OTHER)
Are any TP methods preferred over others?	CUP and CPM are the most common but there is no preferred
Have the documentation requirements of OECD BEPS Action 13 already been implemented (i.e. the LF, MF and CbCR concepts)?	CbCR implemented; MF and LF-Intentions.
Reference to documentation and statements of local-government or tax authorities regarding OECD BEPS implementation status	<ul style="list-style-type: none"> • Local File: Introduced with Article 26 Tax Law 3728 / 2008 - Ministry of Development • Master File: Introduced with Article 26 Tax Law 3728 / 2008 - Ministry of Development • Country by Country Report: Introduced with Tax Law 4484 / 2017 - Implementation of European Union Guidance 2016/881 - Ministry of Finance <ul style="list-style-type: none"> • Summary Information Table: Since calendar year 2013 (fiscal year 2012)
Reference to relevant articles of law, legislative regulation or applicable administrative guidance that are in place for TP documentation in general:	In addition to 1.7 above, further changes regarding the methodologies, thresholds, content of Local and Master file, Summary Information Table as well as the benchmarking studies have been applied with the following legislation: Tax Law 3775/2009 (Article 2), Tax Law 3842/2010 (Article 39), Tax Law 4110/2013 (Article 11), Tax Law 4170/2013 (Articles 2 & 21), Tax Law 4172/2013, Tax Law 4174/2013, Tax Law 4378/2016 & Tax Law 4474/2017. Some of the main legislation updates were the obligation to submit all proper documentation from the Ministry of Development to the Ministry of Finance. Since calendar year 2013 (fiscal year 2012), the Summary Information Table has to be submitted to the Ministry of Finance and the AADE platform (former TAXISNET). Finally with Tax Law 4484/2017 and further updated by Tax Law 4490/2017 the Country by Country Report has been introduced and applied for fiscal years after 1 January 2016.

2. Master File (MF)	
	Intentions
What is the (consolidated revenue) threshold requirement for the obligation to prepare a MF?	EUR 50,000,000 - The threshold for preparing a Master File meets with the one of the Local File. Companies that are members of an international group are obliged to prepare a local file when meeting the required threshold. In companies that are not members of an international group but have transactions with other companies in Greece and all domestic companies of a Group (not international), the Master File can be the same as the Local File.
As from which year does this obligation exist?	When meeting the threshold and submitting the Summary Information Table, the Master File must be prepared.

When does the Master File need to be available?	When submitting the Summary Information Table. In case of a tax audit or in order to receive a Tax Certificate from a certified auditor the Master File will be requested to be prepared.
When does it need to be submitted?	It is not submitted to the Tax Authorities but it must be available within 30 days upon request for any tax reason, usually in a tax audit. Only the Summary Information Table is submitted to Tax Authorities.
Does the MF have to be prepared in the relevant local language ?	No, in practice, many Greek companies members of a group, prepare transfer pricing documentation in English. In case of a tax audit normally all foreign language documentation will be asked to be translated in Greek
Is documentation in English permissible?	Yes
What are the possible consequences of not having the MF available?	
Penalties?	Yes
Imprisonment?	No
Shifting of the burden of proof?	Yes
Other?	Yes
To which extent do the local rules differ from the OECD standard regarding the OECD content requirements for the MF as shown in the BEPS implementation overview chart?	Consistent with OECD requirements.

3. Local File (LF)	Intentions
What is the threshold requirement for the obligation to prepare a LF?	The threshold to prepare a Local File is: <ul style="list-style-type: none"> • If Company Revenue is less than EUR 5,000,000 and the value of the intra - company transactions above EUR 100,000 • If Company Revenue is above EUR 5,000,000 and the value of the intra - company transactions are above EUR 200,000
As from which year does this obligation exist?	When meeting the threshold and submitting the Summary Information Table, the Local File must be prepared.
When does the LF need to be available?	When submitting the Summary Information Table. In case of a tax audit or in order to receive a Tax Certificate from a certified auditor the Local File will be requested to be prepared.
When does the LF need to be submitted?	It is not submitted to the Tax Authorities but it must be available within 30 days upon request for any tax reason, usually in a tax audit. Only the Summary Information Table is submitted to Tax Authorities
Does the LF have to be prepared in the relevant local language?	Yes In practice, many Greek companies member of a group prepare transfer pricing documentation in English. But in case of a tax audit normally all foreign language documentation will be asked to be translated in Greek
Or is documentation in English permissible?	No, In case there is a LF in English and upon request you provide an official translated one.
What are the possible consequences of not having the LF available?	
Penalties?	Yes
Imprisonment?	No
Shifting of the burden of proof?	Yes
Other?	Yes
To which extent do local rules differ from the OECD standard regarding the OECD content requirements for the LF as shown in the 2017 OECD TP Guidelines?	Greek Local File includes the additional information as described in the German Local File sample answers. The main difference is that none of Local or Master file is submitted to the Greek Tax Authorities unless requested. The main obligation is for submitting the Summary Information Table. For the latter, in case of non-submission or late submission there are extra penalties from the one regarding the file. When submitted you are asked whether a Transfer Pricing File exists but there is no obligation of submitting them if not requested.

4. Country-by-Country Reporting	Yes
What is the threshold requirement for the obligation to prepare Country-by-Country Reporting?	EUR 750 million
As from which year does this CbCR obligation exist?	Has been applied for fiscal years after the 1st of January 2016
When and how do the tax authorities need to be notified who the reporting entity is?	For 2016 & 2017 there was the obligation to submit a form by e-mail to tax authorities by 31/12/2017 regarding the reporting entity [Tax Law 4170/2013 (A'163) and Tax Law 4490/2017 (A'150) by explanatory decision POL 1184 - 22/11/2017]. For 2018 until today, the same obligation exists until 31/12/2018.
If the reporting entity (ultimate parent or surrogate parent) is in your country, what is the CbCR submission deadline?	12 months from the end of the fiscal year to which CbCR relates
Are there any deviating submission deadlines for the secondary mechanism?	No
Does your country have a requirement that the financial figures of the group need to be aligned with?	No
Does your country have a requirement that the financial years of the group need to be aligned with?	No
Where is the CbCR to be submitted ?	In case the Greek Entity has the obligation to submit a CbCR and not just notify as above the reporting entity, the entity must register a representative to the Tax Authorities that will submit the CbCR electronically to AADE (former TAXISNET) with all the technical information required.
How is the CbCR to be submitted, specifically, is there any prescribed standard?	Electronic Platform AADE as mentioned above describes all necessary information, details as well as business and technical rules required. http://www.aade.gr/epicheireseis/themata-diethnoys-dioiketikes-synergias/country-country-reportingcbcdac4
What are the possible consequences of not having the CbCR available?	
Penalties?	Yes
Imprisonment?	No
Shifting of the burden of proof?	No
Other?	No
To which extent do your local rules differ from the OECD standard regarding the content requirements for the CbCR as shown in the 2017 OECD TP Guidelines?	As described till now will be consistent with OECD requirements with a main difference of the provision appears to contradict Article 13 of the BEPS Action 13 Guidance ¹ , which clearly states that the purpose of the report is to enable tax authorities to perform a risk assessment and not to propose transfer pricing adjustments based on the contents of the report.
Did your country sign the Multilateral Competent Authority Agreement on the Exchange of CbC Reports ("CbC MCAA")?	Yes
Did your country enter into other information exchange agreements, such as on a bilateral basis?	No
Please specify the country involved and date the agreement came into force.	Implementation in progress
Can a taxpayer in your country fulfil his CbCR requirement by referring to the reporting entity in the same or another country?	Yes

5. TP disclosure in tax return or transfer pricing specific returns

Does a taxpayer need to disclose information regarding TP documentation in his tax return?	No
When a taxpayer files a tax return for which he understands or should understand that the result reported in that tax return is too low due to incorrect transfer pricing, what could be the legal consequences?	Intentionally submitting an incorrect / too low tax return and failing to inform the tax authorities accordingly constitutes a tax crime. Legal consequences may range from fines to imprisonment up to 10 years depending on the amount.
What could be the consequences for the tax advisor/accountant/administrator drafting and filing the tax return of a client where that advisor/accountant/administrator understands or should understand that the result reported is too low due to incorrect TP?	Intentionally submitting an incorrect / too low tax return and failing to inform the tax authorities accordingly constitutes a tax crime. Legal consequences may range from fines to imprisonment if they are treated as accomplice but are reduced as/if it is only a participation in the tax fraud of the taxpayer.
Does a taxpayer need to file TP-specific returns?	No

6. Benchmarking

Is there any local guidance or requirement with regard to the preparation of a benchmark study?	Yes. Generally benchmarking studies provide additional information for pricing policies, criteria, industry structure etc. and meets the requirements described in the German sample answers. As there is not a specific legislation only the requirement, when a benchmarking study is applicable, the main concern and difference is that the study must be updated each year with the latest financial details or else it would not be considered as up to date.
Are there any materiality thresholds that apply for the requirement to have a benchmark study available?	No
Does your country apply the general guidance by the OECD to prepare a new benchmarking search every three years and an update of the financial data of the accepted comparable in year 2 or 3?	No
Or is a new search every three years without any financial updates in year 2 and 3 sufficient?	No

7. Year-end adjustments

Are year-end adjustments permissible?	Yes
Does the taxpayer have to comply with any specific features or guidance?	Yes. Based on our experience, Greek tax authorities especially want to see that the adjustments follow a pre-determined mechanism that is laid down and agreed upon in writing between the relevant related parties in advance.

8. Transfer Pricing Audit and Dispute Resolution Mechanisms	
What are currently the main TP areas of scrutiny by the tax authorities in your country?	Intercompany financing, especially cash pools, losses, recharging of expenses. We also expect that data alignment issues will be further scrutinized.
Based on your experience, are joint or multilateral audits initiated and carried out?	Yes
Does the taxpayer have the option to apply for bilateral or multilateral APAs?	Yes
Are there any restrictions?	To date, there have not been any restrictions as well as is not a common practice this applications.

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