

Favourable Tax Treatment for Digital Nomads in Greece

On 4th of December Greece has published at the Government Gazeta a new law allowing professionals/self-employed and employees (digital nomads work-from-home workforce), that shift their tax residency in Greece, to half their income tax.

On 26/4/2021 a ministry decision with instructions to apply this law has been issued.

The employees must work in a Greek company in Greece or in a foreign company that has permanent establishment in Greece.

The self-employers must register in business in the Greek tax office.

Greece currently applies a tax rate of 9% for the first 10,000€, 22% for the next 10,000€, 28% for the next 10,000€, 36% of the next 10,000€ and 44% for earnings over 40,000 euros. The new incentives will apply for a maximum of seven years to workers and self-employers who want to move their tax base to Greece, regardless of nationality and job type, though it will only apply to new positions created in Greece in 2021. The offer will also be available to Greeks living abroad if they return.

Holders of non EU passports must obtain biometric resident permit with access to work.

From January 2021, the scheme will be open to both employed and self-employed workers, or replace an existing job in the country, as long as they have not previously been a tax resident of Greece, the previous 5 years from 6 years, before the shift of the tax residency in Greece.

They must shift tax residency from countries that Greece has treaty for avoiding the double taxation or have administrative tax collaboration (All EU countries are eligible and many third countries).

They must remain at least for 2 years tax residents in Greece. There will be no restrictions on levels of income or types of work.

The documentation that is needed is a tax resident certification with Apostille stamp from your country, to prove that the last 6 years (2015-2019) you were tax resident in your country.

Deadline to apply for those that start work or registered in self-business until 30/06/2021, is on 30/09/2021.

The person that transfers his tax residency in Greece is liable to declare his global income in Greece. Also is liable for inheritance tax for property, cash money or any assets that is going to receive from outside of Greece. You must prove where you found the money in case that you buy a car, boat, property, stocks etc. (otherwise this amount is taxed as income).

The income that you earn must cover the minimum cost of living. Holding of a car and a home are not account for the minimum cost of living