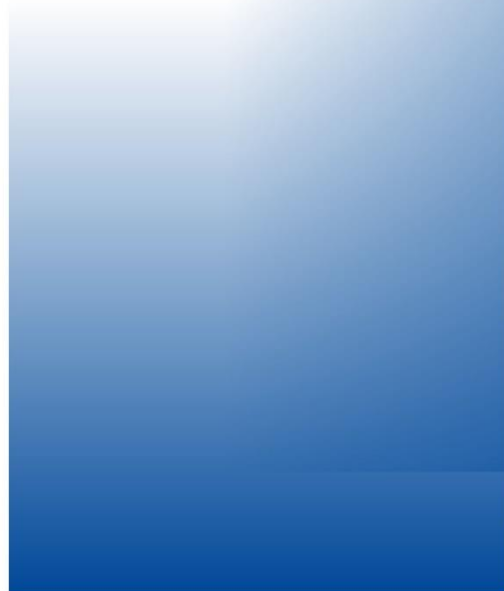




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Independent Authority
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Tax Incentives for Attracting New Tax Residents under Articles 5A, 5B, and 5C of Law 4172/2013 (Income Tax Code)

ATHENS, 12 NOVEMBER 2025

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Introduction

The provisions of the Income Tax Code, articles 5A, 5B and 5C of Law 4172/2013 (A'167), hereinafter referred to as ITC, seek to attract individuals who are tax residents abroad, in order to transfer their tax residence to Greece.

In particular, with the provisions of article 5A of ITC, incentives were established to attract tax residents of high economic standing, with the aim of increasing public revenues, introducing capital into Greece, creating investment units or participating in investment schemes or companies, as well as creating jobs, through their subjection to the alternative taxation of income arising abroad.

With the provisions of article 5B of ITC, natural persons who are beneficiaries of a pension arising abroad were given the opportunity to transfer their tax residence to Greece and be subject to the alternative taxation of income arising abroad.

Finally, with the provisions of article 5C of ITC, the framework for attracting individuals who are tax residents abroad was completed, in order to transfer their tax residence to Greece, through the establishment of a special method of taxation of their income from wage employment and business activity arising in Greece.



1 Article 5A: Alternative taxation of income arising abroad of natural persons who transfer their tax residence to Greece

1.1 Persons and eligibility conditions

A natural person who transfers his tax residence to **Greece** may be subject to an **alternative method of taxation** for income arising abroad, **provided that cumulatively he:**

- **was not a tax resident** of Greece **in the previous seven (7)** out of the eight (8) years prior to the transfer of his tax residence to Greece,
- and
- proves that he or a relative of his, or through a legal person or legal entity in which, respectively, he holds the majority of the shares or stakes, **invests** in real estate or businesses or securities or shares or stakes in legal persons or legal entities based in Greece. The amount of this investment cannot be less than five hundred thousand (500,000) euros. The investment must be completed within three (3) years from the date of submission of the inclusion application.

The second condition is not required to be met, provided that the person concerned is a natural person who has obtained and maintains a residence permit for investment activity in Greece, in accordance with the provisions of article 16 of Law 4251/2014 (A' 80) on the granting and renewal of a residence permit for investment activity (article 5A(1) of ITC).

Investments must have been made from 12.12.2019 onwards.

1.2 Procedure and deadline for inclusion

- **Submission of an application for transfer of tax residence** with inclusion in the alternative method of taxation of income arising abroad according to article 5A of ITC, **on behalf of the natural person, to the competent IAPR Service** (Tax Procedures and Service Center (KEFODE) of Attica or KEFODE of Thessaloniki from the date of its commencement of operation), **by March 31** of each tax year.

The application for inclusion and extension of the application of the provisions of article 5A of ITC **to a relative** of the applicant is submitted either during the inclusion (until the above date) or at a later time than the initial inclusion, for the years remaining until the completion of fifteen (15) tax years (article 5A(3) of ITC was amended by article 206(3) of law 5222/2025 and is valid from 28/07/2025).

- An application for inclusion in the alternative method of taxation of income arising abroad may be submitted, until March 31 of each tax year, by natural persons who

meet the conditions of article 5A(1) of ITC and have already transferred their tax residence to Greece within the previous tax year.

- **The application for transfer of tax residence subject to the alternative method of income taxation according to article 5A of ITC is accompanied by proof of the transfer of the minimum investment amount of five hundred thousand (500,000) euros to an account of a financial institution established in Greece.**
- The application for inclusion in the alternative method of income taxation of article 5A of ITC may be submitted **either upon commencement of the investments or no later than three (3) years after their completion.**

Revocation of inclusion:

The natural person may, **in any tax year during the application of the provisions of article 5A of ITC**, submit an application for the withdrawal of his subjection to these provisions.

1.3 Tax obligations

- **The natural person** subject to the alternative method of income taxation of article 5A of ITC, **pays each tax year for income arising abroad**, regardless of its amount, **a lump sum tax of one hundred thousand (100,000) euros, for fifteen (15) tax years, starting from the year of the application submission.**
- **In the event of extending** the application of the provisions of the alternative taxation method of article 5A of ITC **to relatives** of the applicant, **a tax amount equal to twenty thousand (20,000) euros is paid for each relative.**

"Relative" means the **spouse** and the **ascendants** or **descendants** in a direct line. Natural persons who have **entered into a civil partnership** are treated in the same way as married persons.

- **There is no obligation for the individual to declare income arising abroad and which is subject to the alternative taxation** of article 5A of ITC.
- Upon payment of the lump sum tax, any tax liability of the natural person who has been subject to the provisions of this article for income arising abroad is exhausted, and the natural person is exempt from inheritance or gift tax for the movable property located abroad that passes to him due to death or gift, respectively. His movable property located abroad, which passes to a third party due to death or gift, is exempt from inheritance or gift tax in Greece. The regulation of the previous paragraph also covers inheritances of deceased persons from 1.1.2020 (article 5A(8) was amended by article 206(5) of law 5222/2025 and is in force from 28.07.2025).

The **natural person** who falls under the provisions of article 5A of ITC, **provided that:**

- in a tax year, he does not pay the entire lump sum tax amount specified in article 5A(2) of ITC, he ceases to be subject to these provisions from the relevant tax year and is henceforth taxed on his worldwide income based on the general provisions of ITC
- or
- it is found, after the three-year period, that he has not completed the investment as defined in case b' of article 5A(1) of ITC, his subjection to the provisions of this article is lifted from the year of his accession and he is taxed on his worldwide income based on the general provisions of ITC.

1.4 Relevant Regulatory and Interpretative Framework

- Joint Decisions 1036/2020 (B' 624 and B' 700) and 1066/2022 (B' 2666) of the Deputy Minister of Finance and the Governor of IAPR.
- Decision 1130/2020 (B' 2335) of the Governor of IAPR.
- Joint Decision 46834/2023 (B' 3393) of the Deputy Minister of Finance and the Deputy Minister of Development and Investments.
- Circular 2150/2021 of the Governor of IAPR.



2 Article 5B: Alternative taxation of income of natural persons, beneficiaries of income from pensions arising abroad, who transfer their tax residence to Greece

2.1 Persons and eligibility conditions

A natural person, beneficiary of pension income, according to article 12 of ITC, **arising abroad**, who transfers his tax residence to Greece, **is subject to an alternative method of taxation for the income arising abroad, provided that cumulatively he:**

- **was not a tax resident** of Greece **in the previous five (5)** out of the six (6) years prior to the transfer of his tax residence to Greece,
- and
- **transfers his tax residence** from a state with which an administrative cooperation agreement in the field of taxation is in force with Greece.

2.2 Procedure and deadline for inclusion

- **Submission of an application for transfer of tax residence** with inclusion to the alternative method of taxation of income arising abroad of article 5B of ITC, on behalf of the natural person, **to the competent IAPR Service** (KEFODE of Attica or KEFODE of Thessaloniki, from the date of its commencement of operation), **by March 31** of each tax year.
- **Within the above deadline**, they may submit an application for inclusion in the alternative method of taxation of income arising abroad and natural persons who meet the conditions of article 5B(1) of ITC and **have already transferred their tax residence to Greece within the previous tax year.**

Revocation of inclusion:

The natural person may, **in any tax year during the application of the provisions of article 5B of ITC**, submit an application for the withdrawal of his subjection to these provisions.

2.3 Tax obligations

- The **natural person** who is subject to the alternative method of income taxation according to article 5B of ITC, pays **tax independently each tax year at a rate of seven percent (7%) for all of his income** obtained abroad.



- The application of the provisions of article 5B of ITC begins from the next tax year for which the application of the natural person for his subjection to the provisions of this is submitted and ends after the end of fifteen (15) tax years. Subjection to the provisions of article 5B of ITC is possible for the next fifteen (15) tax years.
- The **natural person** who falls under the provisions of article 5B of ITC, **if in a given tax year, he does not pay the entire aforementioned amount of tax of par. 2 of the above article** for his total income acquired abroad, **ceases to fall under the provisions of article 5B of ITC from the relevant tax year** and is henceforth taxed on his worldwide income, based on the general provisions of ITC.
- The provisions of article 5B of ITC do not affect the application of international conventions ratified by Greece for the avoidance of double taxation of income and capital.

2.4 Relevant Regulatory Framework

- Joint Decision 1217/2020 (B'4215) of the Deputy Minister of Finance and the Governor of IAPR.

3 Article 5C: Special method of taxation of income from employment and business activity arising in Greece, of natural persons who transfer their tax residence to Greece

3.1 Persons and eligibility conditions

A **natural person** who transfers his tax residence to Greece is subject to taxation in accordance with the provisions of article 5C of ITC, **if cumulatively he:**

- a) was not a tax resident of Greece in the previous five (5) out of the six (6) years prior to the transfer of his tax residence to Greece**
- b) transfers his tax residence from a member state of the EU or the EEA or from a state with which an administrative cooperation agreement in the field of taxation is in force with Greece,**
- c) provides services in Greece within the framework of an employment relationship exercised either in a domestic legal person or legal entity in Greece or in a permanent establishment of a foreign company in Greece or carries out individual entrepreneurial activity and**
- d) declares that he will remain in Greece for at least two years.**

The natural person who has been included in the provisions of article 5C of ITC, if in a tax year **he does not meet the third and fourth** of the aforementioned conditions, ceases to be subject to the provisions of article 5C of ITC from the relevant tax year onwards and is taxed on all his income from paid employment or business activity that he acquires in Greece in accordance with the general provisions of ITC.

3.2 Procedure and deadline for inclusion

- **Submit an application for subjection to the provisions** of the special method of income taxation according to article 5C of ITC through the **myAADE digital portal (myaade.gov.gr)** by going to: Applications > Tax Services > Income > Submit an application for inclusion in the special method of taxation (article 5C of ITC).

[\[https://www.aade.gr/psifiakes-ypiresies/eisodima/ypoboli-aitisis-ypagogis-se-eidiko-tropo-forologisis-arthro-5g-toy-kfe\]](https://www.aade.gr/psifiakes-ypiresies/eisodima/ypoboli-aitisis-ypagogis-se-eidiko-tropo-forologisis-arthro-5g-toy-kfe)

- Requests through the **MY REQUESTS** platform can be submitted by:
 - Natural persons who submitted applications to the KEFODE of Attica, and concerning subjection to the provisions of article 5C of ITC **for the year 2025, for**

which the issuance of inclusion or rejection decision is pending and do not intend to resubmit their application, through the special digital application of the Independent Authority of Public Revenue (IAPR) on the digital portal "my AADE."

- Natural persons who have submitted applications to the KEFODE of Attica, and concern subsection to the provisions of article 5C of ITC **for the years 2021-2024.**

The competent IAPR service is the KEFODE of Attica or the KEFODE of Thessaloniki, from the date of its commencement of operation.

The application for inclusion is submitted as follows:

- For service taking place **up to and including July 2 of each year**, the application is submitted for the year of the service taking place and until the end of that year. The application may also be submitted within the following year from the date of the service taking place and is considered to fall within that year.
- For service taking place **after July 2 of each year**, the application is submitted for the year following the service taking place and until the end of that year.

For **natural persons** who transfer their tax residence to Greece, **with the aim of carrying out individual business activity** in Greece, the **taking up of a service** is understood as the **commencement of work**.

3.3 Tax incentives

A natural person who obtains **income from wage employment and from business activity arising in the country** is subject to the **special method taxation of article 5C of ITC**, for all of his said income, provided that the conditions of this article are met for each of these income categories. In particular, the natural person is:

- **Exempted for seven (7) tax years**, from income tax **for fifty percent (50%) of his income** from paid employment and/or business activity that he acquires in Greece.
- **Exempt for seven (7) tax years from the annual objective expenditure**, which arises **based on a residence** (main and secondary ones) and private **passenger cars, regardless of the number of vehicles.**

In the event that a natural person ceases to provide services in Greece within the framework of an employment relationship, within the meaning of article 12(2) of ITC, or ceases to carry out individual business activity in Greece for a period exceeding twelve months, his subsection to the provisions of article 5C of ITC is lifted from the tax year of termination of the employment relationship or cessation of the exercise of individual business activity. For this tax year and onwards, he is taxed on his entire income based on the general provisions.

In the event that a natural person transfers his tax residence abroad, a decision is issued to cease his subjection to the provisions of article 5C of ITC from the tax year of transfer of his tax residence abroad.

3.4 Relevant Regulatory and Interpretative Framework

- Joint Decisions 1087/15-04-2021 (B'1691) and 1089/05-07-2022 (B'3594) of the Deputy Minister of Finance and the Governor of IAPR.
- Joint Decision 1138/2025 of the Deputy Minister of National Economy and Finance and the Governor of IAPR.
- Circulars 2224/01-12-2021 (tax withholding issues) and 2029/24-03-2022 (method of determining the presumed income/calculation of actual income on which the minimum required amount of expenses is calculated by electronic means of payment) of the Governor of IAPR.



4 Combinations of articles 5A, 5B & 5C

- **A natural person who has been subject to the provisions of article 5A of ITC may not be subject to the provisions of article 5B of ITC.**
- **A natural person who has been subject to the provisions of article 5B of ITC may not be subject to the provisions of article 5A of ITC.**
- **A natural person who has been subject to the provisions of articles 5A or 5B of ITC may be subject to the provisions of article 5C of ITC, and vice versa,** provided that at the time of subjection the conditions of each article are met.

The above also applies in cases where the subjection occurs during the same year.