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VAT IN THE EUROPEAN COMMUNITY

**VADEMECUM FOR THE ELECTRONIC
REFUND PROCEDURE TO TAXABLE
PERSONS NOT ESTABLISHED IN THE
MEMBER STATE OF REFUND BUT
ESTABLISHED IN ANOTHER MEMBER
STATE (COUNCIL DIRECTIVE 2008/9/EC)**

NOTE

**THIS DOCUMENT COLLATES A RANGE OF
BASIC INFORMATION ON THE
APPLICATION OF THE REFUND
ARRANGEMENTS IN THE MEMBER
STATES WHICH HAS BEEN OBTAINED
FROM THE TAX AUTHORITIES
CONCERNED.**

**THIS DOES NOT REFLECT THE VIEWS OF
THE COMMISSION OF THE EUROPEAN
UNION, NOR DOES IT SIGNIFY APPROVAL
OF THE LEGISLATION.**

GREECE

VADEMECUM FOR THE ELECTRONIC REFUND PROCEDURE TO TAXABLE PERSONS NOT ESTABLISHED IN THE MEMBER STATE OF REFUND BUT ESTABLISHED IN ANOTHER MEMBER STATE

General

1. Where could a non-established taxable person (NETP) find information on your laws and guidelines?

A NETP will find the relevant information to the following link:

http://www.gsis.gr/gsis/info/gsis_site/Services/Epixeiriseis/FreeDownloads/vatref.html

2. Eligibility for a refund

Any taxable person established in another Member-State (MS), who carries out transactions giving rise to a right of deduction in his MS, is eligible for the refund of VAT incurred on his expenses in Greece.

3. What can be refunded

According to the codes specified in the Annex of the Regulation 1174/2009, Greece grants the right of deduction to the following categories of expenses:

1.1.2 Diesel for means of transport with a mass greater than 3.500kg, other than means of transport for paying passengers

1.1.4 Natural Gas for means of transport with a mass greater than 3.500kg, other than means of transport for paying passengers

1.1.5 Bio Fuel for means of transport with a mass greater than 3.500kg, other than means of transport for paying passengers

1.2.2 Diesel for means of transport with a mass less than or equal to 3.500kg, other than means of transport for paying passengers

1.2.4 Natural Gas for means of transport with a mass less than or equal to 3.500kg, other than means of transport for paying passengers

1.2.5 Bio Fuel for means of transport with a mass less than or equal to 3.500kg, other than means of transport for paying passengers

1.5 Petroleum products used for lubrication of means of transport or engines

3.1.3 Purchase of accessories for a means of transport with a mass greater than 3.500kg other than means of transport for paying passengers

P.S.: Only purchase of accessories is refundable not installation (which is B2B service)

3.1.4 Garaging or parking of a means of transport with a mass greater than 3.500kg other than means of transport for paying passengers

3.2.3 Purchase of accessories for a means of transport with a mass less than or equal 3.500kg other than means of transport for paying passengers

P.S.: Only purchase of accessories is refundable not installation (which is B2B service)

3.2.4 Garaging or parking of a means of transport with a mass less than or equal than 3.500kg other than means of transport for paying passengers

3.2.5 Deleted

4.1 Road tolls for means of transport with a mass greater than 3.500kg other than means of transport for paying passengers (only if the truck's number-plate is mentioned)

4.2 Road tolls for vehicles with a mass less than or equal to 3.500kg other than means of transport for paying passengers (only if the truck's number-plate is mentioned)

10.2 Repairs within a warranty period

P.S.: From 20-6-13 repairs within a warranty period are no longer charged with VAT. Hence, these expenses are refundable only if they refer to a period before the above-mentioned date.

10.9.1 Participation in fairs

10.9.2 Participation in seminars

4. What cannot be refunded

Generally, refunds cannot be claimed on VAT incurred on services/goods which are not used for business purposes. Moreover, VAT shall not be refunded for expenditures on:

- a. travel expenses, such as taxi and public transport fares
- b. hotel and other accommodation expenses
- c. food, drink and restaurant services
- d. expenditure on luxuries, amusements and entertainment
- e. acquisition, leasing or hiring, modification, repair or maintenance of passenger motor vehicles, pleasure craft and private aircraft

Furthermore, VAT shall not be refunded to any amount incorrectly invoiced.

5. Proportional deduction

When a taxable person not established in Greece, carries out in the MS in which he is established (MSEST) both transactions giving a right of deduction and transactions not giving such a right, Greece will refund, from the initial authorized amount, only the *proportion* of the VAT that correspond to the transactions giving right of deduction in the MSEST. (e.g. initial claimed amount: 100€, initial authorized amount: 90€, pro-rata 60%, final authorized amount: 90x60%=54€)

Procedures in the Member State of Establishment

6. What is the application procedure?

The Greek taxable persons shall address an **electronic** VAT refund application to the Member-State of refund *via the Greek portal "TAXISNET"*. In order to log in to the system, the taxable person must have username and password.

7. Are there any particular requirements for an agent to be able to submit a claim on behalf of the applicant?

The agent can submit a claim on behalf of the applicant only if he has *the applicant's* username and password.

8. Content of the application:

The application should contain the following information:

- the applicant's name
- the applicant's VAT identification number or tax reference number
- the applicant's full address including country code (the address which is on record in Member State of Establishment)
- e-mail address
- a description of the applicant's business activity for which the goods and services are acquired via NACE v.2 codes – *[All Member States have indicated that they would use NACE codes]*
- the refund period covered by the application
- declaration by the applicant that he has supplied no goods and services deemed to have been supplied in Member State of Refund during the refund period, with the exception of the supply of specific transport services and services ancillary thereto or supplies to which the reverse charge mechanism is applicable in Member State of Refund
- bank account details including IBAN and BIC codes

In addition, the following details of each invoice or importation document

- name and full address of the supplier;
- the VAT identification number or tax reference number of the supplier except in the case of importation
- the prefix of the Member State of Refund (except in the case of importation)
- date and number of the invoice or importation document
- taxable amount and amount of VAT expressed in the currency of Member State of Refund

- the amount of deductible VAT calculated expressed in the currency of Member State of Refund
- where applicable, the deductible proportion expressed as a percentage
- nature of the goods and services acquired according to the codes 1 to 10
- Where requested, further information on the nature of the goods and services acquired according to the sub-codes of 1 to 10.

9. The circumstances under which a Member State of Establishment will not send an application to the Member State of refund.

- If the details in point 8 above are not filled in.
- The applicant is not a taxable person during the refund period.
- The applicant only carries out exempt supplies in the Member State of establishment during the refund period.
- The applicant is covered by the exemption for small businesses.
- The applicant is covered by the flat rate scheme for farmers.

10. Minimum refund limits

- 400 EUR or the equivalent in national currency if the refund period is between 3 months and less than a calendar year
- 50 EUR or the equivalent in national currency if the refund period is of a calendar year, or the remainder of a calendar year.

11. Time limit

The application must be submitted to the Member State of Establishment by 30 September of the calendar year following the refund period. The application is only considered as submitted if the applicant has filled in all the required information.

12. Is an applicant able to correct an error on an application which has been forwarded to a Member State of Refund?

- If the applicant hasn't submitted in his refund application some invoices of the same period, he can send **one supplementary** application with all the invoices missing
- If some elements in the refund application are incorrect, they can be modified with a new application
- If, after the submission of the refund application the deductible proportion (pro-rata) is adjusted, the applicant shall make a *correction* in this proportion, by submitting a *separate* declaration via the electronic portal established by the MEST.

Procedures in the Member State of Refund

13. Are copies of invoices required?

Greece will ask for:

- *Electronic* copies of invoices, with the refund application, if the taxable amount in the invoice is more than 250 EUR (for fuel expenses) or 1000 EUR (for other expenses). The maximum size limit for an attachment has been agreed at 5 Megabytes (Mb).
- Copies of invoices or *original* invoices, as *additional* information, when it considers that it does not have all the relevant information on which to make a decision

14. The maximum size limit for an attachment has been agreed at 5 mb. What is the applicant to do if they exceed this limit?

The applicant *cannot* exceed the limit of 5 Mb in any case in his electronic VAT application. If he exceeds this limit he can send *by post* a CD or a USB-memory stick with all the relevant invoices. In the later case, he shall also sent a *cover letter* where the reference number of the VAT application is stated.

15. As a Member State of refund, do you require additional documentation for claims submitted by an agent?

No additional documentation is required if the beneficiary of the bank account given is the applicant.

16. Can payments be made to agents?

Payment *can* be made to the agent's bank account. In this case a special Power of Attorney (PoA) shall be sent by post. This PoA must be stamped by a notary public and apostilled according to the treaty of Hague.

17. How will the Member State of Refund communicate with the applicant?

The communication with the applicant shall be effected via e-mail, via the MSEST, by phone, by post or by fax.

18. Time limits for the processing of an application

The Member State of refund has four months from the date of receipt of an application to notify the applicant of its decision to approve or refuse the application, or to ask for further additional information. Where additional information is required, it has a further two months from receiving that information. Where it has asked for further information, it shall, in any case, notify the applicant of its decision within 8 months of the receipt of the application.

Where the refund application is approved, payment should be made within 10 working days.

19. Procedure for sending additional information to the Member State of Refund

Greece can ask for additional information from persons other than the applicant. In all cases, the information should be provided within one month of the date on which the request is received by the addressee. The communication with the addressee shall be made in Greek or in English.

20. The refund period

The refund period shall *not* be more than one calendar year or less than three calendar months. Refund applications may, however, relate to a period of less than three months where the period represents the remainder of a calendar year.

21. Number of applications accepted per year.

Greece accepts a maximum of 4 quarterly refund applications + 1 supplementary.

22. What is the procedure for appealing against a decision? Are there any time limits for appeals?

When the applicant's claim is partially or in whole rejected he has the right of reexamination via the submission of an administrative recourse. The submission of this recourse within 30 days from the notification of this Decision is provided for, according to the provisions of Article 63 of the Code of Tax Procedure (Law 4174/13). According to article 5 of the above-mentioned Code, it is considered that the notification took place within 10 days from the date that our Service sent the Greek Decision in the applicant's e-mail address.

This administrative recourse is submitted to our Service and it must state the reasons and documents upon which this reexamination is based. Submitting recourse directly in front of Administrative Courts prior to the reexamination of the administrative recourse will not be accepted. Along with the submission of the administrative recourse it is mandatory to appoint as representative a person that has his establishment (or place of work) in the region of Attica. In that recourse all the necessary data of communication with that person (i.e. name, surname, father's name, profession, address of communication, telephone number, fax and e-mail) must be stated.

23. Incorrect applications

Where a refund has been obtained in a fraudulent way or otherwise incorrectly, the Greek Tax Authorities shall modify or abolish the decision made and shall proceed directly to recover the amounts wrongly paid. For the case of fraudulent applications the tools of administrative cooperation (Reg. 904/10) shall be applied.