

IN FOCUS:

GREECE'S

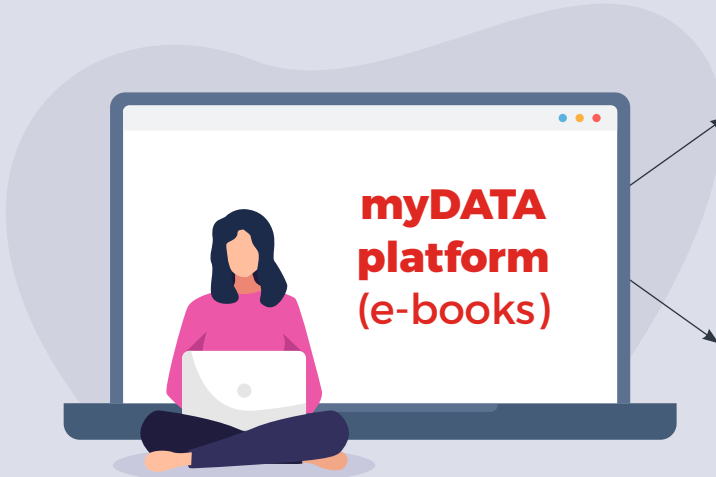
UPCOMING VAT REFORM

Like many other countries, Greece's tax authority, the IAPR, is introducing a tax reform to increase efficiency, prevent fraud and close its VAT gap by digitising its tax system. The new platform offers a collaborative environment where the data the companies provide to the IAPR will not only affect their own books but will also often auto-populate their trading partner's tax records in myDATA. Apart from the benefits of the digital tax transformation for businesses, the reform enables the government to have more visibility over business and financial data and impose audits or penalties where discrepancies arise.

WHAT'S HAPPENING?

Central to the new reform is the IAPR's e-books scheme, myDATA, meaning Digital Accounting and Tax Application. It requires trading partners to report a series of accounting data, captured within 17 types of documents under 52 different accounting classifications, to the IAPR's digital platform which has the same name as the scheme.

It has several interrelated strands, two of which are key for B2B (for companies doing business with other companies):



- A SOVOS**
e-Reporting via taxpayer ERP/accounting system
 - ✓ Summary of income and expense documents
 - ✓ Classifications of recorded transactions, e.g. sale of goods, provision of services
 - ✓ Monthly and year-end corrective accounting entries which determine the taxpayer's accounting and tax result

- B**
e-Reporting via accredited e-invoicing service providers

A e-Reporting via ERP

The purpose of the e-reporting obligation is to populate and maintain online ledgers 'e-books' on the IAPR's platform.

On 1 October 2020, myDATA was reclassified as a voluntary scheme for 2020.

From 1 October 2021, myDATA becomes mandatory for certain taxpayers and certain data, i.e. income.

From 1 November 2021, all other taxpayers must report income data to myDATA. For 2021, there is no requirement to report expenses. Historical data issued prior to the go-live date must be reported by 31 March 2022. Income data and classifications must be reported in real-time.

Expense data and classifications are reported no later than the submission of VAT returns, which is monthly for double entry accounting books and quarterly for single entry. Monthly and yearly accounting data will be reported in those respective timeframes.

B e-Reporting via e-invoicing vendor

Reporting of all data has been mandatory since 2020 for taxpayers who opted to use accredited vendors for e-invoicing and reporting and wish to receive associated e-invoicing incentives.

It's worth noting that the IAPR has taken steps towards embracing some type of CTC e-invoicing by introducing relevant documentation which relates to the framework of e-invoicing service providers.

However, the documentation is fragmented and insufficient for defining and communicating a clear e-invoicing mandate. Businesses should expect further information in the coming months providing welcome clarity on the shape and form of such a clearance system.

Reconciliation:

Data reported to myDATA is used to populate a set of online ledgers held on the government platform. When returns are filed, the data in the tax returns will be reconciled against the e-books data. Consistency is essential as any anomalies may trigger audits or penalties.

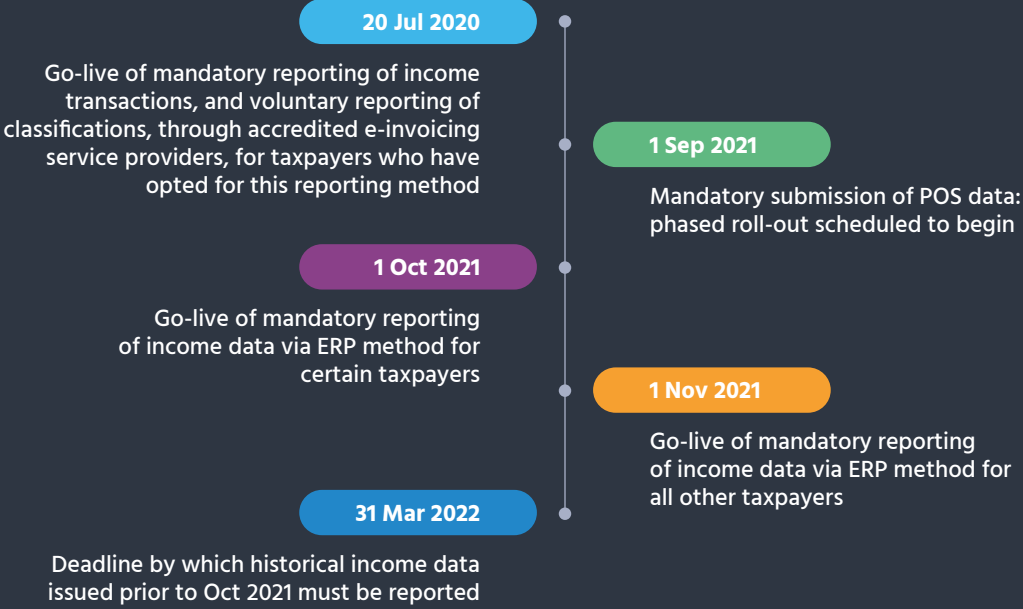
WHO'S AFFECTED?

All companies established in Greece

that maintain their accounting records according to the Greek Accounting Standards (Law 4308/2014) regardless of size, form (e.g. partnership or limited liability company) or type of accounting books (e.g. single or double entry) are in scope.



myDATA TIMELINE



ABOUT US

With teams throughout Europe, North America and Latin America, we provide the first complete future-proof solution for VAT compliance. Encompassing tax determination, e-invoicing and tax reporting to governments globally, we safeguard businesses from the burden and risk of modern tax. We are a global leader in tax compliance with a mission to solve tax for good.

Trusted by half the Fortune 500 and the world's smartest companies

