

International Tax, Audit, Accounting and Legal News





1. Procedure for change of tax residency abroad for individuals 2. EU Releases First Blacklist Tax Havens

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1. Procedure for change of tax residency abroad for individuals



General Info

On 6 December 2017, the Public Revenue Authority issued Circular (Pol 1201/2017) providing

clarifications and specific guidelines on the procedure for the change of tax residence abroad for individuals.

The circular repeals and replaces the previously issued Circular 1058/2016. The new Circular 1201/2017, which applies to requests submitted in 2017 onwards, defines the procedure that individuals must follow to register as foreign taxpayers, and the necessary documentation that must be brought to the tax administration in support of such a request. Requests rejected in 2017 may be refiled.

General Procedures

Supporting documentation which required includes a tax residence certificate from the country where the individual is tax resident. This can be replaced by a certificate of tax residence issued under the applicable Double Taxation Treaty to which Greece is a party. In the event that there is no tax treaty applicable, the individual can provide a tax assessment or tax return from the other country country.

In addition, the Greek tax payer should be responsible for keeping all the necessary documentation proving that he was a tax resident of the foreign country more than 183 days like a confirmation from a public authority such as municipality authorities, home lease agreement, employment contract, where it can be evidenced that the individual has transferred his/her central of vital interests in the foreign country

2. EU Releases First Blacklist Tax Havens



The EU recently has released its first ever **blacklist** of 17 noncooperative tax jurisdictions, namely countries that they are not taking actions to address deficiencies into their tax laws like American Samoa, Bahrain, Barbados, Grenada, Guam, South Korea (Republic of), Macao SAR, Marshall Islands, Mongolia, Namibia, Palau, Panama, Saint Lucia, Samoa, Trinidad and Tobago, Tunisia and United Arab Emirates, as well as a **grey list** of 47 other jurisdictions namely countries committed that they will improve their transparency standards, including Hong Kong, Switzerland, Turkey, the Maldives, Bermuda, the Cayman Islands,

Guernsey, the Isle of Man and Jersey. These lists, which have been released on 5 December 2017, though have been compiled by finance ministers of EU member states, they have received criticism for going easy on notorious tax havens.

Here is a summary of the commitments made and the countries in those categories:

Improve Transparency Standards: Armenia; Bosnia & Herzegovina; Botswana, Cape Verde; Hong Kong SAR; Curaçao; Fiji; Former Yugoslav Republic of Macedonia; Jamaica; Maldives; Montenegro, Morocco; New Caledonia; Oman; Peru; Qatar; Serbia; Swaziland; Taiwan; Thailand; Turkey; Viet Nam. Improve fair taxation: Andorra; Armenia; Aruba; Belize; Botswana; Cape Verde; Cook Islands; Curaçao; Fiji; Hong Kong SAR; Jordan; Labuan Island; Liechtenstein; Malaysia; Maldives; Mauritius; Morocco; Niue; St Vincent & Grenadines; San Marino; Seychelles; Switzerland; Taiwan, Thailand, Turkey; Uruguay; Viet Nam.

Introduce substance requirements: Bermuda; Cayman Islands; Guernsey; Isle of Man; Jersey; Vanuatu.

Commit to apply OECD BEPS measures: Albania; Armenia; Aruba; Bosnia & Herzegovina; Cape Verde; Cook Islands; Faroe Islands; Fiji; Former Yugoslav Republic of Macedonia; Greenland; Jordan; Maldives; Montenegro; Morocco; Nauru; New Caledonia; Niue; Saint Vincent & Grenadines; Serbia; Swaziland; Taiwan; Vanuatu.

The lists, which represent screening against a set of criteria that measure tax transparency, cooperation and use of harmful tax practices, received negative criticism as well, due to the fact that the EU decides not to assess EU member states though some states, seem to operate "harmful tax practices which lead to aggressive tax planning" (i.e. Malta, Luxembourg, the UK and the Netherlands). Negative criticism arises also from the assertion that the EU itself is central to the tax haven problem and many member states have tax structures that multinationals use to avoid taxes. On the contrary, the EU asserts that member states utilize tools and procedures to ensure fair tax practices and anti-avoidance measures, as well as enforcing the member states towards the adoption and implementation of the OECD's BEPS actions.

Central to this effort, is the EU intention to tackle tax avoidance by ensuring that "minimum standards" are being met globally: harmful tax practices, treaty abuse, country-by-country reporting and dispute resolution mechanisms. However, all the jurisdictions included will receive a letter from the EU explaining why they were listed and what they can do to be taken off the list. A country will be removed from the list once it has addressed the issues of concern for the EU and has brought its tax system fully into line with the required good governance criteria. The Code of Conduct will be responsible for updating the EU list, and recommending countries for de-listing to the Council.



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