With Decision no (ΔΕΛ Β) 1136035 (ΕΞ) 2017/15.09.2017, the Governor of the Independent Public Revenue Authority (AADE) amended prior Decision No. (ΔΕΛ Β) 1189202 (ΕΞ) 2016/28-12-2016 and has set the priority for the tax audits during year 2017.

Said Decision appears to indicate the following with respect to the time limitation period of the State’s right to impose taxes and fines:
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► 5-year limitation period - based on the general rule - applies to fiscal years from 2011 onwards, as well as to the tax years for which the Tax Procedure Code (TPC) applies (from 2014 onwards), except for the specific exceptions set out in the relevant provisions of the TPC. Thus, the right of the State to impose tax up to fiscal year 2010 has been time-barred and it is therefore not expected that corrective assessments for tax and penalties will be issued in cases with pending audit orders or for which the audit has already begun, unless special provisions extending the limitation period to 10 years - 15 years - 20 years are applicable (see below).

► 10-year limitation period - in case of new / supplementary data - applies for fiscal years from 2006 to 2013. It should be noted that there is a case pending before the Council of State on what is considered as “new data”.

► 15-year limitation period - in case of non-submission of income tax return - applies for fiscal years from 2001 until 2013. It is noted that the 15-year limitation applies also in case of late submission of income tax return.

► 20-year limitation period - in case of tax evasion within the meaning of article 66 of TPC - applies for fiscal years from 2008 onwards. It appears from this Decision that the 20-year limitation applies retroactively to tax evasion cases committed before 01-01-2014 (date of entry into force of the TPC) and more specifically from 2008 onwards, given that upon entry into force of the TPC, the right of the State to audit fiscal year 2008 was not yet time-barred. It should be noted that the tax evasion offense consists of intentionally avoiding to pay tax which exceeds (per tax year and per type of tax), the amount of € 100,000 for income and withholding taxes and the amount of € 50,000 for VAT.

The commencement of the limitation period shall begin at the end of the year in which the deadline for the submission of the tax return expires. It is clarified that the above limitation periods apply to income taxes and to infringements under the Code of Books and Records and of the Tax Transaction Reporting Code, while for VAT, property taxes, stamp duties etc. different limitation periods are applicable.

The time limitation period for fiscal years for which companies received a tax certificate is beyond the scope of the present.