

Greece

ENFIA real estate property tax discount for insured residencies: application deadline February 22, 2024



The Decision A.1014/2024 of the Governor of Independent Authority for Public Revenue (IAPR), sets out the conditions and procedure for claiming a discount for the ENFIA real estate property tax for residencies covered under a home insurance policy for natural disasters. The Decision's main points are the following:

1. Eligibility for claiming a 10% discount on ENFIA real estate property tax for residencies insured under a home insurance policy:

- ▶ Only natural persons who have a "right" over a "residence" reported as such on the tax statement of Greek real estate property -E9 declaration- are entitled to claim a discount, provided that the following conditions (a, b, c) are cumulatively met:
 - a) in the year 2023 the residence was insured under a home insurance policy with an insurance company registered with the Register of Insurance Undertakings maintained by the Department of Private Insurance Supervision at the Bank of Greece,
 - b) the policy cumulatively covers the insured risks of earthquake, fire and flood for a period of at least 3 months within 2023 and
 - c) the sum insured for all three risks covers the total reconstruction cost of the building or buildings that make up the residence.
- ▶ For the calculation of the reconstruction cost, the total surface of the main and auxiliary areas of the residence is taken into account, as this has been reported on the E9 declaration. The reconstruction cost of the residence is set at €1,000 per square meter - specifically for 2024 it is set at €900 per square meter. No ENFIA discount is granted if the sum insured under the insurance policy falls short of the reconstruction cost; e.g. in order to be granted for 2024 an ENFIA discount for a residence with main areas of 100 sq.m. the sum insured for the year 2023 cannot be lower than €90,000.

- ▶ The ENFIA discount can be granted in any case where a natural person maintains a "right" over an insured residence according to the data reported on the E9 declaration; this applies not only where the natural person qualifies as both the "insured person" and "policyholder", but also where the policyholder is a third party (*natural person or legal person*).

The "policyholder" is the counterparty of the insurance company in the insurance contract, while the "insured person" in non-life insurance (e.g. fire, etc.) is the person who has an interest in the preservation of the asset; i.e. the person whose financial relationship with the asset will be affected if the risk occurs and for the benefit of whom the insurance contract is taken out.

- ▶ The "right" over the insured residence should derive from an already submitted E9 declaration and, in particular, from the data reported in Table 1 "*Data of plots within a city plan or settlement and buildings within and outside a city plan or settlement*" and in column 15 "*Building - Type of right*".

This includes, among else, the rights in rem of full ownership, bare ownership, usufruct, occupancy, etc.

- ▶ The term "residence" covers any building, together with its accessories, which is listed in the E9 statement as "residence or apartment other than a detached house" or as "detached house".
- ▶ The residence may have one or more property identification numbers/ATAK.

2. The process - application deadline

In order to claim the discount, it is necessary to submit an application as follows:

A. Electronically by submitting an application through the myPROPERTY platform until 22.02.2024

When the applicant is both the policyholder and the insured person, but also the sole right holder over the insured residence based on the E9 declaration.

- ▶ The policyholder is required to enter the relevant application via [myAADE](#) [Ask for the reduction of ENFIA for your insured ... - Gov.gr (www.gov.gr)] with their personal taxisnet codes and submit an application. The applicant selects the property identification number/ATAK that corresponds to the insured residence and associates it with the number of the corresponding insurance policy. Especially for the year 2024, applications and any amendments and corrections thereof must be submitted no later than February 22, 2024.
- ▶ If the insured residence does not appear on the platform, the taxpayer should confirm that this has previously been -correctly- reported on the E9

declaration and, if this has not already been already done, take care of it immediately.

- ▶ If the insurance policy does not appear on the platform, the policyholder should contact the insurance company.
- ▶ In the event that the taxpayer has more than one insured residences, the above procedure should be repeated for each insured residence separately, i.e. again for each property identification number/ATAK by submitting a separate application and by indicating each time the insurance policy concerning the insured residence at stake etc. If the same insured residence corresponds to more than one property identification number/ATAK on the E9 declaration, each property identification number/ATAK corresponding to the insured residence should be associated with the relevant insurance policy.

When the applicant is both the policyholder and the insured person, but is not the sole right holder over the insured residence, i.e. there are additional right holders (co-owners etc) based on the E9 declaration.

- ▶ In case there are e.g. co-owners, the policyholder should report their Greek tax identification numbers (AFM) on the platform. The latter will receive an electronic notification through IAPR in order for them to submit- within the same deadline of 22.02.2024- an application as "co-Owner" for ENFIA discount on their part on the basis of the insurance policy declared by the policyholder.

When the policyholder does not himself have any "right" on the insured residence based on the E9 declaration - e.g. where the insurance has been taken out in favor of aof the insured residence third party [beneficiary] and the policyholder is not the insured person himself .

- ▶ If the policyholder does not himself have a "right" over the insured residence, i.e. in the event that the insurance has been made in favor of a third party [insured], the policyholder should enter the application as above, choosing the insurance policies where is named as policyholder and to report the tax identification numbers of the third parties [insured parties/ beneficiaries of the insurance] who have a right to the insured residence. In this case, the latter will be notified by electronic message from IAPR and must enter the platform to submit an application for ENFIA discount as above within the same deadline (22.02.2024).
- ▶ In the event that the same residence -in the same property identification number/ATAK- corresponds to several insurance policies of the same or different insurance company or renewals or amendments of the insurance policy, all the insurance policies with which the residence at hand is associated should be selected and added to the application.

- ▶ After the application has been submitted, the insurance companies are obliged to confirm to the tax authority that the residence reported on each application is covered under the respective insurance policy. Especially for year 2024, the confirmation of the data by the insurance companies must be completed no later than March 11, 2024, while in the following years the confirmation of the data is completed by January 25 of the year following the reference year.
- ▶ The discount is granted centrally by the IAPR with the first assessment of the ENFIA; upon issuance of the ENFA tax assessment the IAPR confirms the fulfillment of the conditions for granting the discount and reduces the ENFIA tax amount attributable to the property identification number (“ATAK”) of the insured residence, either for the entire calendar year or for a shorter period (3-12 months) depending on the exact period that all three above -a, b, c- conditions for granting the discount have been cumulatively met.

3. Exceptionally the discount can be claimed by submitting the special form “D500 Application - Declaration for the granting of an exemption, discount or for the reassessment of ENFIA)”

- ▶ In the cases where the discount was not granted upon the original ENFIA assessment according to the above, the taxpayer has the right to apply for the discount by completing and submitting the special form D500 (*either digitally through “My Requests” or in hard copy with the appropriate tax office*); in such case the taxpayer is required to file also the respective insurance policy and any renewals or amendments thereto as well as a solemn declaration confirming the accuracy of the submitted data. If the application is accepted, a reassessment of ENFIA is carried out by the tax authority and the discount is granted at that time; otherwise the application is rejected, in which case the taxpayer will have the right to challenge this by lodging a quasi-judicial appeal.

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