Independent legal & accounting firms

Doing Business in Greece

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Doing business in Greece

MSI's guide on Doing Business in Greece provides current information about the financial, regulatory and legal considerations that could affect business dealings within Greece. For further assistance please contact our MSI member firms in Greece.

Country overview

Population
Greece has a population of approximately 10.4 million inhabitants (April 2024).

Government
Greece is a Parliamentary Republic.

The President is the Head of State, while executive power is exercised by the Government headed by the Prime Minister.

Greece is divided into 13 administrative regions and several municipalities.

Languages
The official language is Greek.

English is widely spoken, especially in business, tourism and larger cities such as Athens, Thessaloniki and Patras.

Currency
The national currency is the Euro (€).

Economic summary
GDP: € 237 billion
Income per capita: € 22,560
Inflation: 3.0 %

(as of 2024)

Main sectors of the economy
Greece's strategic position at the crossroads of Europe, Asia, and Africa, together with its long coastline and EU membership, has shaped an economy that depends strongly on services and international trade. Services account for roughly two - thirds of GDP, with tourism as the standout pillar: millions of visitors each year make it one of the country's largest sources of income and jobs.

Shipping and maritime services are another core strength - Greek-owned fleets are among the largest in the world - along with trade, transport, finance, and communications.

Industry and agriculture form the rest of the economic base. Key industrial activities include petroleum refining, chemicals, pharmaceuticals, food and beverage processing, metals, and machinery, with refineries near Athens and Thessaloniki playing a major export role.

Agriculture, while a smaller share of GDP, remains vital in rural areas and for exports, especially olive oil, olives, wine, citrus fruits, cotton, and fish farming. Greece's main trading partners are largely in the EU - such as Italy and Germany - along with other global markets, reflecting its close integration into European and international trade networks.

EU country/ Non-EU and its impact on businesses and investors
Greece is a member state of the European Union and the euro area, which gives businesses and investors full access to the EU Single Market, common trade rules, and the stability of a shared currency. This reduces exchange-rate risk and simplifies cross-border operations with other EU countries.

Greece's strategic location at the gateway between Europe, Asia, and Africa, together with a well - educated and multilingual workforce, makes it an attractive base for companies involved in logistics, shipping, tourism, energy, and regional headquarters serving Southeast Europe and the Eastern Mediterranean.

The country has worked to create a more business-friendly and investment - oriented environment, including tax incentives, fast - track licensing for strategic projects, and support through agencies such as Enterprise Greece.

Greece also benefits from modern transport and digital infrastructure, with major ports like Piraeus (one of Europe's busiest container ports) and growing data centres and broadband networks that support technology, e-commerce, and services. Combined with EU funding for innovation and green transition projects, these factors make Greece increasingly attractive to foreign investors and international businesses looking for a stable EU base with strong regional connections.

Setting up a business

Under Greek law, a foreign individual or company may operate in Greece through an incorporated or unincorporated entity or through a branch of a foreign company. Greek company law follows EU standards and provides a flexible and open framework for foreign investors.

There are no special restrictions on foreigners starting or owning a business in Greece. Business operations may be set up with or without legal personality. When a company has legal personality (such as a limited liability company), the owners' liability is limited to the amount they have invested in the company's capital.

Legal types of business entities
1. Branch of a foreign company
2. Sole proprietorship

3. Partnership (General Partnership – OE)
4. Limited Partnership
5. Private Company
6. Limited Liability Company
7. Société Anonyme (SA / AE – Public Limited Company)
8. Cooperative

In international business, the Private Company (IKE) and the branch are the most used forms. The Private Company (IKE) is especially popular because it is easy to set up and very flexible. It can be formed by one or more founders through a simple registration process, often completed online.

The minimum share capital is only € 1, and contributions may be in cash, in kind, or even in services. The Société Anonyme (AE) is mainly used for larger companies and requires a higher minimum capital (€ 25,000), making the Private Company (IKE) the preferred choice for most small and medium-sized foreign investors.

Process of how to set up a business

A company is incorporated through:

- Registration in the Greek Business Registry (GEMI)
- Obtaining a tax number (VAT)
- Registration for VAT and social security
- Opening a Greek bank account

Financial year of taxes and financial accounts

The financial year is equal to the calendar year. However, legal entities may choose for a different financial year if they wish.

Accounting and auditing

When is a statutory audit required?
A statutory audit is required when 2 out of the following 3 criteria are met:

1. Annual turnover > €10 million;
2. Total assets > €5 million;
3. Number of employees > 50

Economic and fiscal incentives

Greece offers a range of economic and fiscal incentives to attract both domestic and foreign businesses, support innovation, and stimulate investment. In recent years, the government has expanded tax incentives under Law 5162/2024 to foster research and development (R&D), innovation, and start - up activity.

Eligible companies can benefit from enhanced tax deductions on qualifying R&D expenses, with super - deductions that can reach up to 250 % for certain collaborative projects with universities or research centres, and generous deductions for other R&D activities. There are also patent-related incentives that allow reduced tax rates on income generated from exploited patents, and extended tax relief for angel investors who invest in Greek start - ups, helping to build a vibrant early - stage investment ecosystem. These measures are designed to make Greece more competitive within the EU for technological innovation and to support companies pursuing cutting ` edge development.

In addition to tax incentives, Greece promotes investment through residency and funding schemes and regional support programs.

A notable example is the Startup Golden Visa, which grants non - EU investors a residence permit in exchange for qualifying investments in Greek start - ups, helping to attract international capital and entrepreneurial talent. Greece also supports private equity and venture capital activity via favourable structures such as AKES funds, which offer tax - transparent investments and exemptions on certain gains and fees, and the Hellenic Development Bank provides concessional loans and guarantees to SMEs and innovators.

Furthermore, broader fiscal measures include incentives for defence and SME growth, as well as EU – co - financed grants that subsidize strategic investments and innovation projects across regions.

Taxation

The tax system in Greece is an important factor for companies considering incorporation or investment in the country. As a member of the European Union and the euro area, Greece applies tax rules that are aligned with EU standards and provides a stable and transparent fiscal framework for both domestic and foreign businesses.

The Greek government has, in recent years, aimed to make the tax environment more competitive in order to attract investment, support entrepreneurship, and encourage economic growth.

Within this framework, companies may obtain advance certainty on certain tax matters, such as transfer pricing and complex cross - border arrangements, through procedures like advance pricing agreements (APAs) and binding tax rulings.

Greece has also signed double taxation treaties with many countries, helping to prevent income from being taxed twice and facilitating international business and investment. Like in most modern economies, the Greek tax system can be divided into taxes on income and profits (such as corporate and personal income tax) and indirect taxes that increase costs, such as value-added tax (VAT) and excise duties.

VAT

In Greece, the standard Value Added Tax (VAT) rate is 24 %, which applies to most goods and services sold in the country. This rate is set in line with EU VAT rules, which require member states to maintain a standard rate above a certain minimum.

There are also reduced VAT rates for specific categories: a 13 % reduced rate applies to many basic goods and services - including certain food items, hotel accommodation, and transport - and a super - reduced rate of 6 % applies to items such as medicines and certain printed materials. Additionally, in some Greek islands, these rates are further reduced by 30 % under special regional provisions, resulting in lower effective VAT rates.

Income tax

The tax base for income tax purposes is divided into the following:

1. Income from work and home

   This includes salaries, wages, pensions, and income from self-employment. Tax is progressive, meaning the rate increases as income increases. For 2026, the rates for employment income roughly start at 9% for very low incomes and go up to 44% for high incomes.

   Social security contributions may also apply, reducing the taxable income.

2. Income from substantial interest

   This refers to income from shares, dividends, and ownership stakes in companies (typically more than 5% ownership is considered "substantial"). Tax rate is different from regular income; for dividends in Greece, the standard withholding tax is 5 % (for listed companies), though it may vary depending on specific rules.

   Other forms of substantial interest may be taxed differently, especially if related to business profits.

3. Income from savings and investments

   This includes interest on bank deposits, bonds, rental income, capital gains from investments, etc. Tax rates here are usually flat, not progressive like salaries.

Corporate income tax

In Greece, corporate income tax applies to profits generated by companies, including limited liability companies, SAs, and branches of foreign firms operating in the country. The standard corporate tax rate is 22%, applied uniformly to all taxable profits, without tiered thresholds. In addition to corporate tax, dividend distributions may be subject to a withholding tax, and certain sectors may face additional levies. Taxable profit is calculated after deducting allowable business expenses, and losses can generally be carried forward for up to five years.

Registration procedures

In Greece, both individuals and companies are registered with the tax authorities and are issued a Tax Identification Number (TIN or VAT Number). Communication with the tax authorities, including the submission of tax returns and receipt of tax assessments, is largely conducted electronically through the official tax portal, making the process more efficient and transparent.

Participation exemption

In Greece, the participation exemption (also called the substantial holding exemption) is an important feature of corporate taxation, designed to avoid double taxation of profits within corporate groups. Under this scheme, dividends and capital gains received by a Greek parent company from its subsidiary—whether the subsidiary is based in Greece or abroad—can be exempt from corporate tax, provided certain conditions are met. Typically, the parent company must hold at least 10% of the subsidiary's share capital for a minimum period, and the subsidiary must meet certain activity and tax requirements. Cooperative memberships may also qualify. This exemption ensures that profits distributed within a corporate group are not taxed twice at the level of the parent company.

Wage tax

In Greece, wage tax is similar to personal income tax and operates as a withholding tax, meaning it is deducted directly from salaries and serves as an advance payment of income tax. Employers are responsible for withholding the tax and remitting it to the tax authorities.

Withholding taxes

In Greece, the most common withholding tax applies to dividends, which are generally subject to a 5% withholding tax for resident shareholders. Under the participation exemption, dividends received by a Greek parent company from a qualifying subsidiary, whether domestic or within the European Union, are generally exempt from corporate tax, effectively avoiding double taxation within corporate groups.

The same may apply to other countries, depending on the tax - treaty.

Tax incentives to angel investors

Starting from the 2025 tax year, Greece has introduced new tax incentives for angel investors who invest in registered start - ups or in Closed - End Funds (AKES). The maximum eligible investment per individual is € 900,000, which can be spread across up to three start - ups or funds, with a cap of € 300,000 per start - up. To qualify, the investor must be a Greek tax resident or a non - resident holding a Greek Tax Identification Number, and the start - ups must be registered on the "Elevate Greece" platform.

The incentive allows investors to deduct up to 50% of their investment from taxable income, applied proportionally across income categories, in the year the investment is made. Investments must be made via a bank transfer. If an audit determines that the investment was made primarily to gain the tax benefit rather than genuinely support a start - up, a penalty equal to the tax benefit claimed will be imposed.

Alternative taxation regime for relocated employees

Since 2020, Greece has introduced a special tax regime for individuals relocating their tax residence to the country, covering income from employment or business activity earned in Greece. This regime is designed to provide favourable taxation for newly created positions and applies under the following conditions:

- The individual was not a Greek tax resident for at least five of the six years preceding the relocation.
- The individual transfers their tax residence from an EU/EEA country or

from a country with which Greece has a tax cooperation agreement.

- The individual provides services in Greece either through a Greek employer or a permanent establishment of a foreign company in Greece or conducts individual business activity.
- The individual commits to remaining in Greece for at least two years.

Eligible taxpayers can receive a 50 % exemption on employment or business income earned in Greece for the applicable tax year. Additionally, for these taxpayers, certain deemed income rules, such as those related to housing or vehicle benefits, do not apply.

Applications must be submitted to the Greek tax authorities as follows:

The special tax regime lasts for seven consecutive tax years from the year of application, with no possibility of extension beyond that period.

HR/ Labour Law

Employment law

In Greece, an employment agreement can be concluded for either an indefinite or fixed term. If a fixed - term contract is continued after its expiration, it is generally considered to have automatically renewed under the same conditions as the previous contract, subject to specific limits. Fixed - term contracts can typically be renewed up to three times within a maximum period of two years, allowing both the employer and employee to terminate the contract at the end of each agreed term. After these limits, the contract is usually regarded as indefinite.

Social security

In Greece, participation in the social security system is mandatory for all employees. Workers are insured for pension, sickness, unemployment, and other social risks. Social security contributions are shared between the employer and the employee and are paid to the social security organization (EFKA), often together with wage tax. Contribution rates vary depending on the sector and type of employment.

Additionally, all individuals are obligatorily insured for healthcare costs, and coverage is provided through the national social security system, with additional private insurance options available from licensed companies.

Pension

In Greece, certain sectors may require participation in occupational or supplementary pension funds, with contributions paid directly to the respective fund. In addition, there is a national social security system (EFKA) that provides a basic state pension to all insured individuals. Coverage generally applies to anyone employed or self - employed in Greece. The retirement age is gradually increasing and is currently set at 67 years, depending on factors such as contribution history and changes in life expectancy.

Payroll

In Greece, when starting a business and hiring employees, the company must register with the tax authorities and the social security organization (EFKA). Payroll taxes, including wage tax and social security contributions, are generally paid monthly. The registration process can take some time, but employers are allowed to hire staff and start paying wages even if the registration is not yet fully completed, provided that all contributions and taxes are properly reported once registration is finalized.

Visa and work permits

In Greece, all EU/EEA and Swiss citizens have the right to work freely without a special work permit or visa. EU nationals who take up employment in Greece must register with the tax authorities and are issued a Tax Identification Number (VAT). Citizens from non - EU countries must obtain a work permit and residence visa before starting employment in Greece.

Contact us

The information provided in this guide cannot be exhaustive and we recommend anyone considering doing business in Greece should seek professional advice from our member firms before making any business or investment decision.

Contact our member firms in Greece to discuss your requirements:

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