

Property leases. Everything landlords and tenants need to know.

Has the drafting of a Private Lease Agreement been abolished?

No. The "Property Lease Information Statement" is submitted solely for tax purposes and for this reason the above statement covers both written and verbal lease agreements. This declaration does not define the relations of the contracting parties (lessor and lessee). These relationships are regulated and protected by the Civil Code.

When is there an obligation to submit?

The lessors-sublessors of real estate, and those who grant the use of land and real estate are required to declare, electronically, all the information of the initial or amending leases or the grant of use, regardless of whether it is a written or oral agreement and regardless of whether the rent is paid in cash or in kind. Exempted from the obligation are those who provide free housing up to 200 sq.m. in order to be used as a main residence for ascendants or descendants. Also, in case of termination of the lease, the lessor is obliged to declare the termination of the lease by the end of the month following the termination.

For which leases is there an obligation to submit?

- for urban leases (residential)
- for professional leases
- for short-term rentals outside the digital platform
- for rural/agricultural
- to grant use (free of charge or in exchange in kind).

In which cases is a rental declaration submitted?

- Initial leases or subleases or free concessions of land or property uses.
- Amendments to leases or subleases or free grants of land or property uses.
- Leasing or subletting solutions or free concessions of land or property uses.

Who is required to submit?

The lessor or sublessor or the provider of free use of the property or land.

In cases of co-ownership, it is submitted by one of the co-owners.

If one of the co-owners does not accept the details of the lease, they must, by the deadline for submitting the income tax return, select the field "NOT ACCEPTED" and write down the reasons for the non-acceptance.

If he does not have an A.F.M. the landlord what do we do?

He must request from the competent D.O.Y. to be granted A.F.M. Without A.F.M. it is not possible to register a statement. Also, he must register in the TAXISnet online services, receive user codes (key number), so that he can enter the application and register the A.F.M. in the field of lessors.

(AFM means Tax number, DOY means Tax Office)

In only two cases is it allowed not to have an A.F.M. the lessee:

Foreign tenant: In this case, the passport number or the identity number or any other legalizing document, the address of permanent residence and the country of origin are entered. In the case of legal persons or legal entities - foreign tax residents without a permanent establishment in Greece, the tax identification number of the lessee, if any, or their full details (name, postal address, country of tax residence) is registered.

Legal entities under incorporation: the case concerns a lease in which a legal entity, which has not yet received an A.F.M. by the competent agency (GEMI). In this case, the name of the legal entity and the A.F.M. of the legal representative. Then, when the Legal Entity completes the process of starting operations and receives an A.F.M., the lessor must return to TAXISnet in order to register a new rental declaration within the month following the granting of an A.F.M. In this new declaration, the A.F.M., the rest of the lease details will be entered (exactly as they were entered in the original declaration), but the "continuation of previous lease" field must ALSO be selected. The registration number of the original lease will be entered in this field.

(AFM means Tax number, DOY means Tax Office, GEMI means general commercial register)

When do you submit the electronic lease? Who are liable?

At the end of the following month from the start of the lease, the real estate lease contract must be submitted electronically to the taxisnet system by the lessor. According to clarifications from the Ministry of Finance, all oral or written, initial or amending land or real estate lease agreements, regardless of the rent amount, are submitted electronically by the lessor within the next month from the start of the lease.

A similar obligation exists for the subletting of land or real estate, as well as for the free provision of these for which taxable income is presumed.

There is also an obligation to submit information on land or real estate leases for all written, initial or amending, lease agreements that were concluded up to 12/31/2013, which, despite their visa obligation, were not submitted to the DOY for visa.

It is mandatory to complete the P.E.A. protocol. (Energy Performance Certificate) in the property lease information statement?

Based on article 58, par. 3, Law 4342/2015 (Government Gazette 143/09/11/2015) the inscription of the P.E.A. protocol. in the online application "Property Lease Information Statement" is mandatory. Therefore, if you have an obligation to issue a P.E.A. for the property you are renting out. then you must fill in the fields in the "ENERGY CERTIFICATE" section.

(PEA means Energy Performance Certificate)

For further information you can contact us

Invst Real Estate