**Trusts and Foundations in Greece**

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Since 1st January 2014, the Greek Income Tax Code has recognized trusts and foundations as separate taxable legal entities for corporate income tax purposes. Accordingly, any Greek – or foreign – source income (e.g. interest, dividend etc.) is taxed at the relevant rate in the name of the trust or foundation. Income from real estate is taxed as business income. A distribution to the settlor as beneficiary is treated as a dividend, and taxable as income – at 10 per cent for distributions in 2016, at 15 per cent, for the tax years 2017 and 2018 and 10 per cent as of 2019 onwards (plus solidarity tax contribution if the settlor is an individual). A transfer of trust assets to a beneficiary who is not the settlor is treated as a gift or inheritance subject to the gift or inheritance tax at a rate depending on the relationship between the settlor or founder and the recipient of the assets. Undistributed income remaining within the trust may be assessed under CFC rules. On dissolution and liquidation, any excess of total distributed amounts over the initial capital transferred to the trust or foundation is considered a dividend and is subject to income dividend tax (plus solidarity tax contribution). There is no taxable event if the distributed amounts do not in total exceed the initial capital, since they are considered as capital repayment. The transfer of assets from the settlor into the trust or foundation is not considered as taxable event. In any case, it should be safeguarded that foreign trusts and foundations are effectively managed in the place of their tax residence so that the risk of artificial arrangement as well as of creating permanent establishment in Greece is mitigated.