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Tax treatment of dividends distributed by Greek *societes anonymes* (SA) to non-Greek tax residents recipients, following the application of Article 14 of Law 3943/2011 (Published in the Official Journal A' 66). Application of the relevant provisions in the context of Double Taxation Conventions on Income and Capital

Athens, 23 June 2011

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POL 1141

SUBJECT: Tax treatment of dividends distributed by Greek *societes anonymes* (SA) to non-Greek tax residents recipients, following the application of Article 14 of Law 3943/2011 (Published in the Official Journal A' 66). Application of the relevant provisions in the context of Double Taxation Conventions on Income and Capital

RELEVANT DOCUMENTS:

a) Circular 1022502/869/ΔΟΣ/ΠΟΛ.1082/11-6-2009 of the Directorate of International Economic Relations

b) Circular 11004/B0012/ΠΟΛ.1129/6-6-2011 of the Directorate of Income Taxation (Δ12).

Following the above mentioned (under (a)) relevant document, we hereby provide an updated table containing the percentage of with-holding tax on dividends, as provided for by the new Double Taxation Conventions that Greece has signed recently. The provisions of these Double Taxation Conventions apply as from 01 January 2011.

True Copy

Head of Secretariat

Head of Directorate

acting

M. Saranditi

DETAILED TABLE

TAX TREATMENT OF DIVIDENDS DISTRIBUTED BY DOMESTIC S.A.s TO RECIPIENTS WHO ARE RESIDENTS OF STATES WITH WHICH GREECE HAS SIGNED A DOUBLE TAXATION CONVENTION ON INCOME

STATE	LAW	PROVISIONS	W/H TAX RATE ⁽¹⁾
1.AZERBAIJAN	L. 3862/2010	Article 10(2)	8%
2. CANADA	L. 3842/2010	Article 10(2)	a) 5% (in case the beneficiary owner is a company that holds either directly or indirectly at least 25% of the share capital of the distributing company) b) 15% (in all other cases).

3. QATAR	L. 3823/2010	Article 10(2)	5%
4. MOROCCO	L. 3820/2010	Article 10(2)	a) 5% (in case the beneficiary owner is a company other than a partnership that holds directly at least 25% of the share capital of the distributing company). b) 10% (in all other cases).
5. SAUDI ARABIA	L. 3821/2010	Article 10(2)	5% ⁽²⁾
6. SERBIA	L. 3825/2010	Article 10(2)	1) 5% (in case the beneficiary owner is a company other than a partnership that holds directly at least 25% of the share capital of the distributing company). 2) 15% (in all other cases).
7. TUNISIA	L. 3742/2009	Article 10(2a)	35%

⁽¹⁾ In case the withholding tax rate provided for by the Greek domestic legislation (Income Tax Code – L. 2238/1994) is lower than the rates referred to in this table, then the domestic law provision providing for the lower rate applies.

⁽²⁾ It must be pointed out that if the dividends are received by the Government of the Kingdom of Saudi Arabia [including the Saudi Arabian Monetary Agency] and by entities that belong wholly to the State of Saudi Arabia, those dividends are tax exempt in Greece (Article 27).