

Interreg IPA Cross-border Programme
«Greece – Republic of North Macedonia 2014-2020»

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Be In – CN2 – SO 1.1 – SC043

HELLENIC REPUBLIC
MINISTRY OF DEVELOPMENT AND
INVESTMENTS

INTERREG – IPA CBC

LEAD BENEFICIARY
REGION OF CENTRAL MACEDONIA

“BUSINESS ECO-SYSTEM AS AN INTERGRATED SYSTEM”

BE - IN

Group of DELIVERABLE 2 - (9 MINI REPORTS)

DELIVERABLE 2 (1st out of 9)

NEWS LETTER 1

«ALTERNATIVE LEGAL FORMS OF BUSINESSES
SIMILARITIES AND DIFFERENCES»

MARCH 2023

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Alternative Legal Forms of businesses in Greece and Corporate Tax Rates in Greece and Europe



The table presented below provides a comprehensive overview of the primary characteristics associated with various legal forms that a company can adopt. This information aims to assist in evaluating the advantages and disadvantages of each legal structure, aiding prospective businesses in selecting the most favorable form for establishment

*Table 3 : Comparative table of main forms of private enterprises.
Source: Law 4072/2012, Law 4548/2018, Law 3190/1955.*

Forms of legal entity	Individual	Partnership company	Public Limited Company (S.A.)	Limited Liability Company	P.C.C.
Type of entity	Individual	Personal	Capital	Capital (or mixed)	Capital
Number of persons	1	At least 2	It can also be 1	It can also be 1	It can also be 1
Method of company formation	AADE application	e-YMS private document	e-YMS private document with statute	e-YMS private document with statute	e-YMS private document with statute
Duration	Non defined	Non defined	Non defined	Defined	12 years
Minimum initial capital	There is no threshold	There is no threshold	25.000 euro	1 euro	It can also be zero
Scope of responsibility	Unlimited	General partners: unlimited Limited partners: up to the amount of their contribution	the company	the company	Only the company, with the exception of shareholders with guarantee contributions

Supreme body	Entrepreneur	Partners	General Meeting of shareholders	General Meeting of partners	General Meeting of partners
Management	Entrepreneur	All the general partners	Board of Directors	Administrators	Administrators
Bookkeeping	Single-entry bookkeeping, unless the turnover \geq 1,500,000 euro	Single-entry bookkeeping, unless the turnover \geq 1,500,000 euro	Double-entry bookkeeping	Double-entry bookkeeping	Double-entry bookkeeping
Publication of financial statements	No	No	Yes	Yes	Yes
Profit distribution	All profits belong to the entrepreneur	All profits are distributed	Minimum distribution of 35%, otherwise the shareholders decide.	Unless otherwise provided by statute, all profits are distributed	Profits may not be distributed.
Capital reserve (regular)	No	No	Yes 5%	Yes 5%	Yes 5%
Insurance	Compulsory	Compulsory	No, unless the shareholder has more than 3% and participates in the Board of Directors.	Compulsory	No, unless it is single-person PCC.
Possibility of listing on the Stock Exchange	No	No	Yes	No	No
Ability to convert	Yes, abusively	Yes	Yes	Yes	Yes

Furthermore, the table below illustrates the corporate tax rates across various European countries for the year 2022, facilitating the identification of the most competitive tax systems. It is noteworthy that Greece, with its current rate of 22%, slightly exceeds the European Union's average of 21.3%. This marks a positive shift after previous years' increased rates. However, neighboring countries to Greece boast significantly lower tax rates, making them more attractive for substantial capital investments by large corporations. Both North Macedonia and Bulgaria maintain a 10% tax rate, while Albania adopts a 15% rate. Consequently, Greece, due to its proximity to these nations, finds itself at a comparative competitive disadvantage—a situation that, in our perspective, warrants prompt attention and resolution.

Table 1: Tax rates in the countries of the European continent in 2022

Albania	15 %
Austria	25 %
Belarus	18 %
Belgium	25 %
Bosnia and Herzegovina	10 %
Bulgaria	10 %
Croatian	18 %
Cyprus	12.5 %
Czech republic	19 %
Denmark	22 %
Estonia	20 %
Finland	20 %
France	26.5 %
Hellas	22 %
Hungary	9 %

Iceland	20 %
Ireland	12.5 %
Italy	24 %
Kosovo	10 %
Latvia	20 %
Liechtenstein	12.5 %
Lithuania	15 %
Luxembourg	24.94 %
North Macedonia	10 %
Malta	35 %
Moldova	12 %
Montenegro	9 %
Netherlands	25.8 %
Norway	22 %
Poland	19 %
Portugal	21 %
Romania	16 %
Russia	20 %
Serbia	15 %
Slovakia	21 %
Slovenia	19 %
Spain	25 %
Sweden	20.6 %
Switzerland	14.93 %
Turkey	23 %
Ukraine	18 %

United Kingdom	19 %
European Union	21.3 %

Source : www.take-profit.org

Availabe at: <https://take-profit.org/en/statistics/corporate-tax-rate/european-union/>