



# CHARTER IN **GREECE** SPECIFIED PERIOD CHARTER LICENSE VAT RULES 2024

# SPECIFIED PERIOD CHARTER LICENCE – GENERAL INFORMATION

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All commercial yachts – **both EU & non-EU**

- a.** Without a Greek charter license (e-Ships Registry)
  - b.** with LoA from **35 m.** (**Tip:** not the registered length)
  - c.** constructed of **steel or plastic or aluminum,**
- are eligible for the Specified Period Charter License

# SPECIFIED PERIOD CHARTER LICENCE – CHARACTERISTICS



- Issued electronically via the governmental **“e-Charter Permission”** platform
- Duration: **twenty-one (21) days** plus **7 days** extension
- The **21 (plus 7 days)** may correspond to **one or more charter contracts**, for which a separate license is issued.

**Rule:** license per charter contract

- Is approved by the Port Authority of the place of the delivery of the vessel/embarkation of the clients, when it is located in Greece, or by the 1st nearest Port Authority if the delivery of the vessel is located abroad.

# CUMULATIVE CONDITIONS FOR THE ISSUANCE OF THE SPECIFIED PERIOD CHARTER LICENSE

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1

Obtain a Greek Tax Identification Number (A.F.M.) from the competent tax office

2

Signed charter agreement

3

Payment of the special cruising tax T.E.P.A.D.A.H. (for IN/IN charters) or T.E.P.A.D.A.H. Plus (for OUT/OUT, IN/OUT, OUT/IN charters)

4

Up-front payment to the Greek Government of the 70% of the VAT

5

The owner does not maintain a permanent establishment within the country – i.e. a 3year charter license

6

Obtain a Foreign Commercial Yacht Inspection Certificate (PEXEPA Certificate) only for vessels less than 500 GT

# SPECIAL CRUISING TAXES - CHARACTERISTICS

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T.E.P.A.D.A.H. or  
T.E.P.A.D.A.H. Plus is  
calculated per charter  
party and for the total  
number of days within  
the Greek Territorial  
waters – pro-rata tax

The payment of the  
T.E.P.A.D.A.H. or  
T.E.P.A.D.A.H. Plus is  
carried out with a  
**unique payment code**  
issued electronically,  
through the “ e-Charter  
Permission” platform

The shipowner or the  
disponent owner is  
liable for the payment  
of T.E.P.A.D.A.H. or  
T.E.P.A.D.A.H. Plus

Introduced by Law 4926/2022 and implemented on December 29th, 2023. For its calculation we use two formulas provided in article 9 of the law, and we take into account the LoA and the GT of the vessel, and the number of days spent cruising in Greek waters.

# SPECIAL CRUISING TAXES – T.E.P.A.D.A.H. or T.E.P.A.D.A.H. PLUS



## When is it payable?

- 1 **T.E.P.A.D.A.H. Plus:** for **ALL** commercial vessels (from 7m.) under charter starting **AND** ending **OUTSIDE** of Greece (e.g. Albania-Albania).
- 2 **T.E.P.A.D.A.H. Plus:** for all commercial vessels from 35m. / not made from wood under charter starting **AND / OR** ending **IN** Greece.
- 3 **T.E.P.A.D.A.H.:** for all commercial vessels from 35m./not made from wood under charter starting **AND** ending **IN** Greece.

# SPECIAL CRUISING TAXES - EXAMPLES

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## TEPADAH

**1st Example:** vessel 40m. / with 494 GT  
 $T = 500 + (7 \text{ days} \times 45 \text{ euros}) = 815 \text{ euros}$   
 $T = 500 + (14 \text{ days} \times 45 \text{ euros}) = 1.130 \text{ euros}$

**2nd Example:** vessel 62m. / with 1026 GT  
 $T \text{ for } 7 \text{ days} = 1.305 \text{ euros}$   
 $T \text{ for } 14 \text{ days} = 2.110 \text{ euros}$

## TEPADAH PLUS

**1st Example:** vessel 40m. / with 494 GT  
 $T = 500 + [7 \text{ days} \times (45 \text{ euros} + 800 \text{ euros})] = 6.415 \text{ euros}$   
 $T = 500 + [14 \text{ days} \times (45 \text{ euros} + 800 \text{ euros})] = 12.330 \text{ euros}$

**2nd Example:** vessel 62m. / with 1026 GT  
 $T \text{ for } 7 \text{ days} = 30.705 \text{ euros}$   
 $T \text{ for } 14 \text{ days} = 60.9100 \text{ euros}$



# VAT RULES FOR 2024

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## WHEN IS GREEK VAT APPLIED? (ONLY FOR CREWED YACHTS)

Vessels with crew conducting **sea transport of persons** will be subject to the reduced VAT rate of 13% as of December 11th, 2023, by Law 5073/2023.

Additionally, pursuant to Decree (POL.) 1156/1997, further deductions are applicable based on the of the vessel:

### **Certificate of Compliance (CoC)**

✓ If she has unlimited navigation the VAT will be 5,2% (60% exemption)

✓ If she has limitations the VAT rate will be 6,5% (50% exemption)

✓ For static charters and those less than 48 hours the VAT rate will be 13% (full rate)

**Important Note:** TEPADAH and TEPADAH Plus cruising taxes are applicable only to vessels with the Specified Period Charter License.



# KEY POINTS

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## 13% FULL VAT RATE

Applied only to static  
charters, and charters  
up to 48 hours

## VAT

is applied **only** on  
charters starting  
AND ending in  
Greece

## 0% VAT

charters starting  
AND/OR ending  
outside of Greece

# EXAMPLES



## Greece - Greece

Either 13%, 6,5% or 5,2% on the charter fee depending on the Certificate of Compliance (CoC) of the vessel & TEPADAH special cruising tax

## Non-EU to non-EU

Zero VAT & TEPADAH Plus cruising tax

## EU to EU / non-EU and vice versa

Zero VAT & TEPADAH Plus cruising tax

**Note:** For charters starting in Greece and end in another **EU country**, even the VAT as per the Greek laws is zero, it is advisable to pay it in Greece for the avoidance of any tax implications with the EU country of disembarkation.

Important Note:  
TEPADAH and  
TEPADAH Plus  
cruising taxes are  
applicable only in  
case of the  
obtainment of the  
Specified Period  
Charter License.

# COUNTRY-SPECIFIC



## Tips & Warnings:

✓ You cannot change more than **75%** of the guests list.

**Solution:** split the charter in two parts.

✓ The Greek charter party is not mandatory.

✓ Vessels under **YET** (Yacht Engaged in Trade) are eligible to obtain this type of license, provided that their safety certificates are equivalent to those required for a commercially registered vessel.

✓ **Warning:** Owners Use in Greece differs entirely from the rest EU countries.



**Important note:** the 21 plus 7 days extension of the Specified Period Charter

License are on-top of the owners use.

UBO will note pay the special cruising taxes (T.E.P.A.D.A.H or T.E.P.A.D.A.H Plus).

A declaration needs to take place through the e-charter permission platform, on top the letter for owners use.

# CONTACTS

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**THANK YOU!**