

Notices to Members

No. 3 2017/2018 - Clarification on Insurance Premium Tax Cover in Greece

March 2017

Dear Sirs

Clarification on Insurance Premium Tax on P&I Cover in Greece

Members are referred to Notice to Members No.15 2015/2016 concerning Insurance Premium Tax (IPT) in Greece.

The IPT regime in Greece was amended in July 2015 and the standard IPT rate increased from 10% to 15%. The new regime also appeared to remove all exemptions, leading to considerable uncertainty for P&I Clubs and their Members.

In order to clarify the situation, the new Independent Government Income Authority have recently issued a Circular (POL. 1028/22.2.2017) which confirms that P&I covers remain exempt from IPT.

With regard to FD&D cover, the Managers understand that the exemption from IPT would apply to all vessels managed by ship management offices established under Law 27/1975. However, the official position with regard to FD&D remains unclear for coastal passenger ships and cargo ships engaged in Greek domestic trade or for ships below 500 g.r.t. as these may not be managed by ship management offices established under Law 27/1975.

Yours faithfully

For: **West of England Insurance Services**
(Luxembourg) S.A.
(As Managers)

Thierry Brevet
Director