



The  
University  
Of  
Sheffield.



**CITY College**  
An International  
Faculty Of  
The University.

## **PREVENTING TAX EVASION**

### **1. Introduction**

The IF has a longstanding commitment to Tax Laws Compliance and to avoiding dubious and non-clear practices both in the scientific and business fields. The College is operating within the very strict –newly enforced- Greek legal environment regarding tax evasion. The College is bound among others by the following pieces of legislation: 1) L. 4147/2013 Tax Procedure Law 2) L. 1882/1990 Measures for Curtailment of Tax Evasion 3) L. 4321/2015 Measures for the Restart of Greek Economy 4) L.3691/2008 Prevention and Suppression of Legalization of Income from Criminal Acts

### **2. High Risk areas**

IF has identified 4 high risk areas for tax evasion where reasonable prevention measures should be applied:

- a) First, is the practices that involve paying cash to anyone
- b) Second, is the payments against unsound tax documents of the receiver of the payment or, moreover, the lack of such documents at all
- c) Third, is the lack of previous written contracts serving as basis for all the payments to a third person
- d) And Fourth is doing business with legal persons and companies based on Tax Heaven Countries.

### **3. Key Principles Policy and Legal Framework**

To minimize the exposure to tax evasion risks the IF has adopted, even before the enforcement of “capital controls” in 2015 and recent Greek strict tax laws, the following principles:

- a) Payment of all the wages through the bank system, that is “from bank account to bank account” (compulsory also acc. to L. 4172/2013, Art. 23 let. 1δ and acc. to Ministry of Finance Act (ΠΟΛ) 1061/2017)
- b) Reimbursement for expenses incurred whilst acting on behalf of the IF only against legal and sound tax documents (i.e. legal receipts, invoices etc.)
- c) Payment of all invoices issued by third persons only through the bank system, namely electronically or with bank check (acc. to L. 4172/2013, Art. 23, let. b this is compulsory for all the payments over 500,00 €)
- d) Payment of all the business associates of the IF only after receiving all the relevant tax document (invoice or receipt)
- e) Submission to the Tax Authority yearly of aggregate lists of invoice issued by and towards the IF for cross-checking of the congruence between them (compulsory acc. to L. 4174/2013, Art. 14, par. 3)

- f) In all long-term relationships and in all other cases, when possible, signing of written contracts with notification to the Tax Authorities according to law
- g) Avoiding or reluctance in doing business and establishing business relationships with legal persons seated in Tax Heaven Countries
- h) Perform background checks using the relevant App of the Greek Ministry of Finance to check if third persons we pay for services provided to us are compliant with Greek Tax Law.
- i) IF has committed itself –even though it is not obliged by law- to be inspected annually by Chartered Accountants – Independent Auditors in order to receive 2 Certificates: 1) An Annual Tax Compliance Certificate and 2) An Annual Certificate of Good Standing of Company Matters and Procedures (Certificate 2190). This second Certificate is automatically communicated to shareholders, creditors and Banks (Optional Certificate acc. to L. 4174/2013, Art. 65A)

#### **4. Approval**

Approved by City college Administration Board: 17<sup>th</sup> of January 2017.