

## *Taxing Energy Use 2018*

### Greece

This note describes the taxation of energy use in Greece. It contains the country's energy tax profiles, followed by country-specific information to complement the general discussion in *Taxing Energy Use 2018* (OECD, 2018). The note contains four energy tax profiles for Greece:

Figure 1: Effective tax rates on energy use in EUR/GJ, 2015, including electricity output taxes and energy use from biomass

Figure 2: Effective tax rates on energy use in EUR/tCO<sub>2</sub>, 2015, including electricity output taxes and energy use from biomass

Figure 3: Effective tax rates on energy use in EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output, including carbon emissions from biomass

Figure 4: Effective tax rates on energy in EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output and carbon emissions from biomass

The main insights from the second vintage of the *Taxing Energy Use* database, including a systematic comparison of patterns of the taxation of energy use across countries, sectors and fuels are available in *Taxing Energy Use 2018* (OECD, 2018) at: <http://oe.cd/TEU2018>.

### 1. Energy tax profiles for Greece

Figure 1. Effective tax rates on energy use in EUR/GJ, 2015, including electricity output taxes and energy use from biomass

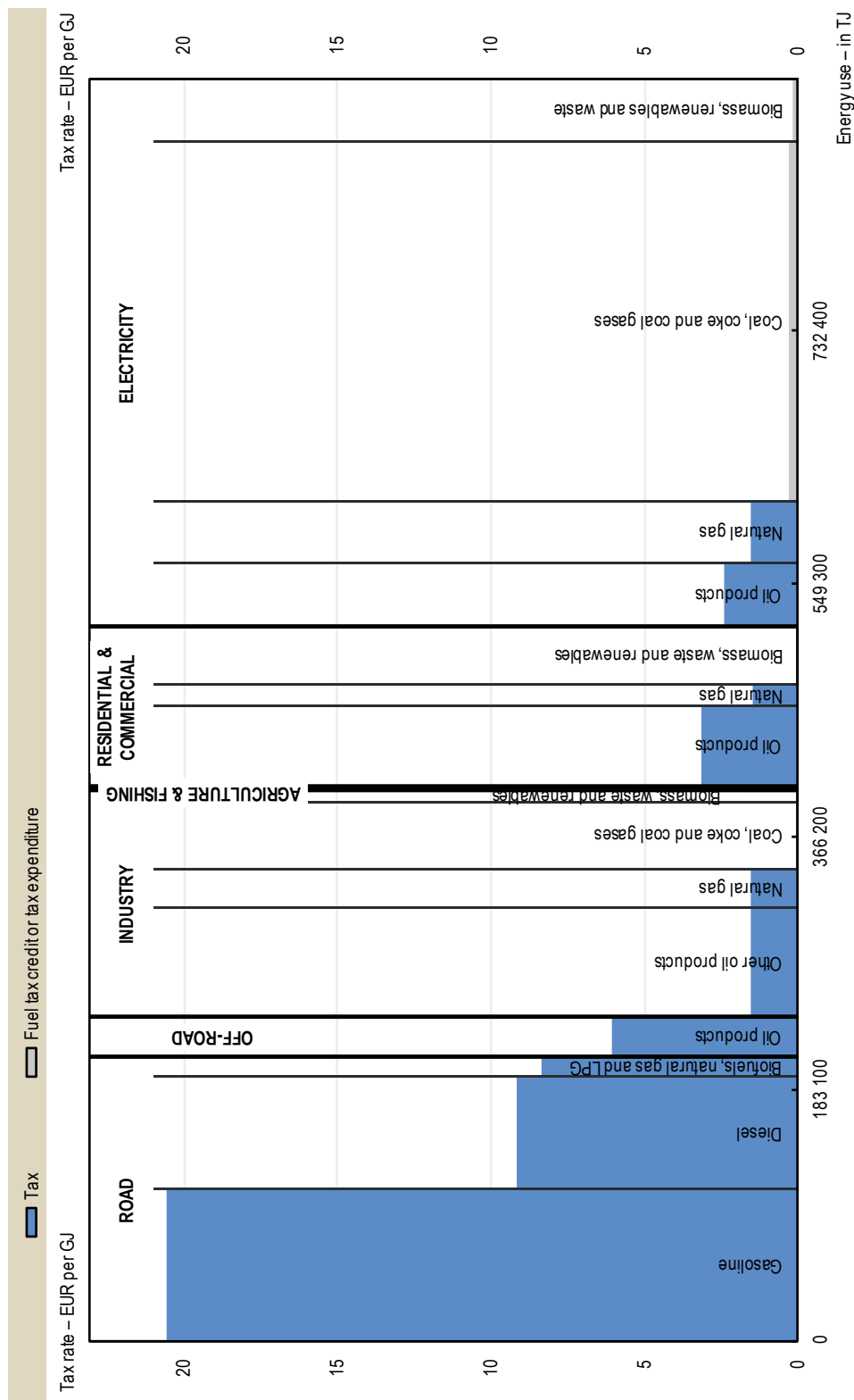


Figure 2. Effective tax rates on energy use in EUR/tCO<sub>2</sub>, 2015, including electricity output taxes and carbon emissions from biomass

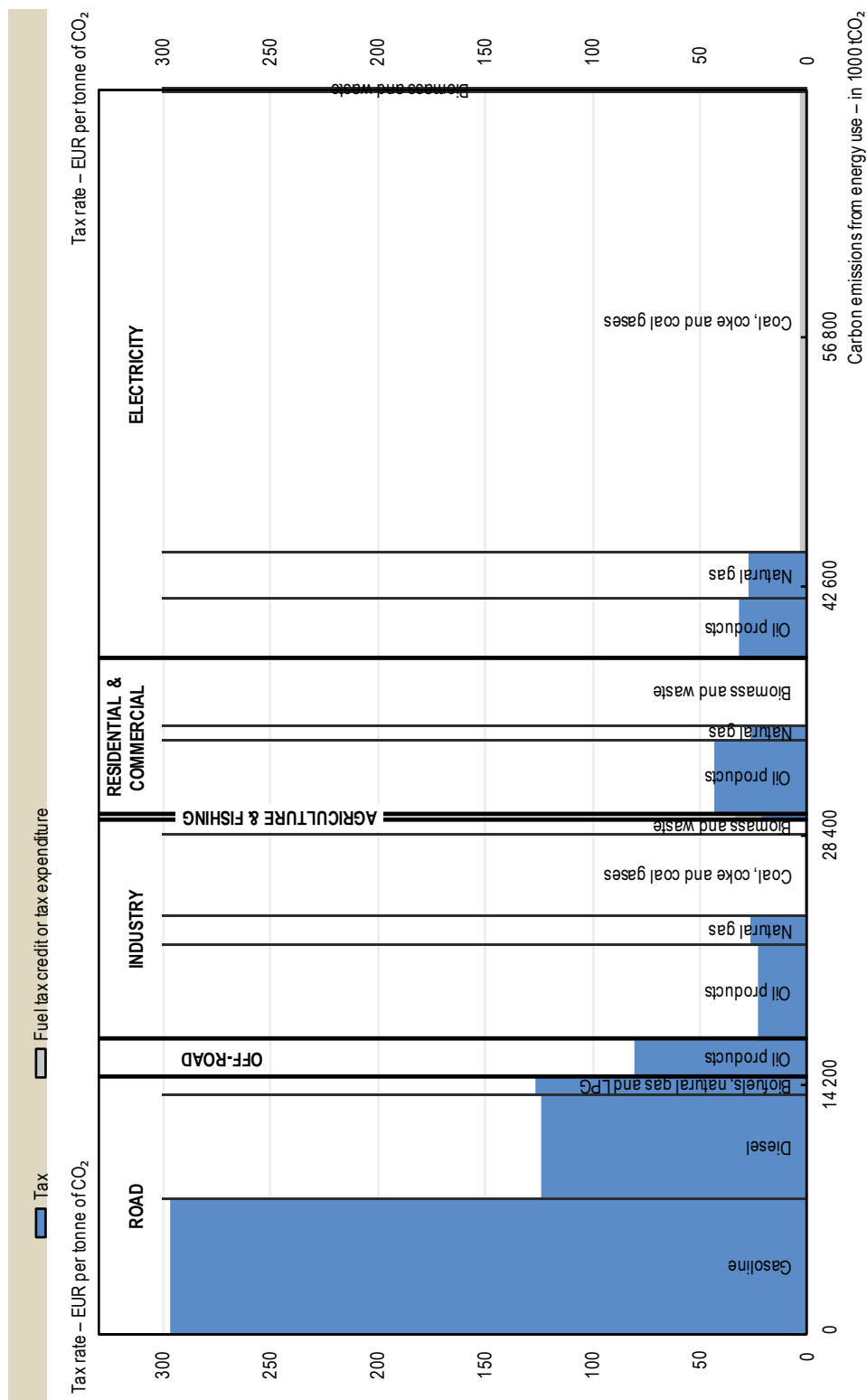


Figure 3. Effective tax rates on energy use in EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output, including carbon emissions from biomass

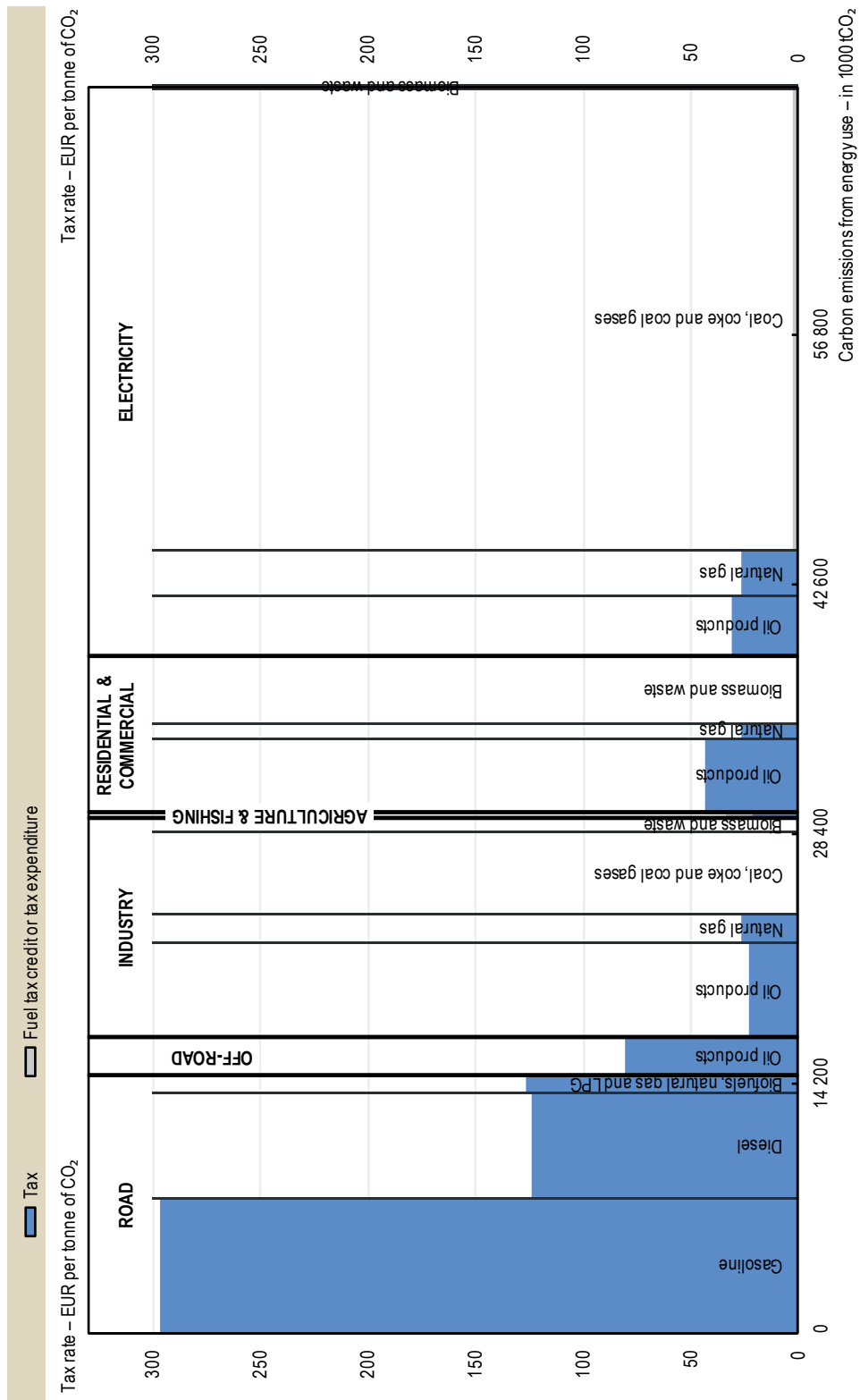
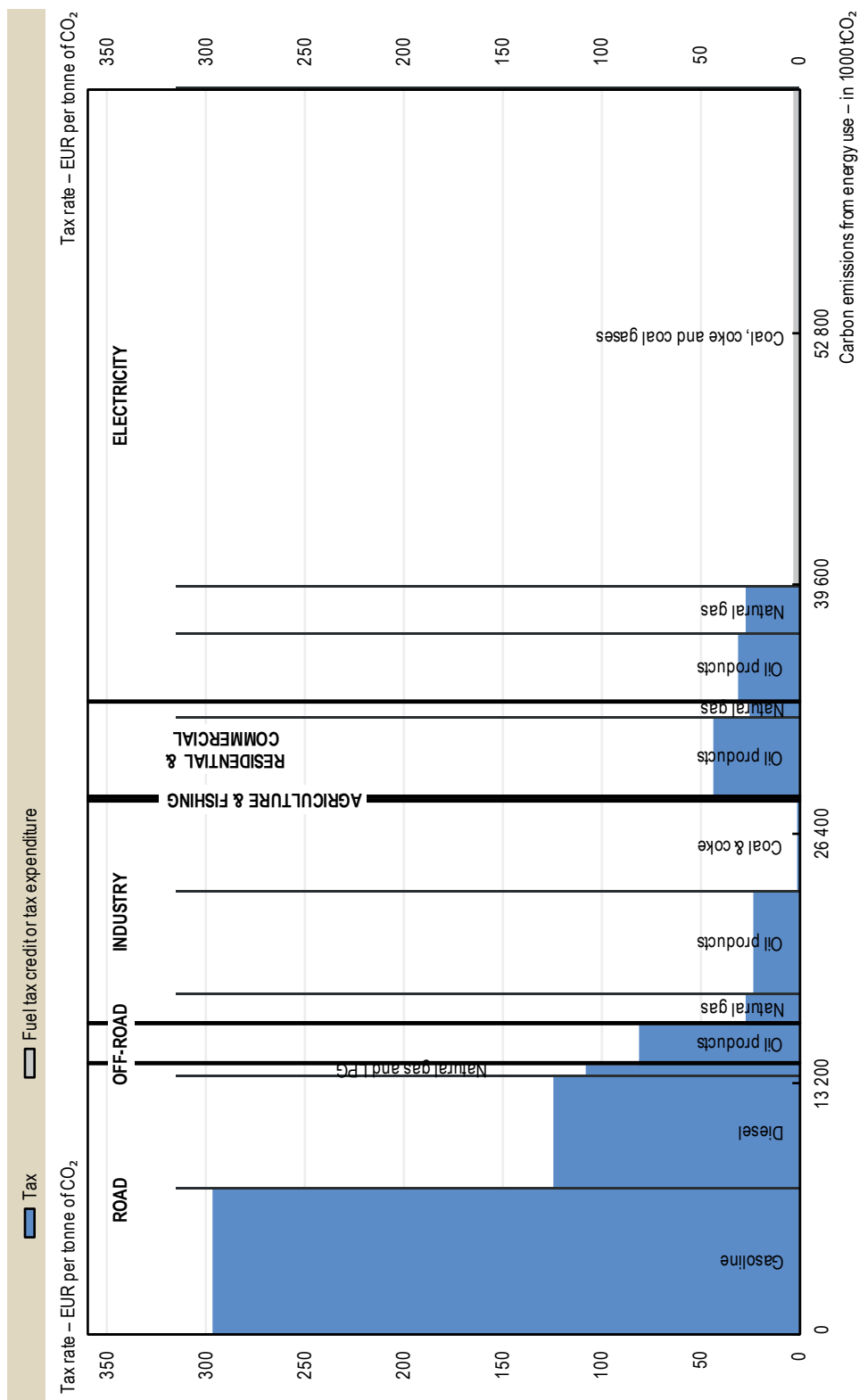


Figure 4. Effective tax rates on energy use in EUR/tCO<sub>2</sub>, 2015, excluding taxes on electricity output and carbon emissions from biomass



## 2. Country-specific notes

This note describes the taxation of energy use in Greece. It contains the country's energy tax profiles, accompanied by country-specific information to complement the general discussion in *Taxing Energy Use 2018* (OECD, 2018). Tax rates are those applicable in April 2015, energy use data are for 2014.

The data shown in the energy tax profiles is from the OECD's *Taxing Energy Use* (TEU) Database. More detail on the TEU Database, the calculation of effective tax rates on energy use and the interpretation of the energy tax profiles can be found in *Taxing Energy Use 2018* (OECD, 2018).

Greece participates in the European Union emissions trading system (ETS), not shown in the energy tax profiles.<sup>1</sup>

### *Energy and carbon taxes*

Energy taxes in Greece are levied within the framework of the 2003 EU Energy Tax Directive, which sets minimum rates for the taxation of energy products in member states. Within this framework, the main taxes on energy use in Greece are the following:

- An energy tax applies to oil products, natural gas and coal and coke consumption, including to oil products and natural gas used for electricity generation.
- Electricity output is taxed (per MWh).

The rates at which these taxes apply can differ across fuels and different users, as described below.

These taxes are included in the energy tax profiles of Greece, but the tax on electricity output is only included when separately indicated (see below). Where more than one tax rate applies to an energy user or fuel, the energy tax profile shows their sum.

### *Effective tax rates on energy use for different fuels and users*

The tax rates on different fuels and uses are linked to Greece's energy use<sup>2</sup> to calculate effective tax rates on energy use (in EUR/TJ) or CO<sub>2</sub> emissions from energy use (in EUR/tCO<sub>2</sub>). Energy use and the CO<sub>2</sub> emissions associated with it are shown for six economic sectors: road transport, domestic offroad transport, industry, agriculture and fishing, residential and commercial, and electricity.

The Greek energy tax profiles (Figures 1 and 2) show effective tax rates for different fuels and uses in terms of the fuels' energy and carbon content, respectively. Figures 1 and 2 include energy use and carbon emissions from biomass and they show output taxes on electricity. Figure 3 is identical to Figure 2, except that taxes on electricity output are excluded. Figure 4 excludes carbon emissions from biomass and taxes on electricity output.

- Of the six economic sectors, the **road** sector is taxed at the highest rates, both in terms of the fuels' energy and carbon content. Within the road sector, gasoline is taxed at the highest effective tax rate, biofuels are taxed at a lower rate in terms of TJ and in terms of CO<sub>2</sub>. Diesel is taxed, but at a lower effective rate than gasoline

1. The OECD's [Effective Carbon Rates](#) contains information on emissions trading systems.

2. Data on energy use is taken from the IEA's *Extended World Energy Balances*, see Chapter 1 of *Taxing Energy Use 2018* (OECD, 2018) for additional detail.

and biofuels. Biofuels are taxed at the same statutory rates as their fossil fuel equivalents. Natural gas used for transport purposes is untaxed.

- Fossil fuels used in the **off-road** sector are taxed, but at significantly lower effective rates than fuel use in road transport. Fuels used for domestic navigation are untaxed.
- Fossil fuels used in the **industry** and the **residential and commercial** sectors are taxed, but petroleum coke and refinery gas used for heating and processing purposes are untaxed.
- Fossil fuels used in **agriculture** are taxed, but gasoline consumed for agriculture activities and LPG used for agriculture and fishing activities are untaxed.
- Fossil fuels used to generate **electricity** are taxed, with the exception of coal and coke. Electricity output is taxed (per MWh), with the exception of electricity used in agriculture, and generated from mineralogical and metallurgical processes and for chemical reduction. It is assumed that the latter exemption covers the chemical and petrochemical, iron and steel and the non-ferrous industrial sectors.

### ***Reported tax expenditures and rebates***

The following tax expenditures are included in the *Taxing Energy Use* data for Greece:

- Fuels used for domestic navigation are untaxed.
- A reduced rate applies to diesel when used in industry and agricultural activities. Gasoline used in agricultural activities is untaxed.
- Coal and coke products used for electricity generation are untaxed.
- Electricity used in chemical reduction and in electrolytic and metallurgical processes is untaxed.

Reported tax expenditures or rebates might be averaged with tax rates on other energy uses, in which cases they are not visibly identifiable in the graphical profile. Additional detail on the treatment of tax expenditures is available in Chapter 1 of *Taxing Energy Use 2018*.

Furthermore, an excise tax reduction applies to fuels used in tourist boats, as well as fuels used by hospitals, social solidarity institutions and hotels. These reductions are not included in the graphs due to their small base.

## *Sources*

The main insights from the second vintage of the *Taxing Energy Use* database are analysed in:

OECD (2018), *Taxing Energy Use 2018 – Companion to the Taxing Energy Use Database*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264289635-en>.

Apart from the sources included in *Taxing Energy Use 2018* (OECD, 2018), and consultation with national delegates, no country-specific sources were used.