

**HELLENIC REPUBLIC
MINISTRY OF CULTURE, EDUCATION AND RELIGIOUS AFFAIRS**

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PRESS RELEASE

With regard to questions and publications of foreign media republished domestically, relating to taxation of the Church of Greece and Clergy payroll, Secretary General for Religious Affairs, Mr. George Kalantzis, has introduced the following clarifications on the current situation.

A. Taxation of the Church of Greece

1. All entities of the Orthodox Church of Greece, of the Church of Crete and of the Holy Metropolises of the Dodecanese are taxed upon their income, in line with the provisions of the Income Tax Act (Law 4173/2014) for all legal persons.
2. No special exemption from value-added tax (V.A.T.) is applied to any of the entities of the Church of Greece, of the Church of Crete and of the Holy Metropolises of the Dodecanese (Law 2859/2000).
3. The Church of Greece, the Church of Crete and the Holy Metropolises of the Dodecanese pay a main and an additional Single Real Estate Tax for all their real estate property (Law 4223/2013) including thousands of acres of forest which cannot be exploited. Only places of worship and places of community service (such as nursing homes, rooms for food rationing) owner-occupied are exempted from the Single Real Estate Tax. This exemption applies to all religions (religious communities) of Greece which lawfully possess worship places or places with such use for the community, as well as for all non-profit bodies in Greece for their real estate property serving educational, cultural, sports, religious, charitable and public purposes.
4. With respect to the obligation of withholding and refunding of taxes, charges and fees, the provisions for legal persons in general apply for the entities of the Church of Greece, the Church of Crete and the Holy Metropolises of the Dodecanese.
5. The Church of Greece, the Church of Crete and the Holy Metropolises of the Dodecanese are legal persons of religious nature governed by public law and self-financed; that is to say that their operation, the maintenance of their facilities and their broader community service relies on contributions, donations and volunteerism of Orthodox Christians, as well as on the use of their property.

B. Clergy Payroll

A Press Release has been issued by the General Secretariat for Religious Affairs on September 6, 2012 regarding the payroll of Christian Orthodox Clergy where the remuneration of the Clergy has been thoroughly explained. There has been noted that “the Clergy payroll falls within the Single Wage Grid for public servants with no positive or negative discrimination. His Beatitude, Archbishop of Athens and All Greece, the Metropolitans and the Clergy have not been exempted nor have they requested to be exempted from any salary reduction”. It is noteworthy that no procedure of judicial nature has been initiated on that matter.

The payroll of Christian Orthodox Clergy as well as the funding of Christian Orthodox Religious Education is an obligation of the State declared in texts of the National Assemblies of the Peoples’ representatives of the Greek revolutionaries (1822, 1829) in exchange for transferring the assets of the Church to the State. The transfer was implemented gradually (establishment of public organizations for exploiting the assets of the Church and for supporting public Education and improvement of the Clergy’s situation on October 13, 1834; expropriation of monasteries’ property to indemnify farmers and refugees following the destruction of Ionia on November 19, 1909 and on May 10, 1930; Concession for transferring ¼ of fields and meadows property of monasteries on September 18, 1952; Concession for transferring forest, fields and meadows property of monasteries on May 11, 1988). The discussion on Clergy payroll is linked with the discussion on Church property restitution, possibly leading to tax burden on Greek taxpayers with charges of undetermined amounts.

Moreover, it should be made clear that salaries are paid from the State directly to Clergy. Public funds are not transferred by the State via the Holy Metropolises nor are any regular grants included in the annual budget of the State to any of the entities of the Church of Greece, the Church of Crete and the Holy Metropolises of the Dodecanese. Therefore, the Holy Metropolises do not manage “public money”.

Translated by Callis MITRAKA