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Tax Administration Reform in Greece: Outcomes and Lessons (2010–25)

Andrew Kazora Okello, Stoyan Evtimov Markov, Chenghong Wang, and Elli-Sivylla Gregou under the guidance of Era Dabla-Norris and George J. Pitsilis

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Andrew Kazora Okello, Stoyan Evtimov Markov, Chenghong Wang, and Elli-Sivylla Gregou*

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Glossary

AUT	autonomy
B2B	business to business
B2C	business to consumer
B2G	business to government
BI	business intelligence
CD	capacity development
CIT	corporate income tax
CRM	compliance risk management
DW	data warehouse
EC	European Commission
EU	European Union
EUR	Europe
GSPR	General Secretariat for Public Revenue
HNWI	high-net-worth individuals
HR	human resource
HRM	human resources management and development
IAPR	Independent Authority for Public Revenue
IT	information technology
KPIs	key performance indicators
LTU	large taxpayer unit
MoF	Ministry of Finance
myDATA	my Digital Accounting and Tax Application
OSI	operational strength index
OSS	one-stop-shop
PIT	personal income tax
PMO	program management office
POS	point of sale
QR	quick response
RRF	Recovery and Resilience Fund
SDOE	Corps for the Prosecution of Financial Crime
TADAT	tax administration diagnostic assessment tool
TPC	tax procedure code
UTD	use of third-party data
VAT	value-added tax

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April 2026

Executive Summary

Drawing on the Greece experience, this Note documents how sustained tax administration reform can translate institutional change and digital innovation into durable revenue and compliance gains under crisis conditions. It reviews reforms implemented over 2010–25, a period during which prolonged reform efforts transformed the revenue authority into a more autonomous, professional, and digitally enabled institution. Despite exceptional fiscal and political constraints, the experience demonstrates how credible governance changes, sustained engagement, and progressive digitalization helped convert crisis-driven measures into lasting institutional improvements.

Reforms evolved through three interlinked phases. The initial phase (2010–12) focused on stabilizing revenues through targeted enforcement actions and early digital initiatives. The second phase (2013–17) emphasized structural and institutional transformation, including legal modernization, organizational consolidation, and the establishment of the Independent Authority for Public Revenue, which strengthened operational autonomy, accountability, and strategic management. The third phase (2018–25) built on these foundations to deliver an ambitious digital transformation agenda centered on real-time reporting, expanded use of third-party data, advanced analytics, and increasingly automated compliance management.

Tax administration performance improved markedly over time. Revenue collection strengthened, reflected in sustained increases in the tax-to-GDP ratio. Compliance outcomes improved significantly, most notably through a sharp reduction in the value-added tax compliance gap. Operational indicators, including filing and payment compliance, risk-based audit selection, and service delivery, also showed strong gains. By the early 2020s, Greece's tax administration compared favorably with international benchmarks across several core dimensions of operational strength.

Implementation was uneven and required continuous adaptation. Reform momentum was periodically constrained by resistance to organizational change, staffing and budget limitations, and early underuse of business intelligence tools. Maintaining progress required sustained political commitment, iterative reform design, and close coordination across governance, organizational, legal, and digital reform streams. External financing and capacity development support—particularly from the IMF and European partners—played an important role in sustaining reform continuity and supporting large-scale digital investments.

Several lessons emerge from Greece's experience. Governance and autonomy reforms were critical in anchoring credibility and enabling subsequent operational and digital advances. Reform sequencing gained importance: establishing legal and institutional foundations enhanced the effectiveness of later digitalization efforts, while phased implementation allowed for learning and course correction. Sustained investment in analytics, human capital, and change management was essential to translating technological innovation into improved compliance and service delivery. Although country circumstances differ, these lessons offer relevant insights for jurisdictions seeking to modernize tax administration and strengthen domestic revenue mobilization over the medium term.

Introduction[1]

Strengthening tax administration has become a core pillar of domestic revenue mobilization strategies, particularly in an environment of elevated public debt, rising expenditure pressures, and increasing demands for fairness and transparency. Analytical work has shown that improvements in tax administration can generate sizable and durable revenue gains without increasing statutory tax rates, while also strengthening state capacity and public trust (Adan and others 2023; Atsebi and others 2025). As noted in a recent IMF work, enhancing tax administration performance is among the most effective and growth-friendly ways to raise revenues over the medium term (Chang and others 2020; IMF 2024a, 2024b, 2025, Baer and others 2025b).

Despite this growing consensus, evidence on how comprehensive tax administration reforms are designed, sequenced, and sustained over long periods remains limited. Much of the literature focuses either on cross-country correlations or on the impact of specific tools or interventions, offering less insight into the institutional pathways through which reforms translate into lasting performance improvements. In practice, reform outcomes depend not only on individual measures but also on governance arrangements, organizational change, legal foundations, and the ability to adapt reform strategies over time.

This Note seeks to contribute to that gap by documenting and analyzing Greece's tax administration reform experience over the period of 2010–25. Rather than estimating causal effects of individual reforms, the Note provides a structured, longitudinal account of how a comprehensive reform agenda evolved from crisis-driven stabilization measures into a mature, digitally enabled, and increasingly autonomous tax administration.[2] It focuses on reform sequencing, institutional development, and the interaction between legal, organizational, human resource (HR), and digital reforms. Its objective is to distill practical lessons for policymakers and capacity development (CD) partners engaged in similar reform efforts.

Greece offers a particularly instructive case study. Reforms were launched in the aftermath of a severe economic and fiscal crisis that exposed deep-rooted weaknesses in tax administration, including low voluntary compliance, fragmented organizational structures, and limited use of third-party data (UTD). As emphasized in IMF diagnostic work at the time, weaknesses in administration—not tax policy alone—were a central constraint on revenue performance. Over the next decade and a half, Greece pursued reforms continuously across multiple political cycles, gradually shifting from short-term enforcement actions to durable institutional transformation.

The Greek experience is also notable for the breadth of reforms undertaken. These spanned governance and autonomy (culminating in the establishment of the Independent Authority for Public Revenue (IAPR)), legal modernization, organizational consolidation, professionalization of the workforce, and an ambitious digital transformation. By the early 2020s, Greece had moved toward near-real-time, transaction-level reporting and data-driven compliance management, placing it at the frontier of digital tax administration within the European Union (EU). Improvements in areas such as data matching, compliance cost reduction, and dispute resolution are closely associated with stronger compliance outcomes (Baer and others 2025a).

At the same time, Greece's reform journey illustrates the challenges inherent in sustaining reform momentum under tight resource constraints, resistance to organizational change, and evolving policy demands. The experience underscores a key lesson emphasized in an IMF CD work: successful tax administration reform is a cumulative and iterative process, requiring sustained political commitment, realistic sequencing, and continuous investment in institutional capacity (Benitez and others 2023).

Drawing on internal IMF documentation, technical assistance experience, performance indicators, and international benchmarks, this Note documents Greece's reform trajectory and extracts lessons of broader

[1] This Note benefited from review and output by Cindy Negus, David Carr, Frank Van Driessche, Lucienne Lavanya Julian, Lydia Elisavet Sofrona, Margaret Cotton, Mario Mansour, Rebecca Sparkman, Ruud De Mooij, and Thomas Story.

[2] A second note (forthcoming) will review the impact of specific reforms using micro-level administrative data.

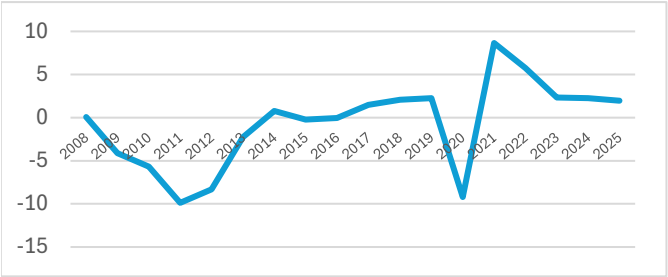
relevance. Its aim is not to present Greece as a template to be replicated, but to provide an empirically grounded case study of how crisis-driven reforms can be transformed into lasting institutional gains.

Background

At the onset of the global financial crisis, Greece faced severe and persistent macroeconomic imbalances, including large fiscal deficits, rapidly rising public debt, eroding competitiveness, and heavy reliance on external financing. These vulnerabilities culminated in a loss of market access, sharply rising sovereign spreads, and successive credit-rating downgrades. An IMF diagnostic work at the time emphasized that the crisis reflected not only cyclical pressures but also deep institutional shortcomings, particularly in public financial management and revenue administration. Therefore, strengthening tax administration was identified as a central element of restoring fiscal sustainability and policy credibility.

The crisis triggered a prolonged economic contraction during 2009–13, followed by a gradual recovery beginning in 2014–15. Growth stabilized from 2016 onward, but was temporarily disrupted by the COVID-19 pandemic in 2020. However, growth rebounded strongly thereafter. By 2023–25, Greece returned to sustained positive growth, supported by EU recovery funds, foreign direct investment, progress on structural reforms, and a strong rebound in tourism (Figure 1). This improved macroeconomic environment reinforced confidence and provided a more stable background for continued institutional reform.

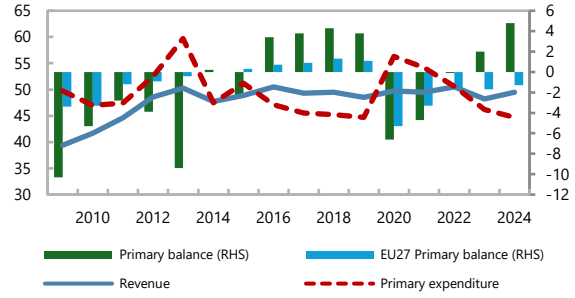
Figure 1. Real GDP Growth (Percent)



Source: World Economic Outlook Database.

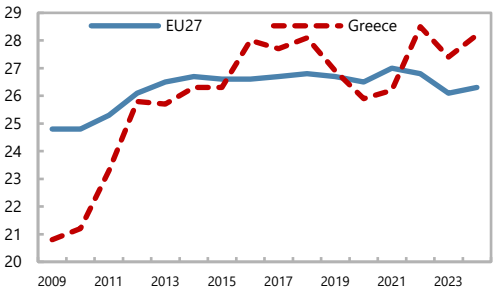
Alongside the recovery, Greece achieved a marked fiscal transformation. The primary balance shifted from large deficits to sustained surpluses, supported by both revenue gains and expenditure restraint (Figure 2).[3] Revenue performance strengthened substantially, with tax revenue rising as a share of GDP over time (Figure 3) and increasing more rapidly than the EU27[4] average over much of the period, contributing to a steady decline in

Figure 2. Revenue, Primary Expenditure, and Primary Balance (Percentage of GDP)



Source: Eurostat.
Note: RHS = right scale.

Figure 3. Tax Revenue (Percentage of GDP)



Source: Eurostat.

[3] The primary balance improved by more than 15 percentage points of GDP between 2009 and 2024, reaching a historic surplus in 2024. Revenue performance also strengthened markedly, with the revenue-to-GDP ratio rising from 39.4 percent in 2009 to 49.3 percent in 2024.
[4] EU is the economic and political union of 27 countries—referred to as EU27.

public debt after its peak in 2020.[5] Improved fiscal outcomes were accompanied by a restoration of investment-grade sovereign credit ratings and a strengthening of financial sector resilience.

Greece's revenue turnaround reflects a two-step adjustment. In the initial crisis period, efforts focused on stabilizing revenues quickly under acute financing constraints, relying heavily on front-loaded tax policy measures (see Box 1) and focusing on the tax administration of high-risk sectors, to generate immediate yields. As macroeconomic conditions stabilized, reform efforts emphasized structural, institutional reforms and digital transformation of tax administration. The reforms broadened the tax base, improved compliance, and supported more durable revenue gains. Reform design and implementation evolved over time, reflecting both changing priorities and lessons learned through sustained engagement.

The next section outlines the main pillars of Greece's tax administration reform agenda and the sequencing through which short-term stabilization measures were gradually transformed into durable institutional gains.

[5] In short, Greece's public debt increased sharply at the onset of the crisis, rising from about 111 percent of GDP in 2008 to 128 percent in 2009, as large fiscal deficits, recession, and loss of market confidence took hold. Debt continued to rise in the aftermath of the crisis and reached very high crisis-era peaks, reflecting prolonged economic contraction and financing pressures. Since then, sustained fiscal adjustment and institutional reforms have placed debt on a firm downward trajectory. By the time of the 2025 Article IV Consultation, public debt remains elevated but has declined substantially from its crisis peaks, supported by primary surpluses above 2 percent of GDP, robust growth, and exceptionally strong revenue performance.

Box 1. Overview of Key Tax Policy Reforms in Greece, 2010–19

Between 2010 and 2019, Greece undertook one of the most comprehensive tax reform programs among advanced economies, largely supported by IMF technical assistance. The reforms aimed to restore fiscal sustainability, broaden the tax base, and modernize a tax system that had historically been characterized by extensive exemptions, widespread tax evasion, and weak administrative capacity. Changes affected all major tax categories—value-added tax (VAT), personal income tax (PIT), corporate income tax (CIT), property tax, and excise duties.

PIT—A major structural reform occurred with the adoption of the new Income Tax Code (2013/effective 2014), which simplified the PIT structure and improved neutrality in the taxation of different categories of income. A new progressive tax scale was introduced with higher marginal rates, and many exemptions and deductions were reduced or eliminated. A temporary solidarity surcharge on personal income was also introduced to raise additional revenue. During this period, the top marginal PIT rate increased from 40 percent to 45 percent (for annual taxable income over 40,000 €), contributing to a substantial rise in the effective tax burden on upper-middle- and high-income taxpayers, particularly when combined with the solidarity surcharge. Although the labor tax wedge (the difference between gross and net of tax wages) was high during much of the period, reductions in social security contributions were introduced gradually toward the second half of the decade.

CIT—Corporate taxation also changed significantly during this period. The statutory CIT rate increased from 20 percent to 26 percent in 2013, and later to 29 percent in 2015. At the same time, the new Income Tax Code introduced a more modern framework for corporate taxation. The reforms incorporated provisions aimed at reducing base erosion and improving alignment with international tax standards. Toward the end of the decade, as fiscal conditions improved, policy began shifting toward growth-oriented reforms. In 2019, the CIT rate was reduced to 24 percent, and the withholding tax on dividends was reduced from 10 percent to 5 percent.

Indirect taxes—VAT reforms played a central role in Greece's fiscal reform strategy. Until 2010, the VAT system was characterized by multiple preferential regimes, which contributed to a large compliance gap. Between 2010 and 2016, the standard VAT rate was increased gradually from 19 percent to 24 percent, while reduced rates were also raised—thus reducing the rates gap and the incentive to reclassify taxable supplies. In addition to the rate increases, the VAT base was broadened through the reduction of exemptions and preferential rates. Excises on fuel, tobacco, and alcohol were repeatedly increased; in parallel, a range of indirect taxes and sector-specific levies—notably in energy, telecommunications, and consumption-based services—were introduced or expanded.

Property taxes—Property taxation underwent one of the most important structural transformations during this period. In 2011, an Emergency Special Property Charge was introduced, which was collected through electricity bills to ensure compliance. This temporary measure was replaced in 2014 by the Unified Real Estate Property Tax, which established a broad-based system of recurrent property taxation covering both buildings and land, based on an administrative valuation system ("objective values"). In parallel, the property transfer tax was reduced in 2013 (effective from 2014) from 10 percent to 3 percent, reflecting a policy shift away from transaction-based taxation toward recurrent property taxation.

These fundamental changes to both the level and neutrality and efficiency characteristics of the key taxes of the Greek tax system also played an important role in raising revenues, as discussed later in the Note.

Tax Administration Reform Pillars and Sequencing

The analysis is organized around three broad phases. The first phase (2010–12) focused on immediate post-crisis stabilization through targeted enforcement measures and early digitalization initiatives. The second phase (2013–17) emphasized structural and institutional transformation, including organizational consolidation, legal modernization, and the establishment of the IAPR. The third phase (2018–25) centered on digital transformation and the expansion of data-driven compliance tools, positioning Greece as a frontrunner in digital tax administration within EU.

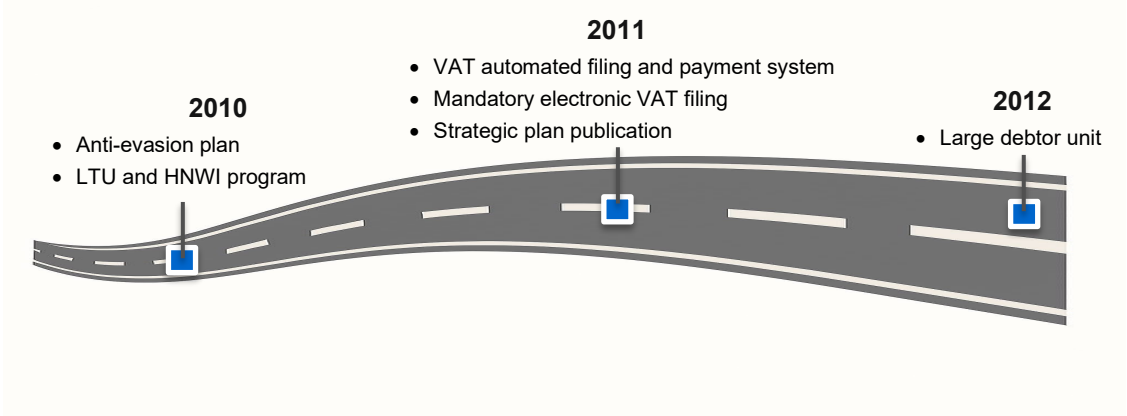
These reform phases were closely interconnected, with each building on the foundations laid in earlier years. Together, they contributed to the emergence of a more agile, increasingly autonomous, and professional tax administration. Although this Note does not seek to establish causal links between specific reforms and observed outcomes, it presents evidence and lessons that are informative for ongoing reform efforts in Greece and for other countries pursuing similar modernization agendas.

Immediate Post-Crisis Reforms (2010–12)

Stabilizing Revenue

The initial phase of reform was shaped by the overriding need to stabilize revenues quickly and restore fiscal credibility under acute crisis conditions. With limited institutional capacity and weak compliance, reform efforts prioritized enforcement, early digitalization, and targeted interventions aimed at high-risk taxpayer segments. Figure 4 summarizes the key reforms undertaken during this period and illustrates the sequencing of logic underpinning subsequent reforms.

Figure 4. Immediate Post-Crisis Reforms, 2010–12



Source: Compilation by authors.

Note: For completeness, some of the measures discussed here overlap into the next period. HNWI = high-net-worth individuals; LTU = large taxpayer unit; VAT = value-added tax.

Anti-Evasion Plan and Compliance Enforcement

As an immediate response to the financial crisis, Greece initiated tax administration reforms in 2010 under a two-year Anti-Evasion Plan.[6] This plan was developed with the Fiscal Affairs Department's assistance and prioritized a risk-based approach to compliance, focusing enforcement resources on segments of the taxpayer population with the highest revenue potential and compliance risks. It specifically called for intensified scrutiny of large taxpayers, high-net-worth individuals (HNWI), and high-income self-employed persons—groups identified through previous IMF diagnostic missions as major sources of tax evasion and underreporting. The plan also emphasized the need to improve the collection of tax arrears, which had grown rapidly during the crisis. The

[6] The term "Anti-Evasion" was used by the authorities to denote compliance-oriented measures rather than criminal tax investigation in the sense typically used in tax administration.

main aim was to mobilize revenue in the short to mid-term by closely scrutinizing the compliance of major taxpayer segments and improving the collection of growing tax debt.

Digitalization of VAT Compliance and Electronic Services

The digital transformation of Greece's tax administration during the immediate post-crisis period was anchored by two interlinked reforms: the value-added tax (VAT) Automated Filing and Payment System and the upgrades to the TAXISnet electronic services platform. Together, these initiatives formed a critical part of the Anti-Evasion Plan and aimed to modernize the infrastructure for tax compliance, reduce administrative burdens, and improve revenue collection.

The VAT Automated Filing and Payment System, implemented in May 2011, was a cornerstone reform. It represented a significant revamp of the tax administration's information technology (IT) systems, with the primary objective of increasing the rate of VAT declaration filing and payment. Timely filing of tax declarations was widely recognized as a reliable indicator of voluntary compliance, and the new system was designed to enhance this metric. Key features included automated matching of VAT filing entities to the taxpayer register, generation of reports identifying non-filers, issuance of computer-generated reminders and demand notices, and a centralized enforcement approach. These measures led to a substantial improvement in compliance behavior, with on-time VAT filing rising from about 65–70 percent in 2010–11 (which was low by EU standards) to over 96 percent by 2014. Complementing this effort, the TAXISnet platform underwent significant upgrades between 2010 and 2012. Centralized databases were introduced, and the rollout of electronic services was accelerated. Mandatory electronic VAT filing was established in 2011, reinforcing the objectives of the VAT automation reform. The combined impact of the VAT automation and TAXISnet upgrades marked a significant leap forward in Greece's efforts to modernize its tax administration and improve voluntary compliance during a period of fiscal crisis.

Establishment of a Large Taxpayer Unit, an HNWI Program,[7] and a Large Debtor Unit

Other initiatives under the 2010 Anti-Evasion Plan included the establishment of a large taxpayer unit (LTU) and an HNWI program, both designed to address significant compliance risks and mobilize revenue from high-yield segments of the taxpayer population. The LTU was intended to secure control over the top 1,000 taxpayers, focusing on full-service audit coverage, filing and payment control, and intensified enforcement actions. However, the unit faced considerable implementation challenges in its early years. It was not fully resourced, and internal resistance—particularly from within the tax administration—delayed its operational effectiveness. As a result, the LTU struggled to deliver the expected compliance gains and revenue outcomes during the initial phase. Similarly, the HNWI program was launched to tackle evasion among high-income, self-employed individuals and wealthy taxpayers, whose compliance behavior posed complex risks. Initially, the program lacked dedicated staff, specialized tools, and centralized oversight. In March 2012, a large debtor unit was launched targeting collecting revenues around €350 million by the end of 2014.

During the first three years, both units delivered suboptimal results. Audit yields were modest, and enforcement actions were sporadic. The LTU and HNWI program lacked institutional maturity and analytical capacity to systematically address non-compliance among their target populations. Nonetheless, these initiatives laid the groundwork for more structured compliance strategies and risk-based audit programs that would be scaled up in subsequent years.

[7] The HNWI program was embedded within the routine audit activities of local tax offices.

Strategic Planning and Reform Management

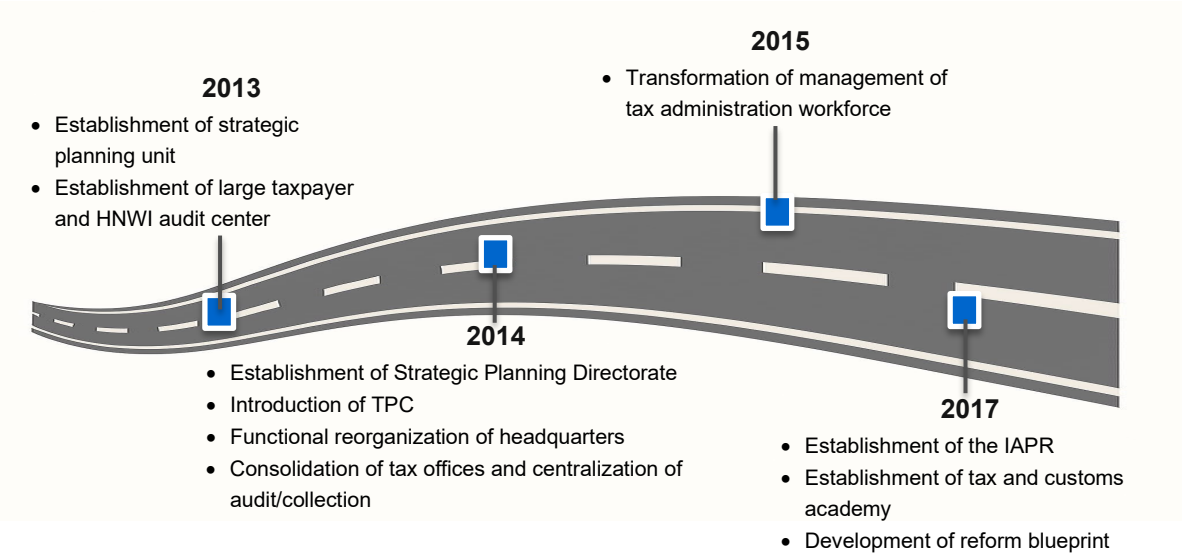
A pivotal moment came in August 2011, when the Ministry of Finance (MoF) published a Strategic Plan for Tax Administration (2011–15). Although there was a lack of detailed business plans to operationalize the strategy initially, a framework of key performance indicators (KPIs) was introduced to monitor progress in areas such as tax audit, debt collection, and organizational restructuring, including the consolidation of the tax office network, which reduced the number of offices significantly.

Structural and Institutional Reforms, 2013–17

Modernizing the Tax Administration

As macroeconomic conditions stabilized and implementation capacity improved, reform priorities shifted from short-term enforcement toward deeper institutional transformation. This phase focused on governance, legal modernization, organizational restructuring, and the foundations for greater autonomy—laying the groundwork for subsequent digital and compliance reforms. Between 2013 and 2017, the Greek tax administration embarked on a transformative journey marked by a series of ambitious structural and institutional reforms. These reforms were driven by the imperative to modernize operations, enhance efficiency, and align with good international practices. Figure 5 summarizes the key reforms undertaken during this period and illustrates the sequencing of logic underpinning subsequent reforms.

Figure 5. Structural and Institutional Reforms, 2013–17



Source: Compilation by the authors.
Note: Groundwork for consolidation of tax offices, centralization of Audit/Collection, and transformation of management of tax administration workforce began from 2012. HNWI = high-net-worth individuals; IAPR = Independent Authority for Public Revenue; TPC = Tax Procedure Code.

Establishment of a Strategic Planning Unit and Large Taxpayer and HNWI Audit Centers

To institutionalize reform oversight, a Strategic Planning Unit was established in early 2013, reporting directly to the Secretary General for Public Revenue. This was followed by the creation of a program management office

(PMO) in July 2013, which became fully functional by October 2014 with the launch of the Strategic Planning Directorate. Despite its modest size, the PMO played a critical role in coordinating reform projects and laying the groundwork for future strategic planning. In addition, separate and dedicated large taxpayer and HNWI audit centers were formally established in 2013.[8] Although the centers' effectiveness remained constrained by limited access to financial data, insufficient risk-profiling capabilities, and the absence of a robust legal framework to support enforcement actions, a provisional target population of 1,500 high-risk taxpayers was identified subject to data refinement using bank information.

Functional Reorganization of Headquarters

The headquarters of the tax and customs administrations underwent a major transformation beginning in October 2014, transitioning from a fragmented legacy structure to a modern, function-based organization. This reorganization aimed to align central services with international standards, thereby establishing clearer lines of responsibility, enhancing oversight, and improving policy execution. The process unfolded gradually, with full implementation extending into 2017/8. By February 2018, the headquarters encompassed most functions typical of advanced tax administrations, including centralized audit, collection, taxpayer services, and risk management. Staff numbers at headquarters (tax and customs) reached 1,351—approximately 12 percent of the total staff—though this included a significant number of support personnel. The reorganization fostered better interdepartmental coordination, minimized duplication, and facilitated the adoption of new technologies and business processes. It also enabled central services to respond more flexibly to emerging challenges and shifting policy priorities.

Consolidation of Tax Offices and Centralization of Audit/Collection

Between August 2012 and October 2013, the tax office network underwent rapid consolidation, reducing the number of offices from 288 to 119 within just 15 months, which was one of the most disruptive workforce reconfigurations in the administration's history. This initiative aimed to eliminate fragmentation, enhance operational efficiency, and deepen the expertise available at remaining offices. Debt collection and audit functions were further centralized, with their presence reduced to 61 offices by 2014.[9] These centers were expected to support greater professionalism and higher staff productivity in the coming years. A new IT system for actioning and management of tax debts (that is, EISPRAXIS) was released. Improvements in efficiency and greater automation enabled tax administration to operate with stable or lower staffing levels without sacrificing performance. In this context, auditor hiring during 2012–14 remained below the projected benchmarks, and the overall staffing declined from 7,627 in February 2016 to 7,254 in September 2021. The consolidation also involved reconfiguring local offices, establishing specialized audit centers for large taxpayers and HNWI, and transferring audit and investigation staff from the MoF and the Corps for the Prosecution of Financial Crime (SDOE) to the newly centralized entity.[10]

Transformation in the Management of the Tax Administration Workforce

The General Secretariat for Public Revenue (GSPR) was established in January 2013 as part of Greece's broader efforts to modernize and strengthen the autonomy of its tax administration. It operated as an organizational unit (General Secretariat) of the MoF, under the Minister. The creation of the GSPR represented a modest but important shift in the institutional setting, aiming to centralize responsibility for tax audit activity and reduce fragmentation in the management of public revenue. One of the major consequences of this reform was the transfer of staff from the MoF and the SDOE to the new entity, consolidating expertise and operational

[8] In February 2025, these two centers were merged into a single entity: the Large Taxpayer Audit Center.

[9] It laid groundwork for further consolidation in 2023.

[10] Before the reform, audit, investigation, and enforcement responsibilities were split across local tax offices, MoF directorates, and SDOE, which operated as a separate financial-crime body which led to overlapping mandates.

capacity within a single organization. The GSPR also gained increased access to IT resources from the GSPR at the MoF, although these transfers were subject to some delays. The establishment of the GSPR laid the groundwork for further reforms in autonomy and governance, culminating in the establishment of the IAPR in January 2017 (discussed elsewhere). Although the GSPR's formation marked a step forward in insulating tax administration from political influence and improving operational effectiveness, it was only the beginning of a longer process toward full institutional independence and modernization of Greece's tax administration.

Introduction of Tax Procedures Code

A landmark legislative reform was enacted in January 2014 with the introduction of the Tax Procedure Code (TPC). The new TPC consolidated all procedural provisions that had previously been scattered across substantive legislation and thus provided a comprehensive legal framework for tax administration, dispute resolution, and taxpayer rights and obligations. Implementation was phased, requiring secondary legislation and enabling measures to operationalize many provisions. By March 2016, several supporting measures—such as automated estimated assessments for non-filers, tax rulings, and electronic notifications—remained pending. The new TPC was designed to promote transparency, consistency, and legal certainty in tax administration. Complementary reforms included the establishment of a Dispute Resolution Unit in September 2013, expansion of installment programs, and the elimination of in-person payments at tax offices in favor of electronic and bank-based transactions. Collectively, these changes modernized the tax system, enhanced the taxpayer experience, and supported voluntary compliance.

Establishment of the IAPR

The most significant institutional reform during this period was the establishment of the IAPR, which began its operations on January 1, 2017. This reform fundamentally altered incentives and decision-making authority, enabling subsequent advances in HR reform, risk management, and digitalization. It represented a decisive move toward greater autonomy in tax administration, aiming to shield operational decisions from political interference and strengthen governance. IAPR was established as an operationally and financially autonomous authority, marking a clear departure from the previous GSPR. From its inception, IAPR exercised full independence in its core functions and governance arrangements. Contrary to earlier transitional arrangements, the authority did not initially integrate personnel from the SDOE. This occurred only later, at the end of 2025, when the SDOE was incorporated as a new general directorate within IAPR. The institution is headed by a Governor, supported by a management board that was originally created to facilitate the transition and reinforce institutional independence. The reform aimed to ensure that tax and customs decisions were taken in a professional, independent, and accountable manner, laying the foundation for a more robust and effective tax administration. Crucial to IAPR's self-reliance was the authority's ability to manage its own budget and procurement of the goods and services required for its operations. In this regard, Article 19(3) of Law 4389/2016 established a binding budgetary safety net that ensures uninterrupted financing of the IAPR and prevents its funding from falling below the level necessary for the effective fulfillment of its mandate. Operational budgets at IAPR increased from €411 million in 2017 to €507 million in 2025—an average annual growth of approximately 3 percent—although net staffing levels remained stable or declined throughout much of the reform period.

Merit-Based Leadership Appointments

Law 4389/2016, which provides the legal foundation for the IAPR, also established a formalized and institutionally safeguarded framework for appointing both the Management Board and the Governor of the IAPR, grounded in openness, merit, and procedural transparency. Members of the management board are selected through an open competition conducted under modalities set out in a ministerial decision published in the Government Gazette and online, with candidates evaluated against predetermined, objective criteria by an independent Selection Committee comprising senior representatives from the Supreme Council for Civil Personnel Selection, the Parliamentary Budget Office, the MoF, and the Fiscal Council, alongside an academic

member and initially two European Commission (EC) designees. The Committee submits a competitively generated shortlist—twice the number of vacancies—from which the Minister may appoint candidates, subject also to approval by the Parliament's Committee on Institutions and Transparency. The appointment of the Governor follows the same principles: an open competition conducted under publicly established procedures, identification of the eight strongest candidates by the Selection Committee, ranking of the top four by the management board, and the final ministerial appointment from this ranked list, with the decision and its rationale published. Together, these provisions significantly curtailed discretionary power and insulated senior appointments from ad hoc political intervention, thereby strengthening the independence, credibility, and professionalism of the tax administration's leadership.

Tax Administration Reform Blueprint

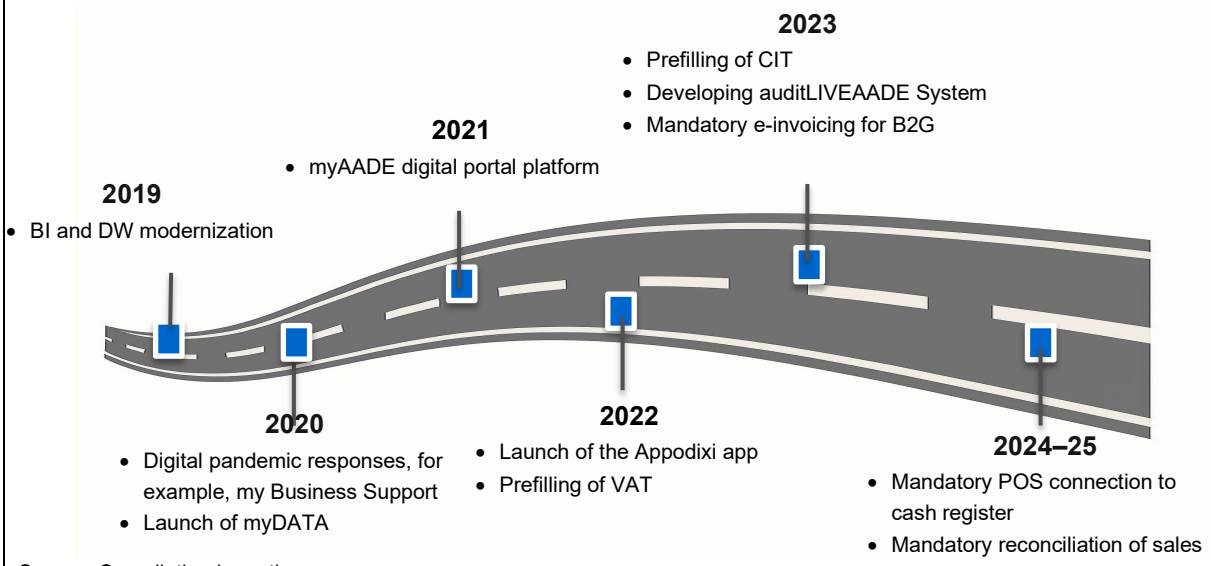
The first Reform Blueprint was produced in December 2017 to guide the priority reform agenda. It covered the three-year period from 2018 to 2020 and detailed a new business model for the IAPR across five components: comprehensive service, upgraded enforcement, people, technology, and infrastructure. A robust annual business-planning process, defining operational activities to be undertaken in a given year, was adopted. Later, a revised Reform Blueprint was released in December 2020, which is covered the next period discussed in this Note, covering the years from 2021 to 2025 with large and ambitious reform agenda reflecting on new reform priorities and stages in the development of tax administration. The Reform Blueprint articulated what it planned to do during 2021–25 to transform the organization in all key areas (IT, HR, organization design, business processes, and service delivery). Centralization was a major theme of the transformation. This was a large and complex reform program that stretched the organization's capacities in an environment of competing demands that requires IAPR to maintain high levels of operational performance, continue to manage public support programs as and when required by the government, and deliver the Blueprint reforms—a vast challenge for any tax administration. The IAPR's change program affects all its operations on a scale unprecedented for the tax administration in Greece. By 2023, there were 19 projects within the IAPR having EC's Recovery and Resilience Fund (RRF) financing of €290 million that is contingent upon satisfaction of major milestones through to the fourth quarter of 2025. In addition, the IAPR is implementing an additional 31 reform projects tied to other financing sources between now and 2027.

Digital Transformation and Compliance Tools, 2018–25

Strengthening Compliance

Building on strengthened governance, legal frameworks, and organizational capacity, the reform agenda increasingly leveraged digitalization and data-driven compliance tools. This phase marked a transition from platform development to real-time, analytics-based tax administration, positioning Greece at the frontier of digital tax administration within the EU. The digital transformation was part of the broader digital transformation of the Greek public sector. Its digitalization efforts were aligned with the government-wide strategy led by the Ministry of Digital Governance, especially after 2019 when Greece accelerated its whole-of-government digital agenda. Figure 6 summarizes the respective reforms and illustrates the transition from platform development to real-time, data-driven compliance.

Figure 6. Key Digital Transformation Reforms, 2018–25



Source: Compilation by authors.

Note: B2G = business to government; BI = business intelligence; CIT = corporate income tax; DW = data warehouse; myDATA = my Digital Accounting and Tax Application; POS = point of sale; VAT = value-added tax.

Expansion of E-services: From TAXISnet to myAADE

Expansion of e-services marked the shift from partial digital interaction to near-universal online service delivery. It began before 2018 but accelerated significantly in recent years. By 2020, nearly all tax and customs transactions could be executed digitally, with the COVID-19 pandemic acting as a catalyst for further digitization. Key services such as “my Business Support” for financial aid, “myProperty” for real estate declarations, “myAppointment” for scheduling office visits, “myAADElive” for video call, and obtaining a Taxpayer Identification Number online were introduced or enhanced. Taxpayers could also track refunds, obtain proof of residence, and manage vehicle registrations online. The multiservice platform “myRequest” allows a single digital pathway for multiple services. These e-services minimized physical contact, maintained business continuity, and provided crucial support throughout the crisis.

In September 2021, the integrated platform “myAADE” Digital Portal, phasing out the former myTAXISnet, was developed to provide taxpayers with comprehensive access to all AADE (“Anexartiti Archi Dimosion Esodon”, the Greek Acronym of IAPR) digital services, including tax declarations, payment arrangements, property and vehicle taxation, and my Digital Accounting and Tax Application (myDATA) e-books. It allows users to manage their account and contact details; view official communications; track debts, payments, and refunds; and make direct payments or arrange installment plans. The portal also enables printing monthly account statements, submitting digital requests and administrative appeals, scheduling appointments with AADE officers, and correcting pre-filled tax declaration data before automatic filing. In addition, through the “Fees by the Month” application in myCAR, users can lift the immobilization status of private vehicles by paying proportional road tax monthly. In 2021, the platform for VAT declarations under the One-stop-shop (OSS) e-commerce service was launched. This included electronic implementation of the OSS/import OSS programs and adapting national systems to comply with EU Directive 2017/2455 on VAT obligations for service provision and remote sales of goods (e-commerce).

The myDATA Platform: A New Era for Digital Reporting

The myDATA platform,[11] launched in 2020, represents a structural break from ex post reporting toward continuous, transaction-level visibility for VAT and income tax compliance. Initially, adoption was voluntary, and then it became mandatory in November 2021, with the scope of transmission gradually expanded. All businesses are now required to transmit accounting data electronically to myDATA platform with multiple channels available for invoice submission, including Enterprise Resource Planning integration, authorized e-invoicing service providers, web-based forms, and electronic tax mechanisms for retail, such as online cash registers (Maragou 2024). The myDATA project had dual objectives to improve VAT and corporate income tax (CIT) compliance. In addition to the synopsis of the sales invoice to be generated from the seller and transmitted to the receiver, other transaction types were also required to enable business's income tax obligations to be calculated by myDATA (see Box 2). It supports business to business (B2B), business to consumer (B2C), and business to government (B2G) transactions, with quick response (QR) codes for invoice verification and strict reconciliation rules for VAT returns. Real-time transmission of invoices and accounting entries became mandatory from 2024, and the system enforces that VAT returns must match the data uploaded to myDATA, with discrepancies flagged for review. There are also penalties for failure to comply with myDATA obligations.

Box 2. MyDATA Transaction Types

- Sales invoice
- Invoice for services rendered
- Acquisition title
- Credit notes for invoices
- Records for self-supply—private use
- Transport document
- Receipt for services rendered
- Receipt for retail sales
- Credit notes for retail sales
- Contract (revenue or expense)
- Special record (receipt)
- Personnel expenses
- Depreciation
- Other adjusting entries for revenues/expenses

Mandatory e-invoicing was rolled out in phases, starting with large businesses and public sector contracts and gradually expanding to cover all businesses. The obligation for B2G e-invoicing began in September 2023 and was fully implemented by January 2025.[12] In July 2025, the EU approved mandatory B2B e-invoicing for all domestic transactions.

The BI and DW: Building Analytical Capacity

Business intelligence (BI) and data warehouse (DW) modernization became central to enabling risk-based, automated compliance and service delivery. BI modernization was launched to revitalize underused DW. The initial DW, installed in 2014, was underused because of incomplete data and unclear business requirements. To address this, the IAPR launched a major BI modernization program in May 2019, backed by the RRF later on. External consultants developed a comprehensive BI road map covering architecture, technology evaluation, and governance. Pilot projects—such as fuel tax monitoring (inflow–outflow system)—helped shape the full BI

[11] The myDATA platform is an electronic platform functioning as an extensive e-reporting system.

[12] It complied with the European standard for transmission through certified e-invoicing service providers.

system, which follows the Corporate Information Factory model and supports data marts, analytics, and reporting tools.

Advanced BI tools and DW drive compliance, automation, and real-time analytics. BI tools can identify non-compliance patterns, automate risk scoring, and enable targeted audits. In January 2024, automated VAT refund risk assessment software was deployed, reducing manual audits and accelerating refund processing. BI dashboards track KPIs across tax collection, filing compliance, and service delivery. The DW is currently being expanded to integrate real-time transaction data from myDATA, enabling advanced analytics and enhanced compliance risk management (CRM).

Pre-filling of VAT and CIT Returns: Automating Compliance

Pre-filling of VAT and CIT returns represents a major shift from taxpayer-driven reporting to system-assisted compliance. Pre-filling of VAT returns began in December 2022, using the transaction-level data from myDATA. The system allowed cross-referencing of sales and expenses, and as of January 2025, deviations between sales and expenses records are not permitted. Pre-filling of annual income tax forms started in January 2023, leveraging the data from myDATA and other sources to reduce errors and administrative burdens. The technical workflow involves myDATA aggregating transaction data, reconciling it with accounting books, and generating draft VAT and CIT returns for taxpayer review. The system flags mismatches and missing data, prompting taxpayers to resolve issues before submission.

Further Digitalization—from Registration to Real-Time Audit

The launch of the Appodixi ("Receipt") app in 2022 marked a significant step in the digital transformation, enabling taxpayers to verify transaction receipts by scanning QR codes and report discrepancies or untransmitted receipts anonymously or by name for investigation. This digitalization extends from business registration, allowing sole proprietors to initiate their activity online without prior registrations with commercial and social security registries, to streamlined registry procedures covering certificates, tax clearances, company changes, and vehicle-related services. Furthermore, in August 2023, the AuditLIVEAADE system was developed to equip auditors with real-time access to taxpayers' financial profiles on tablets, enabling live monitoring of receipt transmissions, data cross-checking, and issuance of penalty reports efficiently. In January 2024, the Bankapp (Bank Account Nexus Crosscheck Application System) was launched to automate the assessment of wealth increase. Together, these advancements significantly improve transparency, simplify compliance, and boost the efficiency of tax administration through comprehensive digital integration.

Mandatory POS and Invoice Reporting: Real-Time Compliance

Mandatory point of sale (POS) and invoice reporting completed the move toward real-time compliance enforcement. From January 2024, all retail businesses are required to use POS terminals connected to cash registers for issuing receipts, with mandatory POS connections extended in May 2024. POS devices are integrated with myDATA, enabling real-time transmission of retail (B2C) transaction data. All invoices (including B2B, B2C, and B2G) must be reported online to myDATA, with QR codes for verification and direct access to invoice details. Non-compliance with POS and invoice-reporting obligations results in penalties, with additional ministerial decisions specifying implementation details.

The integration of POS data into myDATA enables risk analysis. The integrated systems flag discrepancies, missing data, and unusual patterns for further investigation and targeted auditing. Initial pilots (for example, gas stations) revealed that only 50 percent of businesses were ready to provide live data by the mandated start date, prompting intensive campaigns to boost participation. The volume of transactions is substantial—estimated at 500 million per year—necessitating robust IT infrastructure and data management processes. To

support businesses in adopting the new systems, the IAPR has implemented communication campaigns, stakeholder consultations, and test environments.

Professionalizing the Workforce

HR reforms introduced under the IAPR Law were unprecedented in the Greek public sector. The law established a bespoke framework for staffing, mobility, promotions, and remuneration within the IAPR, including several deviations from the standard public sector HR regime. HR reforms during this period focused on professionalizing the workforce and enhancing staff motivation and accountability. A bonus incentive program was introduced in December 2017 to reward performance, and the Tax Academy, launched in February 2018, provided comprehensive training programs for the ongoing professional development. The staff appraisal program, implemented in July 2019, established a systematic approach to assessing and improving staff performance. In 2021, a pay and grading reform was enacted to better align compensation with job responsibilities, moving away from traditional seniority-based pay structures and supporting the attraction and retention of skilled personnel. By 2023, audit and collection functions were further centralized into six national audit centers and two debt collection centers, supporting greater professionalism and productivity. These initiatives have collectively modernized HR management and positioned the IAPR for greater effectiveness and resilience.

Reform Impact and Outcomes

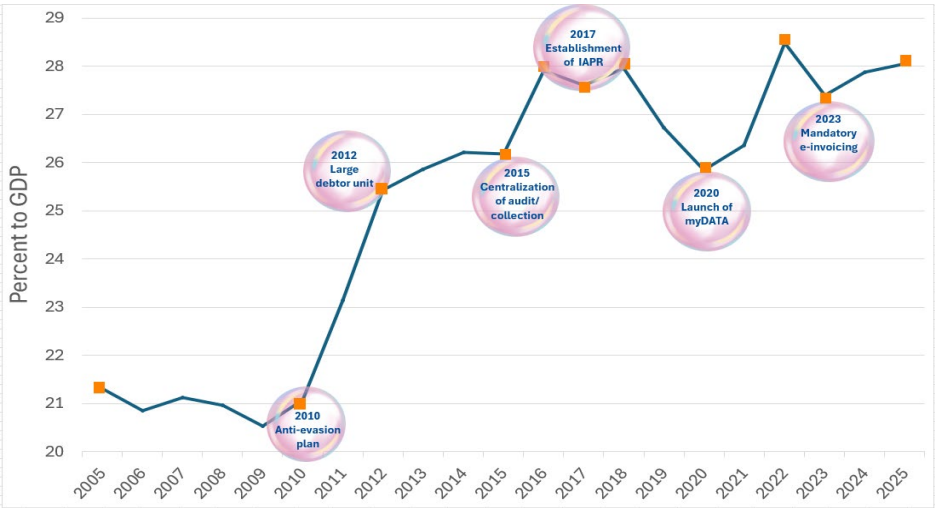
This section provides revenue and compliance performance indicators that suggest that tax administration reforms undertaken by Greece since 2010 have had a positive impact. The section is not intended as a formal analysis of the linkages between tax administration reforms and compliance and revenue performance, which are the subject of a separate note. Moreover, as noted in Box 1 earlier, fundamental policy reforms to all major taxes took place between 2010 and 2019 that must have had a direct and significant impact on the level and composition of tax revenue, as well as on compliance and enforcement of the tax system—through, for instance, improving tax neutrality.

Tax-to-GDP Ratio

Figure 7 shows a clear upward trajectory in Greece's tax revenue: beginning at 20.5 percent in 2009, the tax-to-GDP ratio climbed steadily, reaching over 28 percent in 2025.[13] This trend reflects three factors: significant strengthening of tax collection efforts, structural tax administration reforms, and structural tax policy reforms. Changes in the various components of tax revenues are shown in Figure 8—2005 was selected in order to neutralize the impact of the 2008 Great Financial Crisis on tax revenue. Revenue from all the major taxes increased significantly, except for the CIT, whose rate was reduced from 29 to 24 percent in 2019, as revenue collections were no longer the primary objective of reforms, and economic growth became a more pressing policy issue—the CIT revenue performance is similar today to what it was before the Great Financial Crisis.

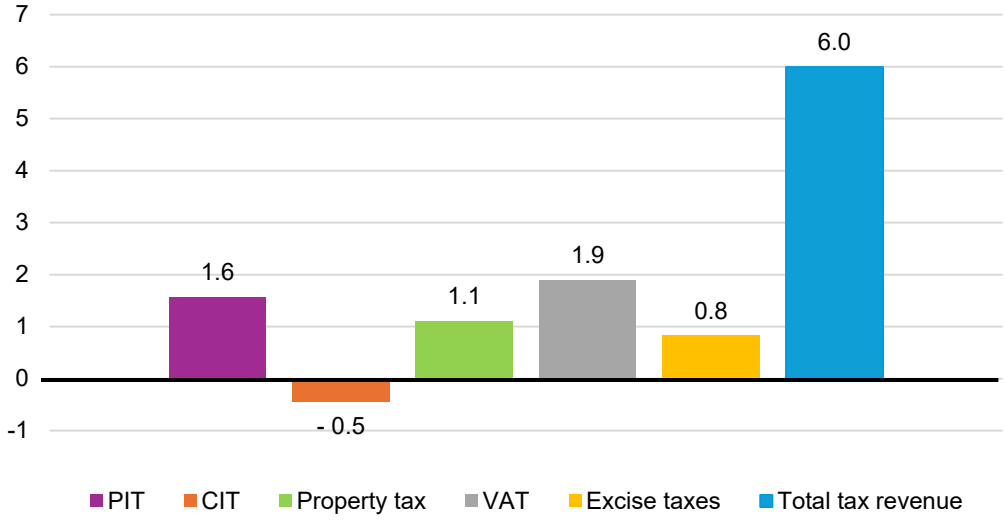
[13] The decline in the tax-to-GDP ratio over 2018–20 reflects tax policy easing implemented in 2019 (including VAT and CIT rate reductions) and the adverse impact of the COVID-19 shock—particularly through tourism—together with temporary revenue relief and deferrals adopted as part of the fiscal response in 2020.

Figure 7. Tax-to-GDP Ratio with Major Reforms, 2005–25



Source: World Economic Outlook Database 2026.

Figure 8. Changes in Tax Revenue: 2023 versus 2005 (Percentage of GDP)



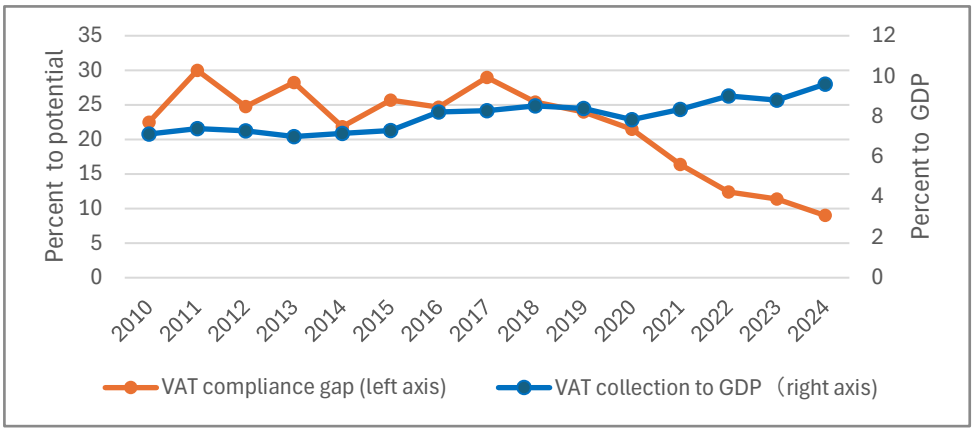
Source: World Revenue Longitudinal Database 2026.

Note: CIT = corporate income tax; PIT = personal income tax; VAT = value-added tax.

VAT Compliance

The VAT compliance gap[14] has narrowed significantly, reflecting the success of its tax administration reforms and digitalization efforts. According to the analysis by EC, the VAT compliance gap in Greece decreased from 30 percent in 2011 to 9 percent in 2024 (Figure 9). The overall 21 percent reduction in the compliance gap from 2011 to 2024 represents a major achievement in curbing non-compliance.

Figure 9. VAT Compliance Gap and VAT Collection, 2010–24



Sources: EC (2025); OECD Data Explorer; and IAPR website.

Note: VAT = value-added tax.

To complement outcome indicators, two diagnostic lenses are used to assess institutional and operational progress over time: the operational strength index (OSI) and the tax administration diagnostic assessment tool (TADAT).

Operational Strength in Tax Administration

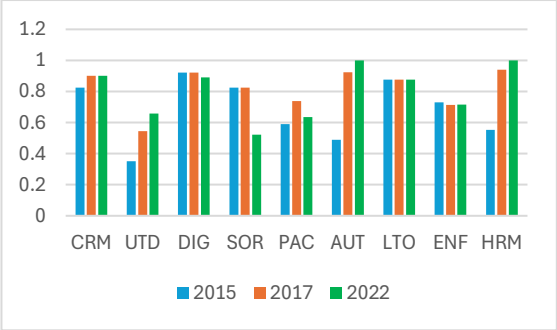
The OSI is a composite metric based on the International Survey on Revenue Administration data, assessing tax administration practices, institutional frameworks, and structural foundations in over 166 countries. It aggregates responses to 193 survey questions across nine sub-indices—including CRM, UTD, degree of digitalization, service orientation, public accountability, autonomy (AUT), large taxpayer office and HNWI, tax enforcement, and human resources management and development (HRM). The OSI provides comparable scores for each country (Atsebi and others 2025). For the IAPR, the OSI have shown notable improvements in tax administration since 2015, especially from 2017 onward. Figure 10, panel 1, shows five sub-indices, including CRM, UTD, public accountability, AUT, and HRM, that have improved since 2015, with particularly significant progress in UTD, AUT, and HRM. In addition, except for three sub-indices, six areas—CRM, UTD, AUT, large taxpayer office and HNWI, tax enforcement, and HRM—outperform those of advanced economies and Europe (EUR)[15] (Figure 10, panel 2).

[14] VAT compliance gap refers to the difference between VAT that should be collected under the existing law and the amount that is actually collected, given the current VAT policy framework.

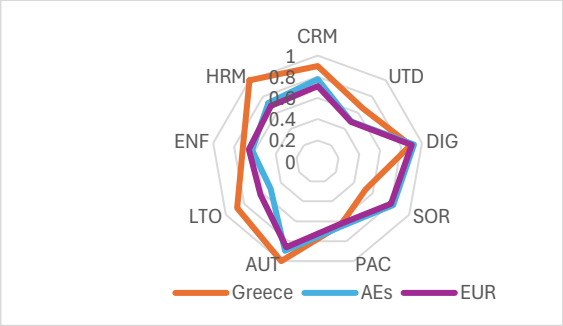
[15] "EUR" refers to the IMF's European Department classification of countries. It covers European advanced and emerging market economies, including euro area members, non–euro area EU countries, and other European economies under the IMF's area-department structure. The term is used for organizational and analytical purposes and does not correspond to the euro area as a monetary concept.

Figure 10. Operational Strength Index

1. Greece in 2015, 2017, and 2022



2. Greece versus AEs and EUR in 2022



Sources: ISORA (2023); and IMF staff calculations.

Note: AEs = advanced economies; AUT = autonomy; CRM = compliance risk management; DIG = degree of digitalization; ENF = tax enforcement; EUR = the IMF's European Department classification of countries; HRM = human resources management and development; LTO = large taxpayer office; PAC = public accountability; SOR = service orientation; UTD = use of third-party data.

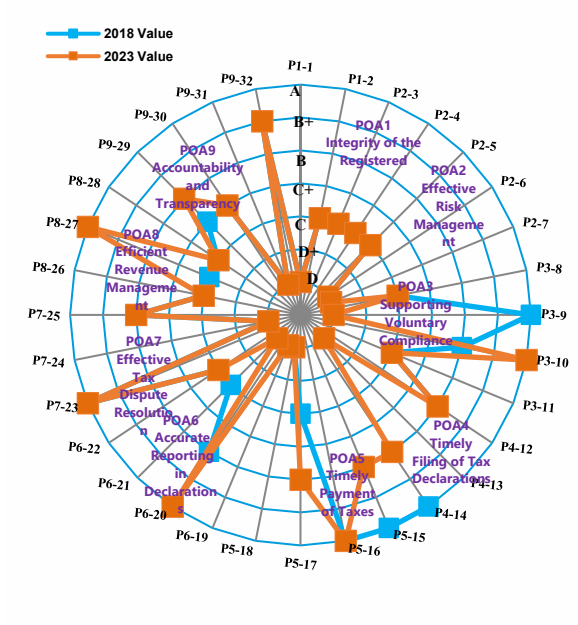
Improvement in the System of Tax Administration—TADAT Assessments

A comparison of two TADAT[16] assessments demonstrates significant progress in tax administration performance in Greece over a five-year period. Notably, Greece outperforms both advanced economies and EUR in several areas, including the scope of initiatives to reduce compliance cost, efficient collection systems, large-scale data matching for inaccurate reporting, dispute resolution process, the adequacy of the accounting system, and the publication of activities and plans (Figure 11, panel 2). Five out of thirty-two indicators meet international good practices, reflecting Greece's advancements in tax administration effectiveness and transparency (Figure 11, panel 1).

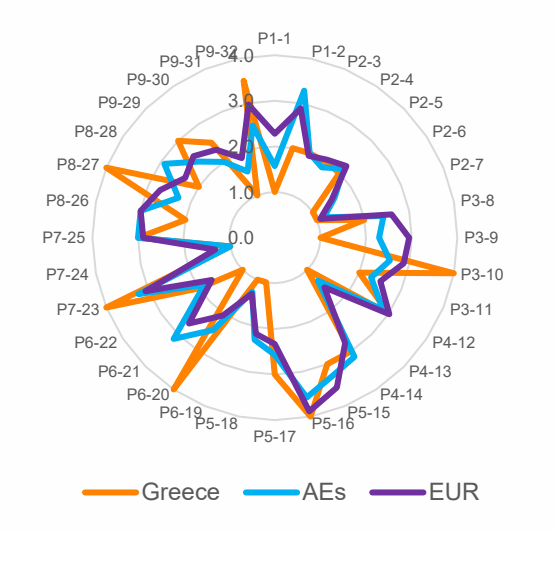
[16] TADAT distinguishes nine performance outcome areas (POAs) using 32 indicators that are scored by certified assessors on a scale from A (strongest = 4) to D (weakest = 1), which allows for comparing the relative performance of tax administrations across the world.

Figure 11. TADAT by Performance Outcome Area

1. 1st TADAT (2018) versus 2nd TADAT (2023) in Greece



2. TADAT in Greece versus AEs and EUR



Source: TADAT Secretariat calculations.

Note: Key indicators in panel 1 show marked improvement between the first and second assessments in Greece: the scope of initiatives to reduce taxpayer compliance costs (POA 3-10) advanced from B to A, the timeliness of payments (POA 5-17) improved from C to B, the use of large-scale data-matching systems (POA 6-20) rose from B to A, the adequacy of the tax revenue accounting system (POA 8-27) jumped from C to A, and internal assurance mechanisms (POA 9-29) strengthened from C+ to B. A few indicators recorded lower scores, largely because of data availability constraints and a very limited share of large taxpayers not filing PIT electronically rather than a weakening of underlying administrative practices. Where the scores from the first and second TADAT assessments overlap, the score from the first TADAT is not displayed. AEs = advanced economies; EUR = The IMF's European Department classification of countries; PIT = personal income tax; POA = performance outcome area; TADAT = tax administration diagnostic assessment tool.

Taken together, strong performance on structural and process-based indicators—such as the OSI and TADAT—alongside a VAT compliance gap that remains slightly above the EU average, reflects several factors. OSI and TADAT scores primarily capture the maturity of institutional arrangements, legal frameworks, and administrative practices, whereas compliance gaps also reflect structural features of the economy, legacy noncompliance, and lags between system improvements and behavioral responses.[17] In Greece's case, the pace of VAT gap reduction has been among the fastest in the EU, even as further. Convergence toward EU averages will depend on the full operational integration of real-time reporting, analytics-driven risk management, and differentiated treatment strategies. Priority reform measures going forward are discussed elsewhere in this Note.

E-filing and E-payment

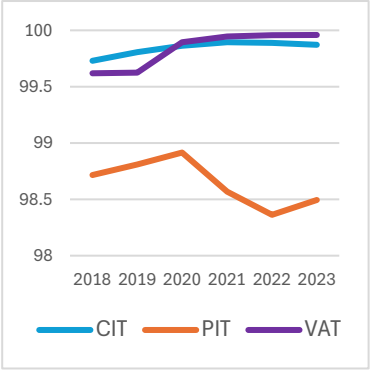
E-filing and e-payment have achieved record levels. Figure 12 illustrates that e-filing for VAT has reached 100 percent since 2022, while e-filing for CIT attained 99.9 percent from 2021 onward. From 2018 to 2023, Greece's e-filing rates for CIT, personal income tax (PIT), and VAT exceeded the averages of both EUR and Organisation for Economic Co-operation and Development members, with PIT notably higher than both groups. E-payment

[17] Note that the OSI and TADAT scores are benchmarked against the EUR average, whereas the compliance gap is benchmarked against the EU average.

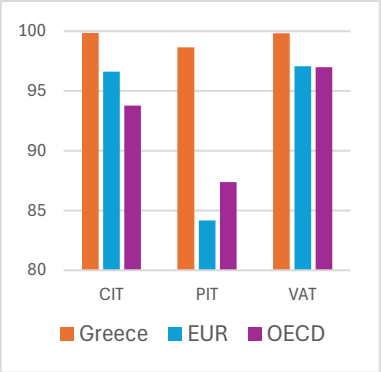
adoption also increased significantly, rising from 86.6 percent in 2018 to 99.2 percent in 2023, with a particularly notable increase from 90.4 percent in 2021 to 98.8 percent in 2022. The widespread use of e-filing and e-payment contributed to lower compliance costs for taxpayers and enhanced administrative efficiency.

Figure 12. Percent of E-filing and E-payment, 2018–23

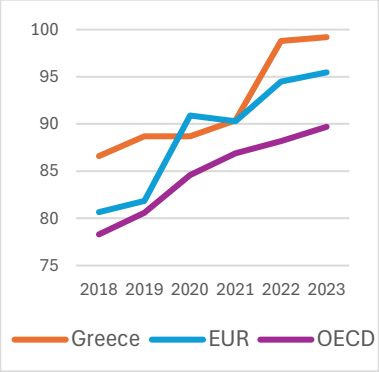
1. E-filing across Different Tax Types in Greece



2. E-filing in Greece versus Average EUR and OECD Members



3. E-payments by Number in Greece versus Average EUR and OECD Members



Sources: ISORA (2024); and OECD (2025).

Note: CIT = corporate income tax; EUR = the IMF's European Department classification of countries; OECD = Organisation for Economic Co-operation and Development; PIT = personal income tax; VAT = value-added tax.

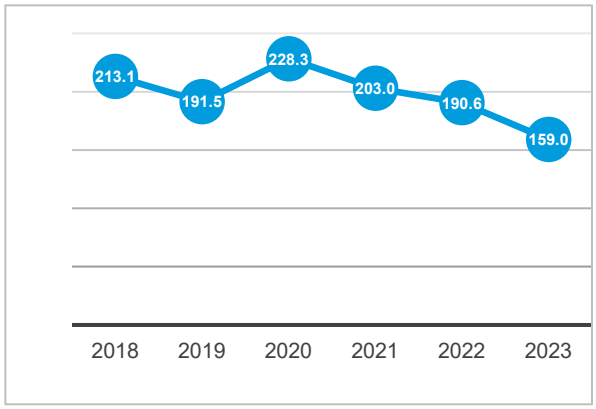
Tax Arrears

Tax arrears dropped dramatically. From 2016 onward, Greece implemented a large-scale rollout of automated e-garnishments as part of a broader effort to strengthen tax debt enforcement. Figure 13 shows that closing stock arrears as a percentage of the total revenue fell sharply after 2018, dropping 69.3 percent between 2020 and 2023. Arrears as a percentage of CIT, VAT, and PIT also declined; for CIT, the arrear rate decreased from 893.1 percent in 2020 to 233.1 percent in 2023.

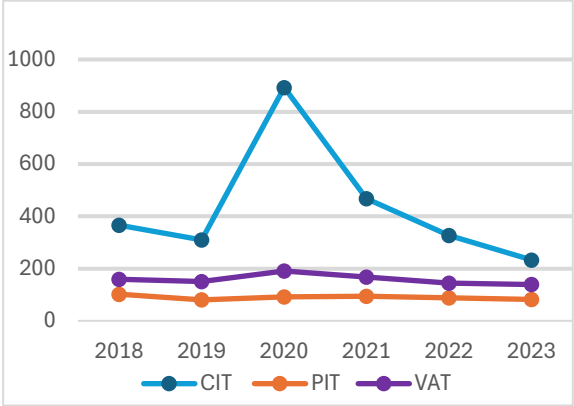
Despite the sharp decline in arrears ratios since 2018, the stock of arrears remains high, reflecting in part a large legacy of long-aged and low-collectability debt accumulated during the crisis period. Therefore, a significant share of outstanding arrears is unlikely to be recoverable in full. Ongoing reforms—including improved debt segmentation, increased automation of collection actions, and clearer write-off and insolvency procedures—are expected to further reduce arrear ratios over time and improve the efficiency of debt management.

Figure 13. Tax Arrears as Percent of Revenue: Year-End Stock and Tax-Type Breakdown, 2018–23

1. Closing Stock Arrears at Year End as Percent of Total Revenue Collected



2. Arrears as Percent of Tax Collected for Different Tax Types



Source: ISORA (2024).

Note: CIT = corporate income tax; PIT = personal income tax; VAT = value-added tax.

Reform Implementation Challenges and the Role of CD

Greece's ambitious tax administration reforms since 2010 have delivered notable improvements in organizational structure, institutional development, and digital transformation. However, the implementation process faced challenges at some intervals that constrained the full realization of reform objectives. The following thematic areas highlight the practical constraints faced.

Resistance to Organizational Change and Staffing Constraints

Organizational reforms, including the rapid consolidation of the tax office network and centralization of audit and debt collection functions, were disruptive and met with resistance from staff and stakeholders. The reduction in tax offices from 288 to 119 over just 15 months, while necessary to reduce fragmentation and deepen expertise, generated uncertainty and skepticism about the new organization's direction. Staffing levels remained broadly flat or declined after 2010, reflecting, in part, efficiency gains from automation and organizational streamlining. At the same time, persistent recruitment shortfalls—particularly in specialized areas meant that staffing outcomes were not always aligned with operational needs. Overall, downsizing between 2011 and 2016 constrained the administration's capacity to absorb and sustain reforms, despite productivity improvements.

Lag in Secondary Legislation and Dispute Resolution Bottlenecks

Major legislative reforms—including the TPC and new Income Tax Code—were enacted in January 2014. However, delays in the adoption of secondary legislation impeded their full implementation. As of March 2016, many enabling measures remained pending, such as automated assessments for non-filers, tax rulings, and electronic notifications. The private ruling system, for example, had not been adopted as of the last major IMF review in April 2024. Dispute resolution also faced bottlenecks: although the establishment of the Dispute Resolution Unit was a positive step, high rates of taxpayer disputes—especially among HNWI—slowed

collection and undermined audit effectiveness.[18] Audit selection procedures were revised only belatedly, and the share of targeted cases encompassing older tax years remains too high, reducing the impact on current compliance and debt collection.

Flat Budgets and Modest Operational Funding

Despite the scale of reforms, total resources available to tax administration—both staff and operational budgets—have only modestly increased. Since 2017, IAPR's operational budgets have increased at an average annual rate of 3 percent. Net staffing levels for tax and customs administration have remained flat or declined, limiting the administration's ability to invest in new technologies, training, and service delivery. The slow pace of resource enhancement has constrained the ability to address emerging challenges, such as the need for advanced analytics, improved taxpayer services, and timely VAT refund processing. For example, only 23 percent of VAT refunds were processed within 30 days as of the 2023 TADAT assessment, despite the deployment of new risk assessment software.

Delays in IT Rollout and Underutilization of BI Tools

The expansion of electronic services accelerated through 2013 but subsequently stalled, with substantial delays in rolling out anticipated e-services and digital platforms. The DW, installed in 2014 as the first iteration of new BI tools, was initially underused reflecting incomplete data coverage and unclear business ownership and requirements. By 2021, major BI infrastructure projects remained unfinished, and the IAPR lacked a robust BI center of expertise—a missed opportunity that has implications for the efficacy of newer initiatives such as the myDATA electronic invoicing platform. The gradual implementation of myDATA, intended to improve VAT and CIT compliance, was hampered by technical and capacity constraints. Transaction-level reporting commenced later than planned, and pre-filling of VAT declarations did not begin until December 2022. The flexible reporting channels for myDATA have not yet achieved universal coverage, and take-up rates remain unclear. Moreover, the mandatory adoption of e-invoicing for B2G and B2B transactions has been delayed, pending secondary legislation.

Additional Implementation Issues

Several cross-cutting issues further constrained reform implementation:

- Project and Change Management Capability: Initial project teams lacked effective scoping and planning skills, requiring redeployment and upskilling.
- Understanding of Functional Model and Risk Management: Poor initial understanding and resistance to analysis hampered the development of CRM.
- Governance and Decision Making: Decision making was often centralized unnecessarily, overwhelming leadership and delaying strategic activities.
- Resource Prioritization: Persistent constraints required careful prioritization and redeployment of capable staff for quick wins.

Greece's experience highlights that successful reform implementation requires more than legislative change. It demands sustained investment in organizational capacity, effective project management, and strategic communication. Addressing these challenges is critical to ensuring that reforms translate into tangible improvements in tax administration performance. Ex post experience also suggests that some implementation constraints could have been mitigated through earlier emphasis on selected enabling measures. In particular, more structured investment in change management during periods of rapid organizational consolidation may

[18] It should also be noted that, notwithstanding the high volume of appeals, the Dispute Resolution Unit renders explicit decisions in more than 95 percent of cases, rather than defaulting to implicit rejection through administrative silence. This approach signals strong procedural discipline and institutional capacity, supporting the consistent application of the law and the timely resolution of disputes through reasoned decisions within the established legal framework.

have helped reduce resistance and uncertainty among staff. Earlier clarification of business ownership and use cases for BI tools, alongside stronger integration of HR reform with the emerging functional operating model, could also have accelerated the effective use of analytics for compliance management. These reflections do not detract from the overall reform trajectory, but they highlight the importance of aligning organizational, HR, and technological reforms from an early stage.

Role of CD in Supporting Reform Design, Implementation, and Monitoring

CD has played a pivotal role in Greece's tax administration reform journey, particularly through sustained support from the IMF and the EU. From the outset, IMF technical assistance, including long-term resident advisors, was central to the development of Greece's Anti-Evasion Plan. Between 2011 and 2015, IMF experts worked with Greek authorities to draft the Strategic Plan for Tax Administration and develop KPIs to monitor progress in audit, collection, and organizational reforms. In 2013–14, the IMF supported the creation of the Strategic Planning Unit and PMO, providing guidance on governance and project management, which became pivotal for coordinating reforms. From 2018 to 2020, the IMF contributed to the first Reform Blueprint for the IAPR. These interventions have been instrumental in shaping reform design, guiding implementation, and monitoring progress across multiple phases of transformation—see Table 1 for details. The breadth and depth of CD activities reflect a long-term commitment to institutional strengthening and modernization.

Table 1. Key IMF CD Interventions

Year	Area of Support	Key Actions
2010	Anti-evasion plan design	IMF support in designing the Anti-Evasion Plan, including strategic focus on large taxpayers and debt collection
2011–15	Strategic plan development	Assistance in drafting the Strategic Plan for Tax Administration and defining performance benchmarks
2013–14	PMO establishment and governance support	Support in setting up the PMO and Strategic Planning Directorate
2014–17	Audit and collection strategies, HR reforms	Development of audit and collection strategies, support for HR reforms including pay and grading structures
2018–20	Reform blueprint drafting, IT modernization	Technical assistance in drafting the Reform Blueprint and modernizing IT systems
2021–23	BI and risk management frameworks, training programs	Support for BI tools, risk management frameworks, and capacity building through training
2024–25	Monitoring and implementation of digital reforms	Ongoing support for monitoring reform milestones and implementing digital platforms such as myDATA

Source: Compilation by the authors.
Note: BI = business intelligence; CD = capacity development; HR = human resource; IT = information technology; myDATA = my Digital Accounting and Tax Application; PMO = program management office.

During this period, IMF CD was closely coordinated with the EC within the EU–IMF adjustment and surveillance framework. The IMF led technical diagnostics, reform design, and implementation support in tax administration, whereas the EC acted as the program owner and key financier, ensuring alignment with EU policy commitments and reform milestones. Coordination was institutionalized through joint program reviews, in-country missions, and shared diagnostics, which helped avoid duplication and ensured consistent sequencing of reforms.

Lessons Learned and Strategic Implications

This section presents key lessons learned from Greece's over a decade-long tax administration reform program. Although it does not aim to establish direct causality between specific reforms and observed outcomes, it offers anecdotal evidence and insights drawn from IMF technical assistance experience. These lessons are intended to inform future reform efforts in other countries embarking on similar modernization journeys. Even though each country's context is unique, these insights can inform the design and implementation of future reform programs, helping to build more effective, transparent, and resilient revenue administrations.

Importance of Political Support and Management Commitment

Sustained leadership, particularly the great support of the Governor of IAPR, and clear political backing were critical to the success of Greece's reform program. IMF technical assistance missions consistently emphasized the need for high-level commitment to overcome institutional resistance and inertia. For example, the establishment of the IAPR required legislative action and strong ministerial support to ensure autonomy and shield the agency from political interference. Similarly, the consolidation of tax offices and the centralization of audit functions faced internal opposition, which was mitigated through consistent messaging and support from the IAPR's leadership. Furthermore, the selection of the Governor through a merit-based and competitive process—rather than by direct political appointment—has played a key role in preserving the independence, credibility, and professionalism of the tax administration's leadership. These experiences underscore the importance of aligning reform initiatives with political priorities, securing buy-in from senior leadership to drive implementation, strong country ownership, and leadership independence.

Importance of Sequencing Reforms (For Example, Legal Before Digital)

The sequencing of reforms played an important role in Greece's modernization efforts, though not in a rigid or strictly linear manner. Experience showed that progress depended on clarifying policy and operational objectives and establishing credible legal and institutional foundations before advanced digital solutions could deliver sustained results. IMF advisors consistently emphasized the need to anchor digital reforms in robust legal mandates and administrative capacity. The introduction of the TPC in 2014, for example, provided a common legal framework that later enabled more effective digitalization of tax administration. Absent clear legal authority and procedural clarity, digital initiatives risked inconsistent application and weak enforceability. Greece's experience thus underscores that sustainable modernization is best supported when reform efforts begin with well-defined policy and operational goals, are reinforced through legal codification, and are complemented—rather than led—by technology within a coherent regulatory architecture.

Value of Autonomy and Governance Reforms for Credibility

The establishment of IAPR in 2017 marked a turning point in Greece's tax administration reform. IMF technical assistance reports noted that autonomy in operational decision making enhanced the credibility of the administration and improved stakeholder confidence. The governance reform insulated the IAPR from political pressures, enabling it to pursue risk-based compliance strategies and enforce tax laws more consistently. This institutional independence also facilitated the adoption of performance-based management practices and strengthened accountability mechanisms. Greece's experience illustrates how governance reforms can serve as a catalyst for broader transformation and foster a culture of professionalism.

Need for Sustained Investment in BI and IT Infrastructure

Building robust analytics and IT capacity was a cornerstone of Greece's reform agenda. IMF missions supported the development of BI tools and DW systems to enable data-driven decision making. However, early efforts illustrate that without clear business ownership, governance arrangements, and sustained investment in skills, even advanced data infrastructure cannot be used effectively. The BI modernization program launched in 2019 addressed these gaps by introducing a comprehensive road map and pilot projects. The deployment of automated VAT refund risk assessment software in 2024 exemplifies the potential of advanced analytics to

enhance compliance and service delivery. Greece's experience highlights the importance of sustained investment in IT infrastructure and the need for clear governance and business requirements to guide implementation.

Role of CD in Supporting Reform Design, Implementation, and Monitoring

IMF CD played a vital role throughout Greece's reform journey. Technical assistance missions, including the long-term expert and resident advisor, provided strategic guidance on reform design, supported implementation planning, and helped monitor progress against KPIs. Continuous engagement allowed for course correction and adaptation to emerging challenges. Greece's experience underscores the importance of sustained and well-targeted CD in achieving meaningful and lasting reform outcomes. Reform design and implementation were supported by close collaboration between the IMF and the EU, with coordinated technical assistance, shared diagnostics, and complementary conditionality helping to align administrative reforms with broader fiscal and governance objectives.

Expanding CD to Support Change Management and Institutional Capacity Is Critical

Effective change management and institutional capacity building were essential to navigating the complexities of reform. IMF advisors emphasized the need to integrate change management into CD programs, including training, communication strategies, and stakeholder engagement. The reorganization of headquarters and the rollout of new digital platforms required significant shifts in staff roles and competencies. Tailored training programs and leadership development initiatives helped mitigate resistance and foster a reform-oriented culture. Greece's experience suggests that CD should go beyond technical advice to encompass organizational development and HR strategies.

Innovative Funding Models Needed to Address Budget Constraints

Budgetary limitations posed challenges to reform implementation in Greece. To address this, the authorities leveraged external funding sources, including the RRF, which was focused on the digital transformation of the revenue authority and improving access to digital services for citizens and businesses. IMF reports noted that innovative funding models—such as performance-based financing and donor coordination—can help sustain reform momentum and ensure resource availability. Greece's approach demonstrates how the strategic use of external support can complement domestic efforts and enable large-scale modernization.

Although this Note focuses on Greece's reform trajectory, elements of the experience are consistent with reform patterns observed in other countries that pursued tax administration modernization under crisis or post-crisis conditions. In particular, experiences in countries that combined strengthened governance arrangements, organizational consolidation, and sustained investment in digitalization suggest that sequencing reforms around credible institutional foundations can enhance the effectiveness of later technological and compliance initiatives. At the same time, the Greek case underscores that outcomes remain highly context specific, reflecting differences in initial compliance gaps, administrative capacity, and political economy constraints.

Looking Ahead

Taken together, Greece's tax administration reforms have entered a new stage—in which the primary challenge is no longer the design or launch of reforms, but their consolidation, effective use, and long-term institutional sustainability, considerations that shape the next phase of reform. The central task is to embed recent achievements within a stable yet agile, autonomous, and professionally managed institution, capable of responding effectively to evolving economic conditions, technological change, and societal expectations, and of continuing the transition toward a more advanced model of tax administration. Strategically, this means systematic strengthening of data analytics—including the selective and responsible use of artificial intelligence (AI)—and its full integration into CRM by design.

This evolution will support a shift from reactive enforcement toward proactive compliance management, and ultimately toward compliance by design. For the IAPR, the continued development of BI and DW systems will allow large volumes of transactional and administrative data to be integrated and analyzed more effectively. The increasing availability of transaction-level information through systems such as myDATA, e-invoicing, and POS integration creates the conditions for more continuous monitoring of economic activity. However, the current challenge is to ensure that these data are consistently translated into operational decisions. This requires embedding analytical and AI-enabled tools directly into core CRM workflows—covering risk segmentation, audit selection, case treatment, dispute resolution, and debt collection—so that data-driven insights shape actions by default rather than as an adjunct. Properly governed, advanced analytics and AI can enhance the timeliness, accuracy, and consistency of compliance interventions, support more differentiated and earlier treatment of compliance risks, and enable a more effective allocation of administrative resources.

At the same time, institutional capacity and HR management will remain critical determinants of reform sustainability. As the administration becomes more centralized and technology driven, continued investment in skills development, leadership, and performance management—supported by institutions such as the Tax and Customs Academy of the IAPR—will remain essential. The evolving operating model will increasingly require expertise in data analytics, digital systems, and risk management, alongside strong professional judgment. Ensuring that staff incentives, training, and career paths remain aligned with evolving operational needs will help preserve reform momentum and mitigate the risks associated with reform fatigue and skills mismatches.

The next phase of reform will also require continued attention to service orientation and taxpayer trust. As compliance processes become increasingly automated, perceptions of fairness, transparency, and accessibility will play a growing role in shaping voluntary compliance. A stronger taxpayer-centric approach—supported by integrated digital services, simplified procedures, and pre-filled declarations—can reduce compliance costs, lower error rates, and reinforce confidence in the tax system. Further simplifying procedures and reducing avoidable disputes can help reinforce confidence in the tax system and support compliance outcomes over the medium term.

Finally, sustaining progress will depend on sound governance, prioritization, and resource management. Comprehensive reform programs inevitably place pressure on managerial capacity and operational resources. Clear strategic direction through the Blueprint, disciplined sequencing, and realistic implementation planning will be necessary to ensure that reform ambitions remain aligned with institutional capacity and fiscal constraints, and that the administration continues to evolve toward a more integrated, data-driven, and trusted model of Tax Administration 3.0 (OECD 2020).

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