Contents

1.Introduction

This object is an English guide that shows how to start a new business in Greece and specifically a general partnership business, known in Greece as O.E (omorruthmi etairia).

This object is a part of our graduation from Alexandreio T.E.I of Thessaloniki

General Partnership

2. Definition and characteristics of the general partnership.

The definition of a partnership, although incomplete, stems from unforced reading of Articles 20 and 22 of the Commercial Law. Characteristics of the Commercial Law states: Article 20: General partnership is between two or more persons. Article 22: The unlimited liability partners, referring to the Articles of Association document, jointly and severally subject to all their obligations to the company, and signed if even only one of the partners, but under the company name.
A reading of Articles 20 and 22 of the Commercial Law implies that a General Partnership Company called the company consists of two or more persons who are to perform together under a common trade name and who are liable without limit for all inclusive obligations of the company. Incomplete definition of the general partnership completed mainly provisions of jurisprudence, Civil Procedure (based on the company's publicity, etc.), Articles 22 and 627 of the Commercial Law (partner obligations, the settlement, Mr. LP) and Article 784 of the Civil Code (concerning the legal personality of the company). The combination of these was the addition of the definition of the general partner of the legal personality of the company which is independent and separate from the partners constituting the firm.
With the help of the above provisions and articles, general partnership means that the company has its own legal personality, name, home, property and citizenship. Article 741 of the Civil Code states how they achieved the economic objective of the company with joint contributions by the partners. It reads: In the contract the company has two or more mutually obliged to seek a common purpose and common contributions particularly financial. From the above, the definition of a partnership results in: The joint marketing (and thus the pursuit of economic benefits) exercised by at least two persons (partners). It is the basic precondition for recognition of the business partners in corporate, not personal. Thus the commercial status of a partnership shall be deemed traders and the general partners for their participation in the company. Also, traders are calculated and the general partners of limited partnership.
The articles of association must state the conduct of the general partnership (commercial) that lend to commercial property. The partners of general partnership to acquire commercial property on its own participation in the company and hence for any debts of the company will be subject to imprisonment (Court of Appeal of Athens 3970/82 - Business Law Review 1984).
A common name is needed for transactions made by the company. The company deals with its own name (name) as a separate entity (economic), persons independent of the partners who compose it. The unlimited solidarity and responsibility, all partners (all partners in collective partnerships is unlimited liability). Accordingly, Article 22 of the Commerce Act states: "The unlimited liability partners, stated in the statutory corporate documents, are jointly and severally obligated to the company, and signed if even only one of

the partners, but under the company name. This feature distinguishes it from other types of companies.

Specifically: The unlimited liability borne by the partners of a partnership means that partners for any debts of the company shall be liable only up to the amount of contribution, but also with the special personal property which are not granted to the company.This implies that the company's lenders can be turned against the personal assets of partners to meet their requirements from the company.The solidarity of responsibility, the partners of a partnership means that the obligations of the company are not only responsible for the corporate entity property of the company, but each partner is liable jointly and severally for any amount of debt the company has even with all their individual property. Therefore, the lenders of the company could well claim to the satisfaction of any partner, turning against him. So, the legal person of the company and each general partner is liable jointly with other partners for any commitments made by a general partner since it is signed under the corporate name that is done for the sake of the company. Note: The General Partnership is a legal person. The legal personality occurs in principle by the publication of legal statutes.

The characteristics of the general partner liability arising from the above are:

1. The personal character and unlimited liability, for example, for any debts of the company's general partner is liable with all his personal property.
2. Responsibility refers to "severally", that is, to pay any debts of the company are jointly, both the legal person of the company and each general partner involved in the company.
3. Their responsibility is direct, the general partners are responsible towards the company's lenders not indirectly (against the company) but directly (without mediation of the company).
4. The primary responsibility is to say, the lender gives the company the right to turn against one or all of the partners even against the legal person of the company (direct) to meet the requirements.
5. Responsibility is power and partner after leaving the company for debts of the company created until the day of the departure of partner.
6. The liability of general partners may not be barred after termination of the company. The responsibility of the company ceases to exist after the dissolution because it no longer exists. Instead, the liability of general partners is at the stage of liquidation of any debts of the company which could not be covered by the company's assets. The limitation referred to in Article 64 of the Commerce Act is five years. It states: "Any action against non-partners of liquidation widows and heirs of these, or any other having right-barred five years after the deadline or after the dissolution of the company if the document identifies the time period, this, or the dissolution of , and pasting of documents against the provisions of Articles 42,43,44 and 46 if, after the fulfillment of the terms of this, the order was not interrupted by them in any judicial way.'' (Thessaloniki Court of Appeal 1284/81 and Commercial Law Review 1982). Follows from the above report that:

1) In the event of termination of partnership or legal responsibility of both the company staff and the general partners to pay any debts of the company mentioned severally and any creditors of the company may well be turned against any partner to satisfy the (Supreme Court 618 / 68, Court of Appeal 6160/81, Commercial Law Review 1982, Piraeus Court of Appeal 239/82).

2) When converted partnership or limited partnership into a Limited Company, then the (former) general partners have unlimited liability and even severally for any obligations of the company until the time of conversion. The same responsibility lies with the general partners and in case of conversion of a partnership to a Limited Liability Company (Article 53 paragraph 4 of Law 3190/55).

3) Entering a new partner in a General Partnership Company draws obligation to fulfill the debt of the company regardless of whether the company's debts created before entry or after entry. This does not apply to the new partner if agreed by the partners of the non-contributing in fulfilling the company's debts were created prior to the entrance. A necessary condition for this effect is published by agreement between the partners regarding the above.
Effortlessly from the above we conclude that the distinguishing feature of a partnership and which sets it apart from other types of company is the large area of responsibility. The extent of liability in a sense becomes catalyst for the strengthening of faith and the security of transactions conducted by the General Partnership Company during the work with third parties. On the other hand, it constitutes a major disincentive for the establishment of such a company because of the massive responsibility of undertaking activities to form this partnership. For this reason, the corporate form of a company is more suited to small or medium-sized businesses typically made up of people who link them friendly or relational or close personal ties.
The legislature has taken care to record the specific provisions of the laws which regulate relations between the partners and the company's relationships with third parties as well as intra-corporate relations between partners. Some of these provisions regulate the management of the administration. The management of a partnership owned by all partners (unless otherwise agreed) and decisions taken by consensus. In this way introduces the principle of equality in relations between the partners after the partners contributed capital is not taken as a factor in the making.
To collective partnerships administrators can define and third persons outside the company (not to be partners) or under statute or other act of separate partners. If, however, recall the same procedure. Note that in no event shall a General Partnership Company qualify as a commercial basis if the statute did not perform a particular trade. So, the property shall carry out commercial trade in accordance with its constitution. This implies that the partners who comprise of it are those traders and their participation in the company and thus act as corporate fortunes and maybe arrested.

3. Legal personality of a partnership

Legal personality is called the personality acquired by associations, which fulfill certain conditions as specified in the laws, endeavor to achieve a specified objective financial or total assets, determined to achieve this goal. Legal personality are all companies of Commercial Law or other participatory and silent partner in the joint ownership. The General Partnership Company acquires its legal personality as to make the publication of statutes as provided in Article 42 of the Commercial Law. The legal personality of a partnership ceases to exist upon completion of the liquidation and distributed to the general partner's net assets. Without the acquisition of legal personality, the company can not make agreements with third parties nor be made the subject of rights. If the partners have made arrangements with third parties before becoming the company's legal personality, then, institutions related rights are contractors and not partners in the company. The acquisition of legal personality for companies generally, and for general partnership, is crucial. The acquisition of legal personality is essential to the development activities of the company which acquired if the act and operate as a separate and independent entity.

The consequences of the acquisition of legal personality is the following:
1. The company is a new person (legal), independent of the persons who compose its own independence and autonomy.
2. It has its own property, separate and independent from the personal assets of partners.
3. The company is represented by administrators or liquidators or members of the Board.
4. The company has capacity and therefore recognized as holders of rights and obligations.
5. It has its own name with which make the respective transactions.
6. It has its own home. Taken as a house the headquarters of the company listed in the statute.
7. It has its own citizenship, which is the seat and may be different from the nationality of the partners.
8. The company may participate as a partner in another company.
9. The partners of the company's contractual right to retain the property of the company even if it consists of real estate.
10. Creditors of the company have exclusive right to the company's capital (capital stock) and exclude lenders partners.
11. The obligations of the partners are not necessarily obligations of the company.
12. There may be offset against any third party claim against a partner and the obligation of the person to the company.
13. The capital is known from the beginning if it appears to the Company and may not occur to them to fluctuate without the prior fulfillment of certain conditions publicity.

3.1 Rights and obligations of partners

The provisions of the Commercial Law and the Civil Code defining the rights and obligations of the partners of partnerships.
For more details on the report following their rights:

1) The Right to represent the company and management of the company's assets.
When the general partnership statutes do not set an administrator or administrators of this, then, management and representation of the company is owned by all general partners who collectively exercise. Each of the partners to pursue separate under conditions (acting in its name and on behalf of). This stems from Article 22 of the Commercial Law.

2) The Right to make decisions.
Article 748 of the Civil Code provides: "The management of corporate affairs belongs, unless otherwise agreed, to all the partners together. For each transaction requires the consent of all partners. If in the partnership agreement the decision taken by the majority, in case of doubt the majority is calculated on the total number of partners ". Entails by reading this article that in the event that the Company's decision provides the partners with majority when it comes to doubt, then It takes into account the majority of persons.

3) The Right to control the course of Corporate Affairs
Article 755 of the Civil Code provides: "Each partner has a right to be personally informed of the progress of corporate affairs, and to examine the books and documents and to prepare a summary of the assets of the company. Agreement to the contrary is void. ". In this case the manager of the company has an obligation to assist and facilitate the partner or partners of the company will want to inform himself about the state of corporate affairs. This right of inspection of documents and books of the company may be done with the assistance of special assistants. Also very important and urgent cases, control of documents and books of the company exercise injunctions (Commercial Law Review 1984, Athens marriage is 17/84).

4) The Right partner resignation from the management
Regarding Article 753 of the Civil Code stipulates that "The company is entitled to resign from the management that has been assigned to the contract only for good reason. Anyone who unexpectedly resigns without good reason to justify a waiver of the invalid, is liable for damage the company by doing this ".

5) The Right to terminate the partnership agreement
Regarding Article 766 of the Civil Code stipulates that "The company set up for some time before a complaint is resolved would be only for a good reason. Otherwise agreed, a deadline that limits or otherwise the right of termination is void ". Moreover, Article 767 of the Civil Code provides "the Company can be resolved any time with indefinite complaint from any partner.If the partner company denounced the untimely and without good reason, to justify an untimely complaint involved the damage caused by the solution to the other

partners".
In conclusion, how partners can and have a vested right to terminate the partnership agreement at any time in the company for a fixed term or indefinite period, unless there is good reason. Of course, Article 767 of the Civil Code provides for the payment of compensation by the partner to other partners when the complaint is untimely and the reason it was great.

6) The Right to participate in profits and losses of the company
Usually the statutes of partnerships and limited companies reported participation rates of members on the result (profit or loss). The article 763 the Civil Code is the culmination of the personal element that exists in partnerships and report back: "Unless otherwise agreed, the partners participating in the profits and losses equally, regardless of their contribution. If the proportion of each was only in the profits or only in damages, in case of doubt, this ratio applies to both ". Additionally, Article 764 of the Civil Code provides: "The agreement by which one partner is excluded from profit or loss shall be exempt from the void. The agreement by which a partner contributes only his work will not participate in the losses is strong ". It should be noted that the right partners in the profits of the company, formed by winding or end of each accounting period when there are statutes of long duration. The law states that at the end of each accounting period, closing of the accounts and the balance sheet is drawn up. About the above, Article 762 of the Civil Code provides: "In case of a company with a maturity longer than one year the account is closed and the profit share at the end of each year, unless indicated otherwise by the partnership agreement"

7) The Right to levy or acquisitions
On the right partners to Article 758 of the Civil Code is quite unclear. It states: "The contributions of partners, and anything acquired the company from the management, are all partners in the ratio of the share capital of each. Everything that the trustee acquired the partner's name, representing the company is obliged to make public all the partners in the ratio of the share capital of each. ".

8) Participation in the liquidation.
After the dissolution of the company, followed by the liquidation, which would liquidate the existing corporate assets. Then, Article 782 of the Civil Code provides: "Whatever is left after repaying the loans and the reimbursement of contributions, is distributed to partners in the ratio of the portion that has everyone in profits".

9) Drawings of the partners against future profits
Practical and modern economic demands of households stood catalytic factors in shaping the right partners to make withdrawals against future profits from the use. In most cases the statutes of the general partners is a provision that provides the abstraction of its partners and describes the conditions for making these abstractions. Article 754 of the Civil Code provides in paragraph 2: "The partner has no right to be remunerated for the management, unless otherwise agreed". This does not apply in practice consistently defined in the statutes of the company any sum as compensation for the administrator.

Furthermore, the partner who contributed his own work is not entitled to remuneration. Remuneration to partners who provide services to the company rather than the corporate contract basis, but on another contract with the company in the form of occupation.

3.2 Responsibilities of partners

1) Obligation to pay the fee.
The first and foremost responsibility of the partners in relation to the partnership agreement, is the date of payment of levy as provided by articles of association. On the issue of liability for payment of the contribution of partners, the Civil Code says ; Article 742 "The contributions of partners may consist of work, whether in cash or other items, as well as other benefits. Article 743 "In the event of default or inability of the company to pay the fee and to perform its obligations, instead of the right to withdraw at the beginning for bilateral contracts, allows for termination of the company". Article 745 "The partner, if not agreed otherwise, has no obligation to increase its contribution, or to supplement, although losses due to decreased following completion of tis".

2) Duty of management and representation company
Article 748 of the Civil Code provides: "The management of corporate affairs belongs, unless otherwise agreed, to all the partners together. For each transaction requires the consent of all partners ... ". The next article 749 of the Civil Code refers to "If the management of corporate affairs entrusted to one or some of its partners, the others are excluded from the management ...". Specified therefore, that if an administrator appointed or designated managers, then there is no obligation for other management partners.

3) Responsibility of care
Article 746 of the Civil Code provides: "The partner is liable only for the care that benefits his own.

4) Requirement to safeguard the interests of the company
Article 747 of the Civil Code provides: "A partner is not entitled to act on his own account or foreign acts contrary to the interests of the company". On the reference of this article understand the reasoning that the legislature intended this article to protect corporate interests by actions of partners that could harm them (duty of loyalty).

5) The unlimited liability which characterizes the general partners and limited governing limited partnership, for any debts.

6) Liability liable for the crime of tax evasion for the general partners or managers of partnerships and limited companies. N. 2523/97 in paragraph 1 of Article 20, considers as perpetrators of an offense involving fraud general partners or managers of partnerships and limited companies.

7). Each partner has an obligation not to dispose of company shares before the end of the liquidation of the company. The article 747 of the Civil Code says ; "Until the end of each clearing member has an obligation towards the other not to dispose of the share on the common things. Nor has he the right to request the distribution of common things before completion of the liquidation. ".

4 Establishment of a partnership – Formalities

To set up a General Partnership Company it requires the assistance of some substantial and procedural elements.

4.1The essential elements required are:

1. Valid partnership agreement.
2. Corporate intent (distribution) partners for the formation of the company and ability to conduct trade.
3. The involvement of at least two natural or legal persons.
4. Ability for parties to act.
5. Joint contribution from the parties, because each partner is to contribute materials or other assets (money, tangible or intangible assets).
6. The purpose is legitimate and even economic (not to conflict with good morals and rules of public order).

Typical data required are:

1. Publicity for companies with legal personality.
2. The compilation of public or private document containing the terms of cooperation. The document is called a statute.
3. The entry of the summary document in a separate book kept by the Registrar of the Court of registered office or at any branch of First Instance of the company within 15 days of the signing of the Statute.
4. The billboard of the summary document for at least 3 months in the audience hall (publicity).

Note: For each conversion of the Statute, the same process of publicity. The statute, public or private underlies the formation of the company because it contains the terms under which it operates, or is dissolved.Particular attention is given to the joint contribution of the partners (contributed by all partners) that use the equity out on behalf of all partners and therefore the same company.

4.2 Costs of general partnership

After drafting the statute and the signature of the partners, followed by a copy of the relevant statutes in the Internal Revenue Service headquarters for the company's vision and to the tax payable on share capital (F.S.K.) 1% on capital (Articles 17 to 31 N. 1676/1986) and the appropriate stamp of Law 1882/1990 (totaling 1.2%). The tax on share capital must be paid within 15 days of the signing of the Statute and the statement of the payments made by submitting a special form of triplicate Tax Then, if he has paid the relevant tax (F.S.K.), the Tax Office keep records for two copies of the special forms used for payment of tax returns and the third copy to the administrator or authorized by the company as proof of the outstanding amount for the tax. The competent tax office and the company headquarters will have two copies of the company statute. One of the two copies will remain at the Tax Office for files and the other will be returned, stamped with the certificate of payment of F.S.K (1%). After approval of the constitution presented to the Lawyers' Fund for the payment of royalties of 0.5% on capital. The amount paid will be payable to the Pension Fund and if the amount paid is small, will be pasted in the Statutes of the Pension Fund stamp Jurists. If the amount paid is large, will be issued triplicate and noted in the act of association. Then the statute presented to the Lawyers Welfare Fund for the payment of 1% levy on capital. Proof of payment of the levy of 1% is done by pasting the sticker on the relevant corporate statute or by the issue of the duplicate and the note of the measure in the corporate statutes. Endorsement statutes required by the relevant Chamber of the company regarding the right to use its name and distinctive title (article 7 of Law 2081/92).The certified association after stamping and accompanied by relevant certificates of the funds (mentioned above) and the approval by the relevant chamber of the headquarters of the company, submitted an application with special stamped at the Court Registry office of the company to register in records of the Secretariat of the Court within 15 days of signing (Article 42 Commercial Law). Article 42 of the Commercial Law states that the Court makes a summary of the statute which is posted in the auditorium of First Instance for a period of three months. In fact, not a summary of the statute, but a full copy of the Statute (stamped) in a separate folder, is issued which is then considered by the Court and takes the number of specific and general log. Often the practice has apparently absent copy of the corporate statutes of the conference hall of the Court (omitting the billboard).The legal personality of the company begins after the expiration of three months of billboard copy of the statutes. The certified copy of the Court remains in the archives of the Court and the established company is officially granted as requested with copies of the statutes at the request of the partners.Failure to comply with the formalities of publicity statute draws the nullity of the company. Of course the void is relative because they can only rely on third parties who consider themselves wronged by failure to publish a copy of the statutes. Besides the view has prevailed "the existence in fact." Furthermore, the partners may not invoke the nullity of the company towards third parties (Article 42 Merchant Marine).The vacuum created by failure of the formalities of publicity is covered in a later publication of a copy of the statutes. The company should have an identification number and the

necessary books from the Public Revenue Tax Office headquarters before beginning their work.

The process of issuing the permit for operation of a partnership is as follows:
A) The certified copy of the Court of the Company transferred to the competent tax office of the company's headquarters and then each of the partners goes to the tax office having given him the following: 1) The identity of the copy. 2) Tax clearance certificate. 3) Certificate of registration of the fund or certificate of dealer registration in TEVE 4)Lease to determine the company's headquarters or affirmation if there own facilities. 5) Declaration of a threefold activity of Tax (Completed). 6) The duplicate payment of stamp says Law 1882/1990.
B) The license issued by the Tax certificate of authorization for the opening of a partnership.
C) After obtaining the permit for operation shall be presented to the competent Tax Office books and items that should be considered (books B & C category).
D) Registration of a partnership at the Chamber headquarters (mandatory).

4.3 Contributions of the partners are divided into:

A) Contributions money
B) Contributions in kind
C) Contributions of services (expertise, personal work, etc.)

Legally divided into:
A) Contributions of Use
B) Contributions of property
C) Contributions Work. The contributions of partners may be paid either:
With 1 single supply (funds) or With continued provision (supply personal work). Article of the Commercial Law states inter alia: 'The general or limited company' must b4e stored or put aside by subscription, or public idiografon, fylattomenon in the case may finally taftin the provisions of Article 1325 of Civil Law".
From reading the article concludes that the contract is in writing and the document may be public or private association called. If in the establishment of a General Partnership Company, another company is involved(legal entity), then the statute is signed by the representative of the legal person.The statute contains all those conditions under which a company is operating and dissolvement.

The content of the statutes usually a general partnership include:
1) The names, the surnames, home addresses and status of partners.
2) Company name (the name by which it does business). The name of a partnership consisting of the names of all partners (though few in number) or if there are many in number, it lists the names of some of the partners or one only and the words "and Co." which indicates the existence of other partners.
3) The names of the managers of the company and the terms of the

management company set. If you are not designated as administrators some of the partners or third persons, the management and representation company owned by all partners (Article 748 of the Civil Code).
4) The contributions of each partner separately. Regarding the contributions of the partners unless otherwise agreed, the partners are required to equal contributions (Article 742 Civil Code).
5) The participation of partners in the capital of the company, profits and losses. If there is no involvement of partners in the results, it shall be equally involved (Article 762 Civil Code).

6) The duration of the company and the provision made for extending this even automatic extension.
7) The subject of the company.
8) The company's headquarters.
9) The date and signatures of the partners.

Apart from the above data the statutes usually mentions some other issues that are primarily the relationship of partners such as the following:
1) Time Balance Sheet
2) The accounting system (eg books category)
3) Process delegation fortunes of shares.

The remuneration of the administrator How to check books How to distribute profits and losses. The consequences in case of death of a partner Receipts of individual partners (and limitations).The procedural sequence for the amendment of the statute and the majority required to amend. The conditions of termination of the company and how liquidation and distribution of corporate assets.Arbitration clauses aimed at normalizing the destructive conflict between the company .Clauses ban on seal of the company's facilities and assets (precautionary reasons not to stop work if the company moves naive partners or any heirs of partners).

5. Management – Representation

When the general partnership statutes do not set an administrator or administrators of this, then, management and representation company owned by all general partners who collectively exercise.Each of the partners to pursue separate under conditions (acting in its name and on behalf of). The management of corporate affairs belongs, unless otherwise agreed, all the partners together. For each transaction requires the consent of all partners. If in the partnership agreement of the the decision is taken by the majority, in case of doubt the majority is calculated on the total number of partners "Each partner has a right to be personally informed of the progress of corporate affairs, and to examine the books and documents and to prepare a summary of the assets of the company. Agreement to the contrary is void".
In this case the manager of the company has an obligation to assist and facilitate the partner or partners of the company will want to inform himself about the state of corporate affairs. This right of inspection of documents and books of the company may be brought with the assistance of special assistants. As administrators can define a third Person other than partners.

Administrators or designated by statute or separate act of the partners. The manner of their appointment and how to influence the possibility of revocation. If, say, they are established by statute, then only by amending the statute can it be repealed, and if appointed to separate act of a withdrawing partner enough to make a similar practice.

6. Transferring of share capital or shareholding

The personal element that characterizes relations between partners of a partnership is the main factor of good course or not the company's activities, since the progress of the company based on personal contribution and involvement of all partners to achieve common economic purpose. So, naturally this leads to the initial conclusion of non-allowable transfer of shares by a third partner to another person. This does not mean any such transfer of shares by a partner to another person as a rule. Instead, the transfer of shares by a partner to another person is allowed when there is agreement between the partners of partnerships and the provision for transfer of the corporate articles of association. The above conditions for the transfer of shares in a partnership, first, protect the agreement of the partners and also come to further strengthen the personal element that exists in the relations between partners. Regarding the transfer of corporate shares representing its collective or limited partnership, where permitted, then transfer to the "several" company share (and indeed is an indivisible). In contrast to private limited companies, such transfer and only a portion of the corporate portion (a portion may consist of many shares, and therefore want to transfer only a part of them).

Note the following:
A. Limitation of claims by the third partner in a partnership or leaving a widow or its heirs, begins with the Decision of the Supreme Court 1454/95, since the publication of appropriate amendment to the Articles of Association company to the appropriate Court of registered office.
B. In the event of termination of a General Partnership with the simultaneous transfer of the company's share to someone else who enters the place, does not imply to the relative change in the name of the company and solution. Instead, in this case it is solved by the company and a new one is created while others continue the activity of the former company, their obligation to amend the statute and the procedures to follow the formalities of publicity, just as in the case of formation of the company.

6.1 How to transfer a portion of corporate partner

1. Sale of shares (transfer of shares in exchange)
2. Exchange of shares
3. Withdrawal from the partner company in combination with the assumption of capital he has contributed to the company
4. Donation of shares
5. Parental provision of share

6.2 Identifying the lowest real value of the shares in first and second degree family members

In case the transfer of shares is between persons who have family of first or second degree, then the tax rate is decreased to 1.2% or 2.4% depending. Relatives in the A category, the legislation includes the spouse of the deceased, children of the deceased by marriage or outside marriage and their parents .In this category, the lowest actual value is multiplied by 1.2% for the determination of the tax. Relatives in the B category, include siblings, nephews ,step fathers and step mothers. In this category, the lowest actual value is multiplied by 2.4% for the determination of the tax.

7. GROWTH AND REDUCTION OF CORPORATE CAPITAL IN A GENERAL PARTNERSHIP COMPANY

Changes in the capital of a partnership limited by the principle of stability of the chapter governing commercial companies. For this reason, the capital of a partnership changes when the following conditions are met:
1. First a unanimous decision of all partners (characteristic of all partnerships) or the change in the capital.
2. Amendment of corporate statute and signed by all partners.
3. The amended statute and subject to the prescribed disclosure formalities imposed by law (ie followed exactly the same processes that take place and the establishment of a partnership).

7.1 Increase the capital of a partnership

The reasons may lead to a General Partnership Company to take steps to increase its capital may be:
1. These activities require more money
2. The company intends to expand its activities and is unable to borrow the capital needed or doesn't wish to undertake further borrowing.

NOTE: The increase in capital of the OC may consist of cash contributions or contributions in kind that is exactly what happens during the formation of CO Cash or in kind contributions to increase the capital of the OC given either by the former partners or any young people entering the company.

The increase in the capital of the company may be effected in the following ways, or even a combination there of:

1. With additional contributions by the partners. This made no change in the faces of members (still the same person who was at the time in the company). Accounting is treated exactly as in the case of the formation.
That is: **a)** A prior record of taking new contributions by partners and
b) There will be a record of payment of contributions made by partners.

2. With the entry of new partners. In this case the records of the increase of capital is basically identical to those the company has incorporated.
A common problem is created, the old partners, are asked to recognize goodwill ,which is justified by the prosperity of the company's business and because of the success of the company from their main efforts .. In this case, the new partners should participate in the capital with less than their shares of the company. Also not ruled otherwise, that the new partners to apply for recognition of their contributions to goodwill (reputation and clientele), where the company is facing financial problems and for this reason, achieved by increasing its capital. NOTE: If you enter a new partner in the company, then, the amending statute should be prepared indicating the amount of capital the company during the day of admission of new partner, the participation rate and the amount paid by the new partner. To increase the amount of capital paid in capital raising taxes (1%), just like at the time the 27 OE, and stamp of Law 1892/1990 (totaling 1.2%) to enter the company's new partner.
Accounting for such cases did not differ from that of the company which was incorporated. So the deal would be the same as those which apply in the case of recommendation. Regarding the payment records of contributions made by different partners in the case of increasing the capital of the company.

3. With the absorption of another entity (corporate or individual). When we say "buyouts" we mean that a company called "absorbed" transfers the assets and liabilities to another company called "absorbing" and thus ceases to operate as the absorbed company.The procedures in the case of absorption by another company are broadly similar to those concerning the merger with some minor differences related to absorption of SA business The Company.

4. With capitalization of the company's liabilities to third In this case while increasing the capital of a partnership, the equity of the company remains unchanged. The accounting records are not difficult but needs attention because the partners may be involved with different rates in the capital and outcome. For this reason it would be prudent and appropriate amounts capitalized to be transported (by payment records) in the first Dosoliptikos' accounts and then make the payment record so that no change in the capital participation of partners. If there are any differences, payments are arranged.

5. With capitalization of net earnings not distributed or reserves exist and can be capitalized. It may be capitalized general partnership obligations to external creditors and suppliers, so in this case the creditors or suppliers become new partners. If this does not change the sum of the liabilities of the company, it will change the net worth of the company.This mode can contribute decisively to clean heavily indebted company and continue uninterrupted operation. The records cover the capital and the transfer account 33.03 << Partners Capital Account to cover the account >> 33.04 << >> outstanding capital, are similar to those of the previous examples.

6. With capitalization of assets increases from eg donations or items of balance sheet adjustments. This case is extremely rare in practice. The revaluations of its assets in times of inflation, may be held in our country only

by legislation in our country and were never implemented in partnerships. This is certainly not impossible to apply in the future as predicted, the relevant provisions of the laws regulating such cases for partnerships.
In these cases we have no capital increase capital payment records (they have to pay levies

7.2 Reduction of capital

Reducing the capital of a partnership is invariably made with the connivance of the company's creditors as this is also the guarantee of their claims. This implies that creditors can make an infringing or cancellation of the decisions of the general partners to reduce the capital of the company if such a reduction would automatically reduce the collateral of the capital.
The reduction of the capital usually required:
1. When the capital stock has gained more than needed for the company's activity, so the department returns it to the partners. This action of the general partnership is directly connected with the course of its activities and in particular when these activities are not expected to increase in the future. When reimbursement of the capital, the refunded amount is allocated to partners according to their percentage participation in the capital.

2. Reduction of capital to absorb losses (cover). When there are accumulated losses and is not expected in the coming years will result in profits to cover these losses, but neither are sufficient reserves, it is necessary to reduce the share capital. This diversification of the equity of the company, the typical reduction in capital, has significant impact, it eliminates the damage so it will be possible to distribute profits in the future and would also be possible capital increase.

3. Reduced fund voluntary redundancy partner: In this case capital is reduced, only when the outgoing partner refundable portion of the capital and its position is not occupied by another partner or new, whether those who left the company.
But always on condition that they stay at least two partners, otherwise the company can no longer existed and therefore the company is dissolved. Therefore essential to continue the work of the company after the departure of the partner company, is the number of partners is two. Normally, having withdrawn the capital portion of the outgoing partner an inventory should be conducted and balance sheet prepared to determine the real value of capital portion of the retiring partner. The inventory and the balance sheet of the company is higher if the withdrawal occurs during the use of distance traveled.

8. Distribution of the results of the general partnership

The share of general partnership statute should, among other things, be checked as how to distribute profits to the company partner. If the corporate

statute does not define how to distribute profits, companies participating in profits in equal parts, regardless of the amount of their shares (Article 763 of the Civil Code << Unless otherwise agreed, the partners participating in profits and losses equally, regardless of their contribution. If the proportion of each was only in the profits or only in damages, in case of doubt, this ratio applies to both >>). Under Article 764 of the Civil Code << The agreement by which one partner is excluded from profit or loss shall be exempt from the void (Lycée company). Nullity may be invoked only himself. The agreement by which a partner contributes only his work will not participate if the losses are strong.

There are 2 ways of distribution of the profits :

a) *the method of participation in rates*
The rates of participation of the partners in profits and losses are in accordance with each other and the results are recorded in the statute .So , the results are distributed to the partners based on what they had agreed in the participation rates.

b)The average capital that was actually put into the company .

This way is far more difficult because it takes into account the capital that was brought into the company by the partners in the beginning. Specifically, the amounts and loans from the company are removed or added .So, the amount remaining for each partner is the real capital brought into the company.

9. Taxation of partner income

With the tax reform introduced in the tax status of our country by Law 3296/2004, the tax rate has decreased to 20% for profits of 2007 and after. For the determination of the profits taxed in the name of the company from the profits are removed:
a) the profits that are exempt from tax or taxed separately.
b) Profits derived from dividends of public limited companies, cooperatives, mutual funds, from participation in other general partnership companies, civil companies.
c) Business remuneration is determined in accordance with the partner's stake to 50% of the company's profits .Valid for the first three partners with higher participation rates in the capital. For calculating the business fee, we take in mind only company listed partners and participation rates in the company. When a partner in the company participates in more than one companies, he can have the business fee but entitled only from one company. The condition for identification of the business fee is the timely submission of declaration and if there is a late submission, it has to be submitted within thirty (30) days from the overdue submission. In this case, however, there are fines and surcharges. In the amount of tax that will be estimated, there is a 55% rate for income tax advance towards the next accounting period.

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Πτυχιακή Εργασία

Starting a new business (General Partnership Company)

Επιμέλεια : Προκοπίδης Βασίλειος (A.M : 194/06)

Παπαναστασίου Αλέξανδρος (A.M : 166/07)

Επιβλέπων καθηγητής : Γκιούρης Θεόδωρος

Θεσσαλονίκη 2012