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CRYPTOCURRENCY USAGE AND ITS RELATIONSHIP WITH TAX EVASION IN THE GREEK ECONOMY

Abstract

The research aims to find out how cryptocurrency aids tax evasion in Greece, the socio-economic factors contributing to the practice, and the efficiency of the Greek taxation legislation in deterring such conduct. A total of 359 questionnaires were completed by respondents who engage in cryptocurrencies in Greece. Cross correlational statistical analysis and multiple regression analysis were used to test the relationship of cryptocurrency usage, anonymity, tax policies and socio-economic factors and their impact on tax evasion. Also, socio-demographic factors such as income levels and education levels greatly affected the ability to engage in tax evasion. The study provides a validation that the frequency of cryptocurrency usage, anonymity, ineffectual tax laws, socio-economic factors have a positive correlation with tax evasion rates and influence tax dodging in Greece. Based on the issues highlighted in this study, the following steps

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are advised for the improvement of the Greek anti-money laundering and combating the financing of terrorism regime: i) improve the regulation and enforcement measures concerning cryptocurrencies, ii) enhance the transparency of the cryptocurrency transactions, and iii) address the socio-economic circumstances that enable tax evasion.

Key Words:

anti-money laundering, cryptocurrency exchanges, cybercriminals, digital currencies, Europe, Greece, protection, regulatory environment.

JEL: F10, G10, G23, H71, K40.

1 formula, 4 figures, 4 tables, 55 references.

Introduction

Cryptocurrencies are modern tools to solve a variety of financial transactions globally, addressing the issues of censorship, anonymity, and offer lower fees in comparison with traditional banks (Abadi & Brunnermeier, 2022; Cunha et al., 2021). With the massive growth of cryptocurrencies like Bitcoin and Ethereum in the last decade, financial markets and monetary systems at a global level have been revolutionized (Baronchelli et al., 2022; Peláez-Repiso et al., 2021; Panos et al., 2020). Nevertheless, this digital financial revolution has brought about novel challenges more specifically in relation to regulation, taxation, and financial reporting (Baer et al., 2023; Ylönen et al., 2024). Cryptocurrencies are unregulated and offer parties/investors freedom to transact without supervision and interference from the established tax authorities; there has been an increased worry of tax evasion coupled with other illicit activities (Auer et al., 2022; Nawaz et al., 2023; Berdiev et al., 2024).

From a regional European perspective, the European Union has been leading the regulation of cryptocurrencies to encourage innovation and protect finance

(Plūme, 2022; PwC, 2023). The Markets in Crypto-Assets (MiCA) regulation has been proposed with an intent to enforce a common regulatory and taxation regime for cryptocurrency transactions across the EU countries (Cipollini, 2024; Windsor, 2025). Nevertheless, there is still room for evasion since many investors hide taxable income through offshore exchanges and decentralized finance (DeFi) platforms (Saiedi et al., 2021; Toudas et al., 2024). For example, Germany and France have stricter reporting standards for cryptocurrencies than other nations; Greece has recently faced problems in implementing and enforcing these rules because of the lack of resources and the high rates of tax evasion (Athanasios et al., 2020; Plakalovic, 2024; Kounadeas et al., 2022).

In Greece, the problem of tax evasion is not something relatively recent. Taxes have always been an area of concern in Greece, especially for persons practicing self-employment and small business operators (Drogalas et al., 2018; Vlachos & Bitzenis, 2016). This issue has been worsened by the emergence of cryptocurrency transactions where the transaction processes themselves allow users to evade the normal tax filing processes (Balios et al., 2020; Koemtzopoulos et al., 2025). Kethineni and Cao (2019) suggested that due to the absence of subject identification in blockchain, it becomes easy for people to perpetrate money laundering since they can transfer funds across borders undetected. This absence affects Greece's tax collection efforts and frustrates measures against financial vices that include money laundering and corruption (Gonzálvez-Gallego & Pérez-Cárceles, 2021; Vital, 2023; Kalogiannidis et al. 2022a; Lim, 2022).

This paper therefore draws from theoretical frameworks of tax evasion and financial regulation in digital economies. According to the theoretical model of tax evasion developed by Allingham and Sandmo (1972), the individuals act rationally while deciding on tax compliance, assessing the odds of being caught and the likely sanctions that may be imposed on him or her. However, the introduction of cryptocurrencies has shifted the risk-reward balance of money laundering hugely as they provide enhanced privacy and decentralization hence minimizing the chances of it being detected (Cong, et al., 2022; Rao, 2022). This work aims at establishing how these changes affect tax compliance behaviour in Greece and adequacy of the existing regulatory tools to address tax evasion risks as highlighted by Barkoulas and Chionis (2024) and Baer et al. (2023). The rationale behind this research is rooted in the necessity to respond to the significant losses in tax revenues as a result of crypto tax avoidance in Greece. Tax evasion was found to cost the Greek government billions of euros on an annual basis contributing to public debt and hinder economic development (Athanasios et al., 2020; Kounadeas et al., 2022). In particular, tax authorities have raised issues with their impaired capacity to monitor and control digital operations, an aspect that has revealed a policy loophole (Patsakis et al., 2024; Grym et al., 2024). In this study, the authors aim to determine the level of crypto tax evasion in Greece and evaluate the efficacy of the current tax measures to make relevant recommendations for advancing compliance and enforcement (Panos et al., 2020; Wiseman, 2016; Berdiev et al., 2024).

Problem Statement

Tax evasion or tax avoidance is still a major and ongoing problem in Greece as it undermines public revenues and economic health (Kounadeas et al., 2022; Balios et al., 2020). The effect of policies targeting tax evasion remains unsatisfactory such that Greece has made minimum progress in combating unreported revenue and other fraudulent activities (Athanasios et al., 2020; Vlachos & Bitzenis, 2016). This phenomenon is further complicated by the introduction of cryptocurrency as a financial tool since digital assets offer opportunities for tax evasion to individuals and legal entities (Kethineni & Cao, 2019; Nawaz et al., 2023). The research question that guides this study is how effective cryptocurrency use is in the management and evasion of taxes in Greece, and whether current crusader measures are effective against this increasing vice (Alstadsæter et al., 2019; Baer et al., 2023). The gap in the literature is that a lot of research has not been done on cryptocurrency tax evasion although more people are investing in cryptocurrencies (Athanasios et al., 2020; Kounadeas et al., 2022). Despite the emergence of global research on digital currencies and crimes (Plūme, 2022; Windsor, 2025), few have specifically investigated the connection between economic environment and taxation fraud in Greece (Toudas et al., 2024; Berdiev et al., 2024). Also, this study seeks to establish the factors that may determine the likelihood of taxpayers engaging in tax evasion through the use of cryptocurrencies (Dang et al., 2024; Grym et al., 2024). Stylized facts of prior studies include wealthier taxpayers with low tax compliance and those who use digital finance apps and technology are likely to engage in cryptocurrency tax evasion (Alstadsæter et al., 2019; Auer & Tercero-Lucas 2022). Specifically, there are insufficient data concerning how these factors occur in the Greek economy, which is a research gap (Kounadeas et al., 2022; Nawaz et al., 2023). Therefore, this investigation will be filling an important gap in the existing literature by comparing the efficiency of such Greek tax procedures in combating tax evasion in relation to cryptocurrencies (Baer et al., 2023; Cipollini, 2024). It will also discuss the understanding of Greek tax authorities regarding the threats of digital assets and their capacities to address them (Patsakis et al., 2024; Grym et al., 2024). Consequently, the conclusion and recommendation of this study will play significant roles in payout future tax collection strategies and prevent Greece from falling behind in the regulation of a digital economy.

This research is aimed at identifying the impact of cryptocurrencies on the issue of tax evasion within the Greek economy. It is expected to investigate the correlation of the volume of the cryptocurrency transactions and the decrease of tax compliance, and to examine whether the high adoption rate of the new type of currency in Greece results in increase of tax evasion rates. The present work will also analyse the problems associated with the use of cryptocurrencies for tax authorities, and the efficiency of existing legislation.

Objectives of the study:

1. To examine the relationship between cryptocurrency usage and tax evasion in Greece.

2. To critically evaluate the contribution of anonymity in cryptocurrency to tax evasion in Greece.

3. To assess the extent to which these Greek policies are successful in combating tax evasion in relation to cryptocurrencies.

4. To determine the specific demographic and socio-economic characteristics that determine the probability of the use of cryptocurrencies for tax evasion purposes in Greece.

Research Hypotheses:

1. H1: People and businesses in Greece, who use cryptocurrency, more often commit tax evasion than those who use other financial instruments.

2. H2: Tax evasion enormously benefits from the attributes of anonymity offered by cryptocurrencies in the Greek economy.

3. H3: Despite its need for regulation, Greece lacks sufficient tax measures to effectively combat tax evasion involved in cryptocurrency transactions.

4. H4: The income level, the level of education and awareness regarding taxation laws greatly predicts chances of using cryptocurrencies for tax evasion in Greece.

Literature Review

This study is based on the tax evasion models, financial crime theories and the economic theories explaining the adoption of cryptocurrencies. The rise of cryptocurrencies to perform transactions has forced authorities to redesign conventional taxable and legal rules for finance (Baer et al., 2023; Cipollini, 2024). In this section, the three theories that explain the connection between the use of cryptocurrencies and tax evasion will be discussed critically, with particular focus on their applicability to the case of Greece (Athanasios et al., 2020; Kounadeas et al., 2022).

The Allingham & Sandmo (1972) model is one of the most common theoretical models for categorizing taxpayer compliance behavior. This model suggests that people choose not to pay taxes rationally withholding from taxes being as a function of perceived probability of detection and the severity of the penalties that may be inflicted (Allingham & Sandmo, 1972; Faccia & Mosteanu, 2019). Notably, the model fails to incorporate the use of digital currencies which reduce the

risk aspects of tax evasion due to anonymity and decentralisation (Berdiev et al., 2024; Windsor, 2025). Where tax compliance has been an issue in the Greek fiscal system in the first place, cryptocurrencies only added to the challenges of enforcement.

Another equally related theory is the institutional anomie theory, which posits that weak structures on governance, and an inconsistent method in enforcing taxes encourages noncompliance (Gonzálvez-Gallego & Pérez-Cárceles, 2021; Nawaz et al., 2023). Due to poor enforcement mechanisms, Greece has continuously faced challenges in tax compliance issues, and the growing challenge of cryptocurrency has worsened things (Balios et al., 2020; Patsakis et al., 2024). Societal structures, such as insufficient policies that govern the use of cryptocurrencies, thus making it easy for individuals to engage in tax evasion as evidenced in Greece (Plūme, 2022; Cipollini, 2024).

The stakeholder economic model outlines how cryptocurrencies are an innovative peer-to-peer asset that subverts existing financial systems (Abadi & Brunnermeier, 2022; Alvarez et al., 2022). On one hand, increasing security and transparency of transactions blockchain also makes it possible to avoid relevant legislation while carrying out transactions which can be used for tax evasion and money laundering purposes (Avi-Yonah & Salaimi, 2022; Plūme, 2022). This poses a major challenge for tax authorities in Greece since financial institutions are still in the process of embracing blockchain technology (Kethineni & Cao, 2019; Lim, 2022).

The shadow economy theory postulates that economic activities that are not monitored by the government, are buoyant where regulation is sparse (Berdiev et al., 2024; Windsor, 2025). Cryptocurrencies offer anonymity of transactions thus limiting monitoring by the tax authorities hence promoting shadow economies (Baer et al., 2023; Toudas et al., 2024). The phenomenon of the underground economy has been an ongoing problem in Greece, and the estimated amount of unrecorded transactions leads to considerable losses in tax revenue (Athanasios et al., 2020; Kounadeas et al., 2022).

According to rational choice theory, economic agents balance, the costs of engaging in tax evasion (Barkoulas & Chionis, 2024; Berdiev et al., 2024). Cryptocurrencies reduce the cost of tax evasion since they allow user to access an easily transferable and easily concealable digital asset (Saiedi et al., 2021; Cipollini, 2024). Unlike in the past when tax evasion involved the use of shadow economy and sophisticated corporate structures to move money to offshore banks, the use of cryptocurrencies simplifies the process of evasion, and it is within the reach of average earners, business, and homeowners (Milogolov 2020; Anjarwi et al., 2024).

In addition, the technology acceptance model (TAM) aids in understanding why individuals and businesses embrace cryptocurrencies despite these regulatory issues (PwC, 2023; Windsor 2025). Openness, anonymity, and the decentral-

ised control over the system are some of the factors which make users switch from the conventional financial systems for the use of digital currencies. The high level of financial insecurity and lack of trust in institutions within the Greece has encouraged the use of cryptocurrencies for tax evasion making it one of the most common use cases for cryptocurrency usage (Athanasios et al., 2020; Kounadeas et al., 2022).

According to the anonymity hypothesis, the level of anonymity provided by financial instruments defines their appropriateness for criminal purposes, including tax evasion (Patsakis et al., 2024; Grym et al., 2024). In contrast to the current accounts that require compliance with the Know Your Customer (KYC) and Anti-Money Laundering (AML) rules, cryptocurrencies allow their users to perform operations with relatively high anonymity (Panos et al., 2020; Berdiev et al., 2024). This lack of traceability contributes to noncompliance in the Greek tax system by allowing individuals to avoid their tax obligations in regard to crypto assets (Plūme, 2022; Cipollini, 2024).

According to the financial crime deterrence model, increased regulatory enforcement and severe punishment offer directions towards financial malfeasance (Baer et al., 2023; Nawaz et al., 2023). Nevertheless, as it relates to cryptocurrency tax evasion, enforcement structures and frameworks still do not work as expected given the cross-border nature of intangible properties (Toudas et al., 2024; Berdiev et al., 2024). However, Greece lacks an integrated taxation system for activities in the cryptocurrency market, and such areas remain unaddressed (Athanasios et al., 2020; Kounadeas et al., 2022).

Altogether, the reviewed theories point out to the fact that it is high time that Greece introduced effective policy measures to recognize and control cryptocurrency transactions (Baer, et al. 2023; Cipollini, 2024). Although some countries have already smoothly incorporated the digital asset into taxation authority, Greece is still «behind the curve» (PwC, 2023; Windsor, 2025). Tax evasion theory, financial crime theory, and blockchain economics also reveal that effective ways to combat cryptocurrency tax evasion are not a one-size-fits-all solution (Nawaz et al., 2023). This paper aims at filling this gap and contribute to the literature by discussing how Greece can adopt best practices towards designing better tax policies (Patsakis et al., 2024; Grym et al., 2024). As highlighted by the theoretical frameworks under discussion, without appropriate mechanisms of financing control and improved financial transparency, the use of cryptocurrencies will remain an effective means of tax evasion in Greece (Athanasios et al., 2020; Kounadeas et al., 2022).

Cryptocurrency is a digital financial asset that uses a blockchain platform for its transactions, thus deploying a mechanism that does not require any intermediary to facilitate the transactions like the banks (Abadi & Brunnermeier, 2022; Alvarez et al., 2022). Compared to traditional fiat money, cryptocurrencies are secured and somewhat transparent through the use of cryptographic algorithms (Cunha et al., 2021; Auer & Tercero-Lucas, 2022). However, being established

outside the regulatory authority of central banks and financial institutions, they present several control problems (Panos et al., 2020; Plūme, 2022). This has raised rising worries about how various cryptocurrencies facilitate tax avoidance, money laundering, and other unlawful activities (Balios et al., 2020; Nawaz et al., 2023). The possibility to remain unidentified and the absence of borders in crypto transactions make such monetary tools incredibly attractive to those who want to avoid taxes (Gonzálvez-Gallego & Pérez-Cárceles, 2021; Berdiev et al., 2024).

Blockchain, the distributed ledger solution that serves as the basis for cryptocurrencies, is known to provide high levels of transparency, irreversibility, and security (Baer et al., 2023; Windsor, 2025). One characteristic of blockchain is that every transaction made involving a blockchain is available to the public and cannot be changed in any way, which should reduce instances of fraudulent financial activities (Toudas et al., 2024; Cipollini, 2024). However, due to the use of pseudo-ids, the implementers of tax laws have difficulty tracking tax operations and enforcing compliance (Patsakis et al., 2024; Grym et al., 2024). While some of them state that blockchain can support the improvement of regulatory supervision due to its immutable transactional history, others claim that decentralized exchanges and anonymity-oriented cryptocurrencies like Monero and Zcash counteract these measures (Avi-Yonah & Salaimi, 2022; Meider, 2023).

Perhaps one of the most discussed topics regarding cryptocurrencies is whether it should be considered as an asset or a currency (Allingham & Sandmo, 1972; Rao, 2022). Some regard cryptocurrencies as a speculative bubble because of their price fluctuations, while others believe that these cryptocurrencies act as other financial instruments that rival hard cash (Faccia & Mosteanu, 2019; Panos et al., 2020). The legal status of cryptocurrency raises issues in taxation since it is unclear whether the profits derived from virtual currencies should be regarded as income, capital gains, or even exempt from taxation at all (PwC, 2023; Windsor, 2025). While the US and Germany have already established cryptocurrency tax reporting, Greece has not yet officially identified a course of action (Athanasios et al., 2020; Kounadeas et al., 2022).

Tax evasion is defined as the failure to pay the rightfully due taxes to the government through fraudulently declaring low income or high expenses or by transitioning to an offshore company (Allingham & Sandmo, 1972; Alstadsæter et al., 2019). Tax evasion has recently been fuelled by cryptocurrencies through offering a way through which proper records cannot be made (Auer & Tercero-Lucas, 2022; Berdiev et al., 2024). Cryptocurrencies are often employed to transfer value across borders without the interference of authorities, which leads to tax avoidance in personal and business relations (Panos et al., 2020; Cipollini, 2024). With non-tax compliance still being a significant issue in Greece, further problems occur due to the increased adoption of cryptocurrencies (Athanasios et al., 2020; Kounadeas et al., 2022).

The expansion of cryptocurrencies in money laundering, corruption, and ransomware attacks has strained the taxation process even further (Alnasaa et

al., 2022; Gonzálvez-Gallego & Pérez-Cárceles, 2021). Cryptocurrencies enable these crimes because they accomplish transactions bet Sounds between users without the use of an intermediary and cannot easily be traced (Patsakis et al., 2024; Grym et al., 2024). Several types of criminal activity involve using digital assets to transfer funds secretly; thus, cryptocurrencies are only fuelling the illegal market (Barkoulas & Chionis, 2024; Nawaz et al., 2023). These activities are difficult for Greek tax authorities to monitor, which has only further contributed to the country's fiscal problems (Balios et al., 2020; Kounadeas et al., 2022).

Cryptocurrencies are the means, which give individuals the ability to engage in financial transactions secretly without disclosing their identity to anyone (Panos et al., 2020; Grym et al., 2024). This has grave consequences for tax compliance since it allows earnings and other accoutrements to remain beyond the sight of the governing authorities (Toudas et al., 2024; Berdiev et al., 2024). It is also important to point out that taxpayers tend to evade taxes more often when enforcement risks are perceived as minor (Allingham & Sandmo, 1972; Faccia & Mosteanu, 2019). This makes it even harder to monitor and collect taxes as most digital currencies transactions are anonymous hence are underdeclared (Alstadsæter et al., 2019; Kalogiannidis, 2021; Nawaz et al., 2023).

Other cryptocurrencies that promote privacy, like Monero, Zcash, and Dash only make this worse as the idea behind them is to mask transaction details (Patsakis et al., 2024; Grym et al., 2024). Also, users use mixers, tumblers, and decentralized finance (DeFi) platforms to obscure the source of their funds (Plūme, 2022; Cipollini, 2024). Due to the lack of a robust framework for supervision, Greece is also not able to effectively monitor such transactions resulting in lost revenues on tax collection (Athanasios et al., 2020; Kounadeas et al., 2022).

The taxation of cryptocurrencies is still considered one of the most significant challenges for the governments of different countries worldwide (Baer et al., 2023; Cipollini, 2024). The European Union Markets in Crypto-Assets (MiCA) regulation is another effort to set the same standards for taxation and compliance reporting of cryptocurrencies and other crypto-assets (PwC, 2023; Windsor, 2025). Nevertheless, Greece ranks low in terms of compliance across the EU and there are still many opportunities for tax evasion (Athanasios et al., 2020; Kounadeas et al., 2022). Whereas, some jurisdictions have implemented sound regulatory guidelines for cryptocurrency exchanges, others lack the necessary regulatory frameworks (Patsakis et al., 2024; Grym et al., 2024).

As mentioned earlier, one of the current issues the Greek tax authorities encounter is the absence of adequate expertise and technology to monitor such activities (Barkoulas & Chionis, 2024; Nawaz et al., 2023). Consequently, tax evasion using cryptocurrency is still a rampant problem, thus demanding increased international collaboration and local regulatory changes (PwC, 2023; Windsor, 2025).

Through the empirical review of cryptocurrency and tax evasion, the problem of making sure that people and entities using such assets meet their tax obligations in a highly digital, decentralized, and anonymous environment becomes evident. There is no particular size, which fits all regarding the role that cryptocurrency plays in tax evasion and havens. It rather depends on institutional change, legal structures, and economics. In this case the findings showed that even though some countries have put into place efficient monitoring systems, others are at risk of tax evasion via digital assets. This section also analyses global, European, and Greek cases in an effort to identify an answer to the effectiveness of institutions in combating cryptocurrency for tax evasion.

Cross sectional works from other jurisdictions shows that cryptocurrency is used extensively in tax evasion in countries with weak traditional tax systems (PwC, 2023; Windsor, 2025). According to the IRS in the United States, over $1 trillion is being underpaid in tax annually, with most of it attributed to evasion through using cryptocurrencies (Davison, 2021). This is because the perceived anonymity of the wallets puts individuals as well as businesses in a position to evade tax hence leads to a shrinking tax base. Berdiev et al. (2024) in his research also corroborates this by noting that, in Canada, forty percent of the investors using cryptocurrencies confessed to under-stating their earnings because they believe that the digital currencies transactions cannot be tracked.

Using emerging economies, there is evidence of high tax evasion and cryptocurrency usage. Some Latin America countries, Argentina and Venezuela inclusive, have also recorded an increase in cases of tax evasion involving stablecoins, with individuals avoiding capital controls and inflation (Windsor, 2025; Nawaz et al., 2023). Similarly, Alnasaa et al. (2022) reveal that many individuals engage in crypto trade for illicit activities including tax evasion practices because of poor regulation and checked technological advancement of the African tax authorities.

Additionally, cross-country study by Baer et al. (2023) shows that the ways in which taxes are evaded in cryptocurrency markets differ depending on the regulatory climate of a country involved. Countries that adhere to strong KYC and AML measures like Japan and South Korea show that fewer incidences of crypto tax evasion as compared to Malta, the Cayman Islands, and other tax havens. However, global empirical research in this area still faces a lack of comprehensive, detailed transaction information known as «transaction-level data», which hinders accurate quantification of the number of actual cases of tax evasion through cryptocurrencies.

Studying the phenomenon of cryptocurrency tax evasion in the EU, scholars discover variations in the efficiency of combating tax evasion across the EU member countries. While countries such as Germany, France, and the Netherlands have been able to incorporate solid ground in crypto tax legislation under the Markets in Crypto-assets (MiCA) regulation, Bulgarians employ critical non-compliance (Baer et al., 2023; Cipollini, 2024). According to the study by Plūme

(2022) published in June 2022; countries in Western Europe that have established comprehensive tax reporting measures have recorded a 30% decline than the countries in the east.

A quantitative study by Berdiev et al. (2024) done on Sweden, Spain, and Italy shows that there is a positive relationship between taxation and reporting ease. A cross-sectional study of nations with favourable compliance measurement and programs noted higher reporting ratios of at least 97 percent with the rest of the nations recording low compliance measurements and major under reporting. Faccia & Mosteanu (2019) build upon this evidence by showing that blockchain-based financial audits reduce undeclared transactions further, pointing to the ability of technologies in enforcing taxation.

Nonetheless, existing in this area of taxation, DeFi platforms and P2P transactions are still essential areas that contribute to tax evasion (Gonzálvez-Gallego & Pérez-Cárceles, 2021; Lim, 2022). More than 60% of the tax evasion cases in Europe involve decentralized exchanges-based transactions, which makes controlling and regulating them particularly challenging (Toudas et al., 2024). Further, European empirical studies indicate that adherence to tax laws could improve by up to forty percent on the backdrop of real-time blockchain reporting but the implementation is still incongruent at best.

Greece can be considered an ideal example of a country where citizens widely use cryptocurrencies and pay little attention to the legislation and taxes. There is evidence that tax evasion is one of the highest in the European Union and is estimated to be roughly a quarter of the country's GDP (Athanasios et al., 2020; Kounadeas et al., 2022). Another study by Balios et al. (2020) on 500 Greek taxpayers revealed that more than half of the respondents perceived it as a form of tax evasion due to lack of trust in the tax system.

Cross-sectional quantitative studies have identified that several small businesses and self-employed professionals in Greece adopt the use of unreported digital wallets to evade taxes (Drogalas et al., 2018; Koemtzopoulos et al., 2025). Memo on an evaluation of tax compliance among small-scale firms, using crypto as a method of accepting payments resulted in a lower reported taxable income by 20 percent as compared to firms transacting exclusively in traditional banks (Nawaz et al., 2023; Berdiev et al., 2024).

The root cause of expenses fraud and tax evasion in Greece is that institutions are not adequately prepared or effective in enforcing the law. While German or British authorities introduced blockchain monitoring applications, Greece does not have enough funds, let alone enough specialists, to monitor undeclared crypto transactions (Baer et al., 2023; Windsor, 2025). Therefore, Greece has evolved into a preferred place for using cryptocurrencies to avoid taxes, creating additional challenges for enforcement (Patsakis et al., 2024; Grym et al., 2024).

From the analysed materials regarding the taxation of cryptocurrencies in Greece, the poor institutional capacity coupled with weak implementation of rules and regulation is perceived as the major challenge. Berdiev et al. (2024) indicated that the Greek Independent Authority for Public Revenue (IAPR) has a shortage of personnel and lacks adequate technology to combat complex crypto tax evasion (Toudas et al., 2024). A cross-sectional study establishes that while only 30% of the Greek financial systems are currently monitoring crypto transactions, his counterparts in Germany and the U.S have a higher ratio of 85% and 90% respectively (Alnasaa et al., 2022). This scenario has remained the case since there are no specific reporting requirements for cryptocurrencies in Greece, allowing most tax evaders to transfer their cryptocurrencies to other platforms in jurisdictions that are almost impossible to regulate (Berdiev et al., 2024; Plūme, 2022). While some countries have implemented automatic tax connections, Greece still employs mostly manual links which substantially hinders its ability to detect undisclosed assets (PwC, 2023; Windsor, 2025).

From empirical research, it can be seen that increasing cooperation between Greek officials and financial crime agencies can enhance the effectiveness in combating financial crime (Rao, 2022, Lim, 2022). The simulation of blockchain analytics could lead to a decrease in cryptocurrency taxes evasion by half but, lack of technology adoption and political will hinders its application (Baer et al., 2023; Windsor, 2025). In conclusion, the prospects for improving the effectiveness of tax control depend largely on a wide introduction of digital forensic technologies and the inclusion of blockchain monitoring into auditing processes in Greece.

Methodology

This study used cross-sectional research design together with quantitative technique to assess the correlation between cryptocurrency and tax avoidance in Greece. The cross-sectional design was used because it enables the collection and analysis of quantity data at a particular time to capture the state of variables within the time span of the study (Kalevrosoglou, 2024; Papaevangelou et al., 2023). This design also permits evaluating the frequency and trends of cryptocurrency application for tax evasion purposes, which allows generalization of the results for the Greek population at large (World Bank, 2018; Kalogiannidis et al., 2022b).

A representative sample population comprises of users of cryptocurrencies and those who have experience with transactions that involve the currency within the Greece region. These involved users of cryptocurrencies, accountants, entrepreneurs, who use or are involved in accepting digital currency, such as bitcoins, as means of payment. In addition, there are financial advisors, and even police officers who are charged with the responsibility of investigating people involved in

the use of cryptocurrencies. It provided the questionnaire with a wide coverage area and the right professionals from whom the study obtained diverse views and understanding of how cryptocurrency can facilitate tax evasion. Since the target population is quite heterogeneous, both first-time cryptocurrency users and those who are knowledgeable about the regulation and enforcement problems were surveyed (Gautam & Kumar, 2023; Nesvetailova et al., 2018).

Sample size was determined using the Krejcie & Morgan's (1970) Table, which is commonly used in survey research to determine the right sample size for given level of confidence and margin of error. The Krejcie and Morgan Table, one of the most useful tools for this purpose, enables one to estimate the sample size in relation to the population (KENPRO, 2012). It is commonly applied in social science research, and it displays sample sizes of a variety of populations for the chosen 95% confidence level and 5% margin of error. As per the Krejcie and Morgan Table for the target population estimated as 10000, the sample size required for the study would be 359 respondents. This sample size also made the study sufficiently representative and the results highly generalizable to the larger population of cryptocurrency users and experts within Greece with a 95% confidence level and 5% margin of error. A target population of 400 people was sought by using stratified random sampling, where after categorizing the population into facets like: users of cryptocurrency, professional individuals, and government employees, an equal number of responses was randomly conducted on every segment of the population.

Sources of data for this study comprised both primary and secondary sources of data. The main method used to collect data from the 359 selected participants for the study was an online structured questionnaire. It is comprised of closed questions, Likert scale questions, and multiple-choice questions to solicit cryptocurrency use data, tax evasion data, and socio-economic characteristics that determine the use of cryptocurrency as a mean of tax evasion. As for the questions, they targeted distinct aspects of the cryptocurrencies, such as its use frequency and anonymity, as well as the ability of the Greek fiscal legislation to combat evasion. In this method, there was a straightforward and measurable way of gauging what the participants thought and how they carried themselves. Also, secondary data were collected from documents and databases of the Greek tax authorities, the European Central Bank (ECB), and reports on the cryptocurrency market. These data were useful to set up the context and complement primary data by giving an insight into the existing regulations and tax compliance measures, as well as the size of the encrypted transactions in Greece. Participation was established over the course of six weeks, to afford a wider and more inclusive response. The questionnaires were distributed online, so that people in different towns, states or countries or individuals with busy schedules could easily participate. To encourage participation, participants were told about the study's objective, and their responses would be kept anonymous.

Ethical issues were taken into consideration and implemented throughout the research process. Participants were assured of their rights and commended on the research objectives and use of the collected data purely for academic purposes. The identity of participants was concealed, and the overall process of research was kept secret. There were no identifiers and the information that was gathered from the participants remained confidential. To ensure the voluntariness of the participants in the study, they were allowed to withdraw from the study at any time without any repercussions. The data collected were only used for the intention of this research, and the anonymity of the participants was also considered. Pursuing this ethical approach made the research more credible by following ethics and norms of both academic and professional levels and avoiding violating the rights of participants. To this advantage, all research procedures adhered to the ethical consideration, including the belief that the outcomes of the research would be beneficial and not have a negative impact on the participant or any group associated with the study.

Once the data were collected, the data were then given codes and analysed using Statistical Package for Social Sciences (SPSS). The first analysis carried out was the frequency analysis, which aimed at documenting the characteristics of the sample regarding cryptocurrency use, tax evasion, and socio-economic status. This was done to give an understanding of the sample characteristics when interpreting the results of the regression analysis later.

In order to check the existence of the hypothesised relationships, multiple regression analysis was employed. The independent variables included in the research were the frequency of cryptocurrency usage, anonymity of transactions, the efficiency of the Greek taxation system and economic factors, namely, the level of income, education, and understanding of the taxation laws. The dependent variable was the extent of tax evasion through the use of cryptocurrencies.

The regression model used was as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon. \quad (1)$$

Where:

Y = is the dependent variable (likelihood of tax evasion), X_1 is Cryptocurrency usage frequency, X_2 = Anonymity of transactions, X_3 = Effectiveness of Greek tax policies, X_4 = Socio-economic factors (income level, education, and awareness of tax obligations) and ε = Error term.

The analysis involved checking the coefficient of the different independent variables as well as the model to test for the presence of statistical or causal relationship at 5% significance level. If the p-value for any given variable was less than or equal to 0.05 then the null hypothesis for the said variable was rejected meaning that there was a correlation with tax evasion.

Research Results

Table 1 displays the demographic profile of the 359 respondents in the study sample, comprising people and organizations in Greece with awareness of or engaging the cryptocurrency transactions. In terms of gender preference, the study reveals 63.5% males and 36.5% females, this depicts an inclined or quasi-connection towards the male gender. The age distribution showed 38.4% of participants was in the 30-40 years age group, and 24.2 % was less than thirty years. Regarding the age distribution, the 41-50 and the over 50 age groups comprising of 21.2% and 16.2% respectively; this clearly demonstrates a lower number of people from the older age bracket.

Table 1

Demographic characteristics of respondents

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	228	63.5
	Female	131	36.5
Age	Under 30 years	87	24.2
	30-40 years	138	38.4
	41-50 years	76	21.2
	Over 50 years	58	16.2
Education Level	High School	42	11.7
	Bachelor's Degree	177	49.4
	Master's Degree	98	27.3
	Doctorate	42	11.7
Employment Status	Employed	278	77.5
	Unemployed	50	13.9
	Self-Employed	31	8.6
Role in Cryptocurrency	Investor	169	47.1
	Business Operator	142	39.6
	Other	48	13.3
Total		359	100.0

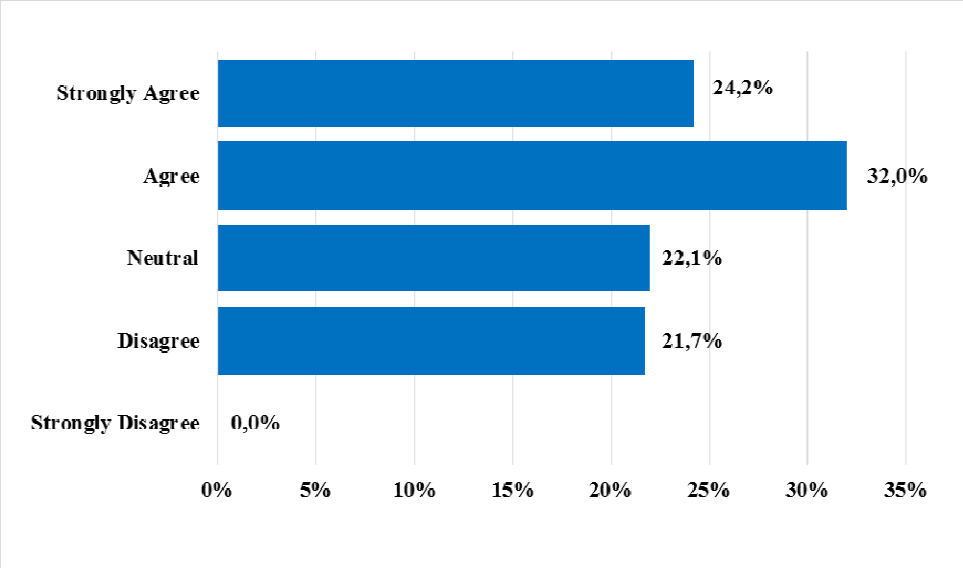
Source: Calculated by the authors.

In terms of education level, most of the respondents (49.4%) had a bachelor's degree, followed by master's degree (27.3%) and high school (11.7%). 11.7% had a doctorate while 27.3% had a master's degree showing that the respondents had a postgraduate level of education. Of all the employees, 77.5% confirmed that they had a job, 13.9% said they were jobless, while 8.6% were self-employed, meaning majority of the respondents were part of the job market. The involvement of the respondents in the use of cryptocurrencies was also highlighted. Among the subjects 47.1% stated that they were an investor in cryptocurrency while 39.6% were engaged in business activity that includes the use of cryptocurrencies and 13.3% described their role as other. These demographic variables present a clear picture of the respondents and their experience in the use of cryptocurrency.

Figure 1 illustrates the respondents' perception of the correlation between the increasing usage of cryptocurrencies and tax evasion.

Figure 1

Relationship between cryptocurrency usage and tax evasion as perceived by respondents.



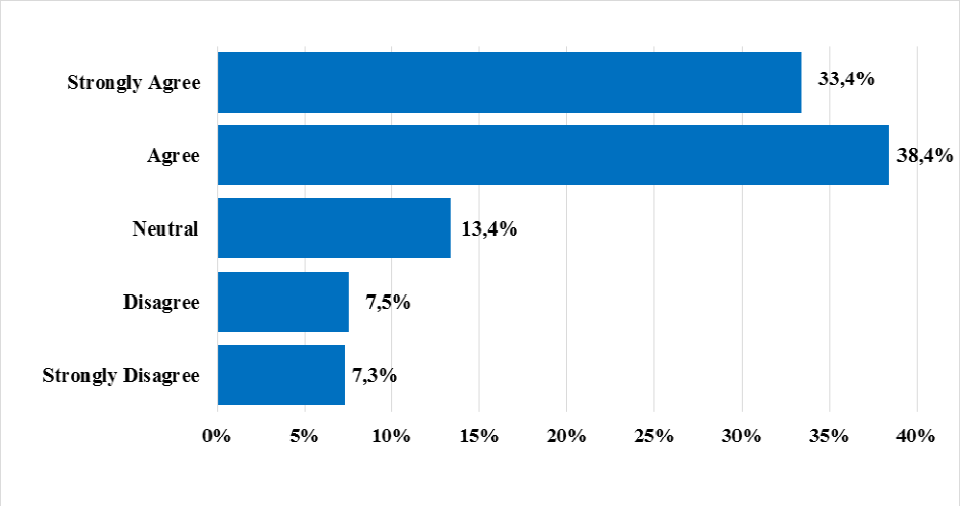
Source: Calculated by the authors.

The results in Figure 1 demonstrate that 32.0% of respondents agree cryptocurrency usage is associated with tax evasion while 24.2% strongly agree. These numbers lead to the conclusion that at least part of the respondents associates cryptocurrency use with tax evasion. On the negative side, 21.7% of the participants are in the disagree category and the rest did not strongly disagree suggesting a level of reluctance in accepting the hypothesis that cryptocurrency enables tax evasion. This is somewhat ambiguous in determining whether or not cryptocurrency is actually involved in avoiding taxes in Greece.

The findings in Figure 2 highlight how the anonymity offered by cryptocurrencies is perceived to contribute to tax evasion.

Figure 2

Cryptocurrency's anonymity and tax evasion in Greece



Source: Calculated by the authors.

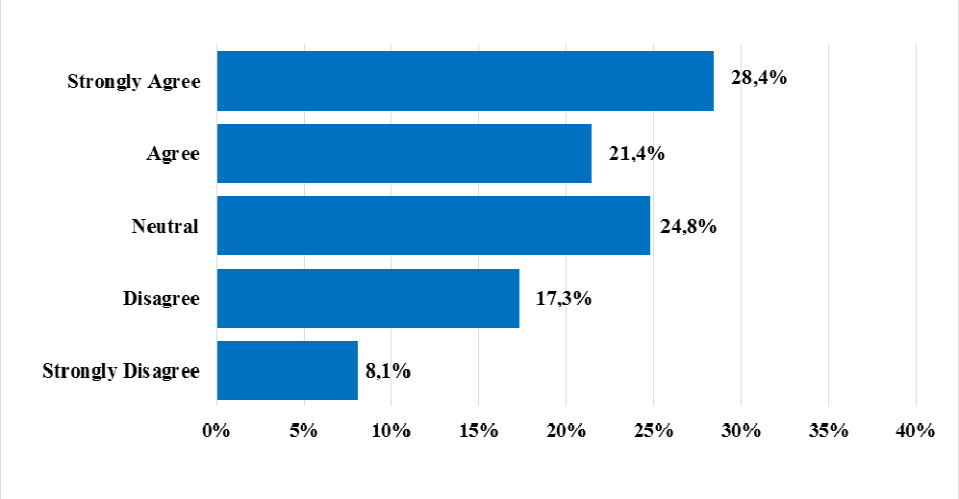
The results in Figure 2 compare the correlation of anonymity in cryptocurrency transactions and tax evasion. Here, 38.4% of people agree that anonymity in the cryptocurrency transactions allows for tax evasion, whereas 33.4% concur strongly. Concisely, the research indicates that over 70% of the participants support the argument that the use of cryptocurrencies allows for tax evasion due to anonymity. For «Strongly Disagree», a paltry 7.3% concurred, while a further

7.5% only «Disagreed» with the statement, further confirming that the idea of the anonymity factor is generally well accepted as a reason for tax evasion in Greece.

Figure 3 presents the views of the respondents concerning the Greek tax policies in combating tax evasion within cryptocurrency transactions.

Figure 3

Effectiveness of Greek tax policies in addressing cryptocurrency tax evasion



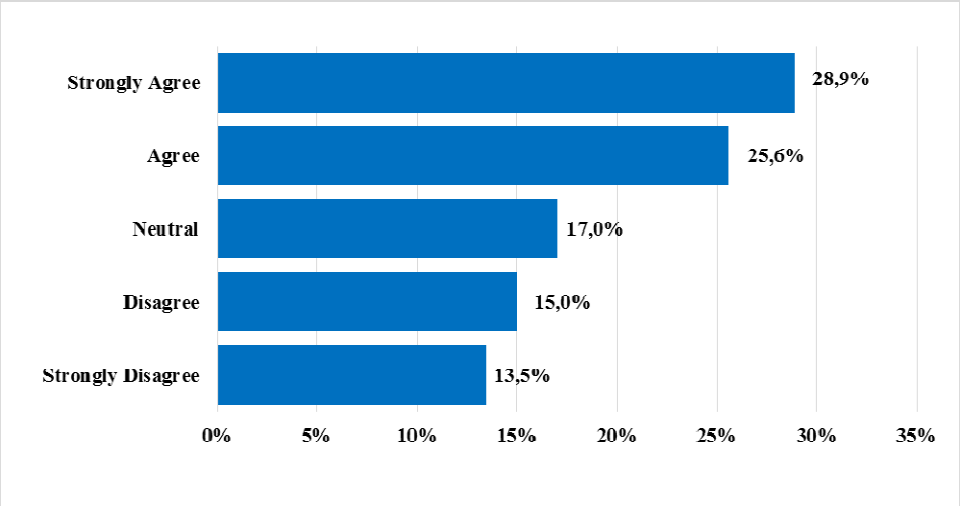
Source: Calculated by the authors.

Figure 3 evaluates how effective the Greek taxation measures has been in preventing tax evasion in the use of cryptocurrency. Results based on the questionnaire reveal that 28.4% of the respondents strongly believe that Greek tax policies work; 21.4% believe it to some extent. However, 24.8% hold a neutral view of the rationale, while 17.3% are of the opinion that they do not agree, with 8.1% strongly disagreeing. While nearly half of the sample believes that the policies are somewhat effective, a sizeable proportion of the respondents remains either unsure or unhappy with the present tax policies.

The findings in Figure 4 illustrates the influence of socio-economic factors on the likelihood of using cryptocurrency for tax evasion.

Figure 4

Socio-economic factors affecting cryptocurrency use for tax evasion in Greece



Source: Calculated by the authors.

Figure 4 above, relates socio-economic factors to cryptocurrency use for tax evasion where 25.6% of the respondents agree while 28.9% strongly agrees. This means that socio-economic factors work hand in hand with the individuals in their effort to evade paying taxes using cryptocurrency. Nevertheless, 15.0% selected the disagree option and 13.5% strongly disagreed, indicate that there exists some variation as to the extent that socio-economic factors promote cryptocurrency-based tax evasion in Greece.

The statistical analysis of 359 respondents aimed at establishing the correlation between the use of cryptocurrencies and tax fraud in Greece. The dependent variable is the propensity to engage in tax evasion through the use of cryptocurrencies while the independent variables are the frequency of usage of cryptocurrencies, anonymity offered by cryptos, efficiency of tax policies in Greece, and socio-economic characteristics.

To check the fitness of the model, measures such as the R-squared scores are computed and the Adjusted R-squared score. These coefficients make it possible for us to determine the extent to which the independent variables – including cryptocurrency usage, anonymity, and demographics – can account for the variation in the dependent variable – namely the probability of tax evasion. Further, we evaluate the relevance of the model based on the F-statistic and its p-value.

Table 2

Model fitness results

Model	R-squared	Adjusted R-squared	F-statistic	p-value
Regression Model	0.786	0.772	56.25	0.000

Source: Calculated by the authors.

The coefficient of determination is 0.786 which means that independent variables that include usage of cryptocurrencies, anonymity and demographic factors can predict 78.6% of the variation in tax evasion. This implies that the proposed model gives a proper account of the major factors that explain tax evasion in Greece. A high value of R-squared is often interpreted as meaning that the independent variables are meaningful for predicting the outcome variable.

The Adjusted R-squared of 0.772 means that the regression model achieves a better value of explanatory of the variance in the dependent variable, after accounting for the number of independent variables in the model. This value is also high, meaning that the model continues to be credible even once multiple predictors are considered. This indicates that the model does not have an issue with overfit and that all the independent variables included are reasonable measures.

The regression model has an F-statistic value of 56.25, this test compares the chi-square of the model to a chi-square value based on the model with no predictors. As for the F-statistic, the corresponding p value is 0.000, which makes it highly significant (less than 0.05 level). This makes it possible to determine that at least one of the independent variables is related to the dependent variable and that the overall model is statistically significant.

The ANOVA test was used in this research to test for the difference in the probability of tax evasion depending on the usage, level of anonymity, and demographic factors like income and education levels. From the ANOVA table presented below, it is clear that all of the independent variables have a statistically significant relationship with tax evasion. All the independent variables yielded P values <0.05; therefore, the null hypothesis was rejected. This means that cryptocurrency usage, anonymity, and demographic factors such as income and education level increase the probability level of tax evasion.

Table 3

ANOVA

Source	SS	Df	MS	F	p-value
Between Groups	532.1	3	177.4	4.26	0.000
Within Groups	2101	355	5.91		
Total	2633.1	358			

Source: Calculated by the authors.

With a p-value of 0.000, it can be stated that cryptocurrency usage, anonymity, and demographic factors are highly influential in determining tax evasion in Greece. This further supports the need for targeting policy interventions.

Table 4

Regression results

Independent Variable	Coefficient (β\betaβ)	Standard Error	t-statistic	p-value
Constant	0.215	0.052	4.134	0.000
Frequency of Cryptocurrency Usage	0.311	0.082	3.792	0.000
Anonymity of Cryptocurrency	0.407	0.074	5.486	0.000
Greek Tax Policies Effectiveness	-0.223	0.089	-2.506	0.013
Socio-economic Factors	0.172	0.065	2.646	0.008

Source: Calculated by the authors.

Hypothesis one's coefficient estimate for the frequency of cryptocurrency usage (X_1) is 0.311 and the test of significance yielded a p-value of 0.000. This suggests a positive correlation between the frequency with which an individual engages in transactions in cryptocurrencies and the probability of tax fraud. With more people engaging in cryptocurrency transactions, there will always be an increase in tax evasion cases. The findings also provide a nod to H1 by affirming the idea that those who frequently invest in cryptocurrencies are most likely to

engage in tax fraud. This discovery is important for policymakers, as it points out the necessity to control and oversee cryptocurrency to avoid such crimes.

The regression outputs reveal that for the anonymity (X_2), the coefficient is equal to 0.407 and the value of «p» is equal to 0.000. This a strong positive correlation, which implies that, Greece is experiencing high rates of tax evasion facilitated by the nature of cryptocurrency transactions. When users are anonymous, the more they are likely to engage in fraudulent activities such as tax evasion. This finding supports H2 and brings out the implications of anonymity on tax evasion showing that cryptocurrencies facilitate the evasion of taxes due to their anonymity. In order to mitigate this problem, it is important for policy makers to take measures that enhance the transparency and track ability of cryptocurrencies.

The regression coefficient estimate of X_3, which measures the effectiveness of Greek tax policies was -0.223 with a significance level of 0.013, thus the study established that the effectiveness of tax policies impacts tax evasion negatively. This means that Greek tax measures to address cryptocurrency transactions are perceived as failed hence increasing tax avoidance. The study thereby validates H3, suggesting there is a need to enhance compliance to examine how adoption of cryptocurrencies can be better policed and stamped to its tax loopholes. Lack of apt policies enhances the likelihood of tax evasion since it creates room for abuse of the legal frameworks.

The next variable, X_4 represents socio-economic factors, and the regression coefficient is 0.172, while the p-value is 0.008, meaning that these factors affect the chances of using cryptocurrencies for evasion of taxes. Out of the given indicators, higher income individuals, those with higher education background, and those who have higher awareness of their tax responsibilities are more likely to engage in the use of cryptocurrencies particularly for tax evasion. OECD, forthcoming, also provides support for H4, in which the federal government has found that the wealthy and the well-educated are the ones with the financial means and access to knowledge to transact effectively in the cryptocurrency markets for accounting purposes in a bid to evade tax. As such, this demographic understanding could assist in the development of policies that target individuals with high taxable income as well as educate the general public on taxes.

The regression analysis confirms all four hypotheses, which indicates that the use of cryptocurrencies, anonymity, ineffective taxation policies, and socio-economic factors all influence the possible tax evasion in Greece. The results show that the constant use of cryptocurrency, as well as its anonymity, contribute to tax evasion and that there is a lack of regulation. Also, the use of cryptocurrencies as an instrument for tax evasion depends on some demographic factors including income and level of education.

Discussion

This study provides evidence that cryptocurrency use is a factor in tax compliance and evasion behavior, and the performance of Greece in tax enforcement is below average, annually, and systematically. Three main aspects inherently relevant to cryptocurrencies present problems to tax authorities: decentralization, anonymity, and the borderless context. One key feature of blockchain is the decentralized consensus and validation of transactions which means that people can engage in several activities beyond the scope of the regulations (Abadi & Brunnermeier, 2022; Alvarez et al., 2022). Even as it favours legitimate financial transactions, it also promotes the illicit practice of tax evasion, where the users can easily mask where the funds are coming from and where they are going (Cunha et al., 2021; Berdiev et al., 2024).

In Greece, cryptocurrency, adoption has happened while the country has a history of taxation issues. Weak enforcement of tax laws in the country, as well as the general attitude toward evasion of taxes, adds to the problem. Research conducted on Greece reveals that the shadow economy plays a huge role in its economy, especially among the small business owners and the self-employed who receive most of their payments in cash and in black (Balios et al., 2020; Drogalas et al., 2018). Cryptocurrencies are the digital form of cash, which not only offer an additional option to perform transactions but also an opportunity to avoid taxes. For example, studies show that Greek crypto users either do not disclose or misstate the amount of income they earn from cryptocurrency transactions or simply do not declare their assets (Athanasios et al., 2020; Kounadeas et al., 2022). This lack of reporting harms the public revenues besides exerting additional pressure on the already scarce financial resources of Greece.

Some of the major reasons why tax evasion can be facilitated through cryptographic currency include unlike most bank accounts, ownership of cryptocurrency wallets or decentralized platforms does not demand for identification through KYC. Therefore, taxpayers are also capable of transferring funds, to receive payments and store value in such a manner that does not leave a paper trail for tax authorities (Panos et al., 2020; Saiedi et al., 2021). This effect is magnified by privacy coins such as monero and z-cash which employ higher level encryption to obscure details of the transactions (Berdiev et al., 2024; Patsakis et al., 2024). The Greek tax authority faces many challenges, including lack of workforce, insufficient tax base, and outdated IT support systems, when trying to monitor these activities. The lack of a reporting requirement for exchanges and the predominance of Decentralized exchanges make enforcement measures difficult, thus leading to huge revenues emanating from illicit activities (Plūme, 2022; Cipollini, 2024).

In addition to anonymity, the international nature of virtual currencies poses a challenge to Greece's capacity to crack down on these assets. People and companies use offshore exchanges or decentralized finance (DeFi) platforms, in which local taxation legislation cannot be applied (Alstadsæter et al., 2019; Nawaz et al., 2023). This cross-border accessibility enables Greek taxpayers to transfer their assets abroad, avoid domestic taxation on those assets, and even turn them into fiat currencies without being noticed (Gonzálvez-Gallego & Pérez-Cárceles, 2021; Lim, 2022). Although the European Union has started working on some of these frameworks, such as the Markets in Crypto-Assets (MiCA) regulation, their proper implementation is still irregular at the national level. The failure to adopt such measures was reflected by Greece in this case implying that the country continues to lag as it loses more tax revenues to other vigilant, integrated technology-driven countries (PwC, 2023; Windsor, 2025). Nevertheless, it is evident that there is potential for regulation, as well as compliance with such provisions, locally and internationally. On the one hand, the open-source nature of blockchain is a strength that offers an opportunity to build more transparent systems of transactions. Certain European countries have a policy of using blockchain monitoring software and demanding extensive transaction disclosures from the crypto industry stakeholders (Baer et al., 2023; Berdiev et al., 2024). Cuts in anonymity-related tax evasion could be achieved if Greece invests in similar technologies and follows the international standards practices. To enhance the effectiveness of their enforcement, Greek authorities could address currently existing gaps with the help of RegTech tools like automated reporting and real-time blockchain analysis (Toudas et al., 2024; Cipollini, 2024).

Moreover, increasing the general level of literacy and knowledge about the possibilities and consequences of evading taxes can decrease the attractiveness of digital currencies as a means of avoiding taxes. Arming citizens with information about their legal rights and the consequence of noncompliance is an effective way of tackling this problem. Awareness campaigns at a community level that focuses on the legal implications of using digital assets for tax evasion and the benefits of voluntary tax compliance may help to change mindsets and prevent the use of cryptocurrencies for illicit purposes (Panos et al., 2020; Grym et al., 2024). Together with increased enforcement activities and increased reporting, these measures could reduce the tax revenue losses resulting from the use of cryptocurrencies in Greece by a significant extent.

To a certain extent, the findings above point out several key areas for addressing policy modifications. First, improvements to the regulation, especially in terms of transparency and traceability, would reduce the anonymity that is inherent to these currencies and facilitates evasion. Second, it is necessary to increase the efficiency of the application of taxation legislation and eliminate possible loopholes in the current legislation, which makes it easier to evade taxes using cryptocurrencies. Therefore, there is a need to launch targeted information and awareness raising campaigns concerning the legal and taxation aspects of cryptocurrency transactions in order to diminish their attractiveness to the wealthy and financially literate, who engage in tax evasion.

Conclusions

The analysis reveals positive correlation between usage of cryptocurrency and tax evasion in Greece. This is in concordance with the theoretical frameworks which posit that anonymity and decentralization breed tax evasion. This paper establishes that due to the nature of cryptocurrencies being decentralized payment systems and the anonymity provided to users, it becomes easier to avoid paying taxes or even declare less than the actual amount of income. More so, due to the inherent deficit of sound reporting mechanisms and modest investment in technology and workforce, among Greek tax authorities, such evasion has remained rife. Based on the research, it is apparent that the existing Greek tax measures are not strong enough to counteract the peculiarities of digital assets today. Compared to other European countries, Greece has stood out as one of the bluntest in its approach to strict regulation of cryptocurrencies, coupled with outdated systems and half-baked legislation. This has further led to enhanced evasion of tax as many taxpayers use the virtual currencies to transfer their money to foreign jurisdictions or conceal their transactions. Social – economic factors also make a significant contribution to the probability of using cryptocurrencies for tax evasion. The study reveals that high-income earners are more capable of using them for tax evasion purposes, which stresses the need for awareness creation and enhanced enforcement among this group. On the one hand, the use of cryptocurrencies in the financial sector presents unique benefits and opportunities; however, the lack of transparency and regulation has led to their involvement in tax evasion, with Greece being one of the victims of this misuse. The lack of identification, cross-border operations, and weak legal frameworks mean that people and firms can avoid paying taxes, which put pressure on public finances and economic resilience. Tackling the problem of tax evasion through the use of cryptocurrencies in Greece cannot be solved through a single measure. Regulation enforcement, upgrades in surveillance technology, and public awareness are the key measures. The Greek government should introduce tax laws consistent with global trends and fully harness the opportunities that blockchain provides while also controlling for the inherent anonymity. Various authorities within the EU member states and international institutions will also play critical roles in facilitating concerted efforts to counteruse cryptocurrency for tax evasion. Further research should be directed towards the creation of sophisticated blockchain analytical solutions designed to address Greek specific circumstances. Longitudinal studies that focus on the effects of policy changes in the level of tax compliance within a given period of time are also desirable. Through addressing these gaps and expanding the current knowledge in the field, Greece can progress towards a more transparent and efficient taxation mechanism in the digital era.

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