



THE EFFECT OF CRYPTOCURRENCY TAXATION POLICIES ON INDIVIDUAL INVESTMENT DECISIONS IN GREECE

Andreas Kolydas¹, Stamatis Kontsas¹, Stavros Kalogiannidis^{1*}, Dimitrios Kalfas^{1*}

Received 09.01.2026.

| Sent to review 29.01.2026. | Accepted 25.05.2026.

Original article



¹ University of Western Macedonia, School of Economic Sciences, Department of Business Administration, 51100 Grevena, Greece

***Corresponding Author:**
Stavros Kalogiannidis and
Dimitrios Kalfas

Email:
skalogiannidis@uowm.gr

JEL Classification:
G11, H24, H26, E62, K34

Doi: 10.2478/eoik-2026-0045

UDK: 340.137:347.7(4-672EU:495)

ABSTRACT

The impact of cryptocurrency taxation policies on decision making among the individuals in Greece is the focus of this research. The content includes three essential elements which are tax clarity and tax rates and compliance and incentives that investors need to participate in cryptocurrency markets. The research used an exploratory quantitative method which collected data through a structured questionnaire from 384 Greek investors who invested in cryptocurrency markets. To establish the effects of taxation policies on investment behaviour, descriptive statistics and multiple regression analysis were used on the collected data. The research results show that investors base their investment decisions on tax clarity because unclear tax rules create doubt about their investments which leads them to stay away from investing. The market becomes less liquid because high taxation rates decrease both the number of market deals and the total amount of trading activities. High tax compliance complexities contribute to the problem as they add more overheads and perceived risks to investment. On the other hand, tax credits and deductions increase market involvement and promote the holding of cryptocurrencies for long periods. The study further recommends the improvement of the existing taxation structure to accommodate the buoyant Cryptocurrency investment in Greece. Reduction of compliance burdens, changes in tax rates, and granting of specific incentives positively influence the investor confidence and market indicators. There are calls on Greece to liberalise taxation laws, cut taxes in the country and offer incentives like tax relief for those who hold cryptocurrencies for the long-term. Improving tax transparency and reducing the burden of compliance little will help expand the market and strengthen regulation.

Keywords: Cryptocurrency taxation, Investments, Tax compliance, Incentives, Regulatory certainty, Greece

1. INTRODUCTION

The Cryptocurrency trading market has expanded throughout the years because bitcoin and additional cryptocurrencies gained recognition as financial assets (CMC, 2025). The rising use of cryptocurrencies has started a global conversation between governments and their people about how to tax these digital currencies (Aftab et al., 2023). Most governments experience a tension between the encouragement of financial innovation and efficiency in systems of tax-

ation (Todorova et al., 2025b). The United States (US) and Japan have established extensive cryptocurrency taxation systems, but other nations have implemented restricted and disorganized policies (Drobotovs, 2023; Francis, 2023). The International Monetary Fund (IMF) (2021) demonstrates that public sentiment regarding cryptocurrency tax rules hinders market stability because it creates challenges for market stability. The combination of unpredictable tax rules and excessive taxation and complex regulatory systems creates economic instability which reduces investor trust and increases policy uncertainty in the economy (IMF, 2021). Hence, the studies show that there is a positive relationship between crypto-assets and increased economic policy uncertainty through the analysis by Aftab, Haq, and Albaity (2023). Cryptocurrency taxation policies differ greatly from one country to another and it also has its own challenges (Todorova et al., 2025). The US taxation system treats cryptocurrency transactions as events which trigger capital gains tax according to Francis (2023). The European Union (EU) has established Markets in Crypto-Assets (MiCA) regulation which includes taxation as part of its framework (Broumas, 2021). Nevertheless, there are considerable differences in the cryptocurrency taxation policies across countries, and this has resulted in tax inversion or tax havens where most investors move their investments to countries with the best taxation regimes according to Falcao and Michel (2023). This presents some difficulties for tax authorities since cryptocurrency transactions are made across borders and vaguely identifiable (Schmidt et al., 2020). The government uses blockchain technology to build better tax systems through their development of blockchain-based tax monitoring platforms (Jain et al., 2022).

Unlike the United States, there was no unified approach to cryptocurrency taxation in Europe mainly due to the contending regulatory ideologies of the EU members (Gebauer & Berner, 2019). Currently, Germany and Austria have developed a clear structure for cryptocurrency taxation policy as private property and property transactions, including capital gains taxes (Giambrone, 2024). However, in France, they use simple tax on cryptocurrencies depending on the gains one makes (de Vauplane & Bordet, 2025). The study examines how German and French and Italian tax regulations affect distributed ledger technology and cryptocurrencies through different taxation approaches which affect investor choices between various legal jurisdictions (Kuzhelko, 2022). The implementation of anti-tax evasion laws and policies now follows the EU Anti-Tax Avoidance Directive which Petalas (2023) describes. The European Central Bank's (ECB) has also considered a possibility of issuing a digital euro which can influence cryptocurrency usage as well as taxation (Economou & Kyriazis, 2021). The main implementation of the MiCA regulation is expected to take place before the end of 2025, and it is introduced to establish harmonized guidelines for EU member states regarding crypto assets, including taxation (Broumas, 2021).

Though, some problems that remain include the technicality or difficulty of tax compliance measures and the impact of these measures on investor engagement in the cryptocurrency markets as elaborated by Hernández Sánchez et al. (2024). Several works argue that European investors are sensitive to tax incentives, see, for example, the flow of capital gains tax that showed that when countries provide exemptions, then the levels of cryptocurrency usage will be higher (Stratiev, 2018). The Turkish market experienced decreased investor interest because of new tax legislation uncertainties which reduced market turnover according to Zengin & Kocoglu (2022). Research conducted in Spain showed that investor lack of tax knowledge about cryptocurrency led to tax evasion in the Spanish cryptocurrency industry (Hernández Sánchez et al., 2024). Such regional differences point to the fact that there is a need to adopt a more systematic and coherent approach to taxation in Europe (Bhimani et al., 2022).

Greek taxation legislation of cryptocurrencies is still not very stable. The Greek government has synchronized the tax legislation with EU guidelines but issues of enforcement remain a

problem due to the effective decentralisation of virtual currencies (Petalas, 2023). Nowadays, cryptocurrency investment in Greece is taxed according to the capital gains tax, but there are no clear rules, which causes confusion among investors (Balaskas et al., 2024). Unlike the majority of the European countries, there are no specific reporting rules for taxpayers holding cryptocurrencies in Greece, creating a possible issue of tax avoidance (Challoumis, 2024). The results also referred to Greek investors, suggesting that they are more responsive to tax rates though high taxation discourages them from engaging in cryptocurrencies markets (Koemtzopoulos et al., 2025). In addition, similar to the first factor mentioned above, the absence of policy and procedure that dictates the tax compliance has also been cited as a factor that hinders investment (Deloitte Analytics Institute, 2022). While some investors remain in the crypto market despite the taxes, many opt for offshore investment to avoid paying taxes (Chainalysis, 2020). This is in accordance with global trends whereby investors prefer countries with better treatment in terms of taxation (Bhullar et al., 2025).

The role of tax incentives in enhancing development of cryptocurrencies cannot be ignored. Studies indicate that should the Greek government consider lowering tax rates or offering capital gain tax exemptions on long-term investments, it would stimulate substantial investment in the industry (Manohar, 2024). Indeed, in Portugal, the lack of cryptocurrency taxation has contributed to an influx of investment in digital assets (Pelaez-Repiso et al., 2021). Implementing comparable actions in Greece may contribute to increased activity on the market and compliance with EU regulations (Bakradze, 2022). The gap in the literature that the study seeks to fill is the connection between taxation and investment behavior of cryptocurrencies in Greece, where limited empirical research is conducted on the topic (Petalas, 2023). Investigating this connection, the study adds to the existing discourse on the legal and regulatory landscape of cryptocurrencies in Greece and within the European market (Haque et al., 2021). The policy implications of this research will also shape the ongoing policy discussions regarding the convergence of cryptocurrency taxes in the European Union (Broumas, 2021). Since Greece faces economic issues and uses digital transformation as its main driver of growth (Richardson, 2020), this study will be valuable to understand how modifications in tax policies or tax thresholds can impact cryptocurrency transactions and the market dynamics (Mihus et al., 2024; Morda et al., 2024). Furthermore, it allows investors to comprehend the way taxation policies can modify market prospects (Srivastava et al., 2024; Wang et al., 2024; Zubrytska, 2023) and supports the development of policies that can improve transparency and efficiency within the cryptocurrency taxation framework in Greece (Jones et al., 2024; Kumari et al., 2023). This research contributes to the existing knowledge on cryptocurrency taxation and its effect on economic development, expanding the understanding of the impact of taxation on the financial innovation and digital asset markets.

1.1. OBJECTIVES OF THE STUDY

The aim of this study was to establish the relationship between cryptocurrency taxation policies and individual investment decisions, in the context of Greece. The research aimed to determine which factors including tax certainty and transparency and rate structure and compliance requirements and tax benefits influence cryptocurrency market investments.

Specifically, the study was guided by the following objectives.

1. To determine the relationship between clarity of taxes on cryptocurrencies and individual investment decisions in Greece.
2. To examine how tax rates influence the frequency and volume of individual investments in cryptocurrencies in Greece.

3. To establish the relationship between tax compliance requirements and the risk appetite of individual investors in the Greek cryptocurrency market.
4. To measure the effect of tax incentives or exemptions on the attractiveness of cryptocurrency investments by people in Greece.

1. 2. SIGNIFICANCE OF THE STUDY

This study offers insights to test the effects of cryptocurrency taxation policies on individual investment behaviour in Greece. As the ownership and use of digital financial assets increase, it is essential for policymakers to make sense about how taxation affects investors to provide a balanced legislative environment (Bhullar et al., 2025). The information derived from the exploration of tax clarity, tax rates, tax compliance and tax incentives can assist in the formulation and implementation of favorable tax systems that will spur innovation in the financial sector in Greece (Petalas, 2023). From the academic point of view, this research offers a specific area analysis of cryptocurrency taxation to align well with the discussions in Europe (Broumas, 2021). It adds to the existing literature on the topic of taxation harmonization in the European Union context and provides empirical findings for further research into the digital asset market (Haq et al., 2021). To the investors, the study provides a better understanding of how taxation policies influence investment decisions, risk-taking, and portfolio diversification for potential investments in the growing field of cryptocurrencies in Greece (Koemtzopoulos et al., 2025).

2. LITERATURE REVIEW

The way cryptocurrency taxation affects investment decisions can be studied by using three main theoretical frameworks which include behavioural finance and investment theory and public regulation. This section employs Taxation Theory, Prospect Theory, Institutional Theory, and Regulatory Compliance Theory to analyse how taxation policies shape cryptocurrency investment decisions in Greece.

Taxation Theory suggests that taxes influence individual and corporate behaviour by altering the expected returns from investment activities (Bakradze, 2022). The amount of money people has available to spend or invest decreases when they pay more in taxes according to Broumas (2021) and Ohrn (2018). The decentralised structure of cryptocurrencies along with their evolving legal environment will produce substantial effects on investor trust and their investment decisions after tax regulations start operating (Falcao & Michel, 2023; Zwick & Mahon, 2017).

Research data indicates that investment responses to taxation depend on the level of tax clarity and administrative complexity and the structure of tax rates (Drobotovs, 2023). The capital gains tax framework determines whether it will stop investors from using their money to invest in the market. Investors make their investment choices based on two factors which derive from capital gains tax structure and their needed time to invest (Bhullar et al., 2025; Cui et al., 2024). The Greek government taxes cryptocurrency gains through capital gains taxation but the country lacks clear rules about digital currency regulation (Petalas, 2023). The Laffer Curve demonstrates that high tax rates will drive investors to move their assets to countries with lower tax rates which leads to decreased total tax collections (Cueva et al., 2024; Haq et al., 2021). The mechanism applies most strongly to cryptocurrencies because Greek investors can move their operations to Portugal and other countries which offer better tax conditions for crypto assets (Carmo, 2024; Gkillas et al., 2024; Koutmos et al., 2021; Ylönen et al., 2024).

The investment evaluation process of investors follows Prospect Theory which describes their financial gain and loss assessment methods for investment decision-making (Kahneman & Tversky, 1979). People tend to value potential losses more than equivalent gains which leads

them to be more cautious when working under uncertain conditions or following strict rules (Bhimani et al., 2022; Francis, 2023). The framework shows that cryptocurrency taxation becomes less effective because of unstable tax policies which create market risks that force investors to exit the market (Alsmadi et al., 2023; Balaskas et al., 2024; Smutny et al., 2021). The Greek market experiences high policy instability which creates doubts about its safety and results in decreased investor activity (Deloitte Analytics Institute, 2022). The risk of unexpected tax penalties and penalties stops investors from joining the market even though they follow all tax rules (Hernández Sánchez et al., 2024). The introduction of new transaction-based taxes would decrease market trading in cryptocurrency markets because these markets already face high price volatility (Broumas, 2021; Cumming et al., 2019; Dierksmeier & Seele, 2018). People value tax losses more than investment gains according to loss aversion which makes them avoid investing (Falcao & Michel, 2023; Hlouskova & Tsigaris, 2021).

This corresponds with the concept of Loss Aversion, a principle of Prospect Theory advanced by Kahneman and Tversky (Kahnemann & Tversky, 1979), which asserts that the potential of incurring a loss due to tax loss offsets investment incentive more than the probability of high returns encourages investment (Falcao & Michel, 2023; Hlouskova & Tsigaris, 2021).

The Institution Theory explains that economic operations become possible through regulation because it establishes a predictable framework which enables businesses to predict future events (Giambrone, 2024). The theory shows that investors choose markets which offer both straightforward operational systems and minimal uncertainty according to Challoumis (2024). Unregulated taxation policies can cause inefficiency and erode confidence in cryptocurrency markets Addressed in this paper The main ideas in this paper mirror the averment made above which posits that unregulated taxation policies can lead to inefficiency and lower investor confidence in cryptocurrency markets.

There is no coherent legislation governing cryptocurrencies in Greece and political authorities still trying to bring national taxation legislation into compliance with EU laws (Petalas, 2023). A recent proposed regulation introduced by the European Commission is the Markets in Crypto-Assets (MiCA) which seeks to regulate the cryptocurrency market to have a single universal platform across the member states (Broumas, 2021). The Greek government lacks full taxation rules which align with MiCA requirements so investors must deal with unclear information about their upcoming tax responsibilities (de Vauplane & Bordet, 2025). The Institutional Theory explains this phenomenon because market participants stay away from financial activities which generate tax uncertainties because legal boundaries restrict their actions (Drobotovs, 2023).

The Regulatory Compliance Theory describes how organizations deal with taxation and legal systems through their study of managerial choices regarding compliance costs. The authors believe that investors will seek tax-efficient investments or engage in tax evasion when they perceive tax regulations as being expensive or difficult to understand (Bakradze, 2022; Sutinen & Kuperan, 1999).

The Greek cryptocurrency market experiences two primary investment barriers because of its unstable tax environment which Petalas (2023) identifies as the main challenge. Research shows that small investors stay away from investing because they need to pay more than their available funds for regulatory costs which exceed their capacity to fulfill tax reporting requirements (Broumas, 2021). The expensive nature of compliance regulations drives investors to direct their funds toward different nations because these countries offer superior tax advantages (Calen et al., 2025; Giambrone 2024) predicted that 2025 would arrive according to his forecast.

As pointed out in the existing literature, compliance cost is especially a concern among digital asset investors due to the global and decentralized nature of cryptocurrency transactions

(Bhimani et al.,2022; Mastilo et al., 2025). Investors face increasing difficulties with tax compliance because they need to reveal their entire business operations through Know Your Customer (KYC) and Anti-Money Laundering (AML) systems (Arnone, 2024; Drobotovs, 2023; Renda & Caneppele, 2024). The Greek tax system faces two major factors which lead to underreporting and noncompliance that create potential tax evasion risks in Greece (Hernández Sánchez et al.,2024).

The rapid growth of cryptocurrencies has sparked international discussions about their tax status because governments must create suitable regulatory systems for these markets to expand (Aftab et al.,2023). The way tax laws treat cryptocurrencies determines how investors handle their tax reports and their investment trust in all relevant legal frameworks (Bhullar et al.,2025). The feature of taxes can be an issue, especially in relation to regulations that may not be well-defined (Broumas, 2021). The research conducted after this study showed that investors in these jurisdictions encounter high market uncertainty because of their complex tax structures which restricts their ability to participate in the market (Falcao & Michel, 2023). This is evidenced in Greece, where cryptocurrency taxation policies remains a dynamic topic that has been undergoing changes over the years; this makes the investment environment unpredictable.

Tax treatment of cryptocurrency investments is even more sensitive to legal demands where such contexts are set in stringently (Francis, 2023). Greek legislation governing cryptocurrencies is still evolving, but residents are subjected to capital gains tax laws in the same manner as other investments (Petalas, 2023). This is because, the different tax regimes accorded to short-term and long-term investment greatly influence investment decisions (Koentzopoulos et al.,2025). Previous research indicates German investors choose to hold their cryptocurrency investments for extended periods because their assets will become tax-exempt after staying in their portfolio for twelve months or longer (Kuzhelko, 2022). The lack of such provisions in the case of the Greek market may mean low long-term market interest (Benigno et al.,2022; El Hajj & Farran, 2024; Vinokurova, 2018).

Moreover, the literature also reveals that the tax compliance complexity deters investors as confirmed by Haq et al. (Haq et al.,2021). Research indicates that investors select markets which have basic tax structures that they can understand and implement easily (Bhimani et al.,2022). The Deloitte Analytics Institute (Deloitte Analytics Institute, 2022) shows that Greek tax declaration mistakes create problems for cryptocurrency tax compliance which makes investment management more difficult. The Portuguese tax system operates with basic rules which draw more cryptocurrency investors because its individual investors do not need to pay capital gains taxes (Zengin & Kocoglu, 2022).

Research shows that tax incentives function as an efficient method to develop cryptocurrency markets according to Morda et al. (2024). The cryptocurrency market experiences major changes because of tax regulations which include lower tax rates for transactions that use this currency (Aftab et al.,2023). The Greek government has not established any new policies which would prevent Greece from developing into a leading destination for cryptocurrency investment (de Vauplane & Bordet, 2025). The taxation legislation which affects financial markets through digital assets will continue to influence investor behavior which will impact cryptocurrency development in Greece (Calen et al.,2025; Pastpipatkul and Ko, 2025; Toudas et al.,2024).

People start using cryptocurrency because they first trust investors before they understand how taxation systems work in this process (Drobotovs, 2023). Lack of clarity in the current tax regulations contribute to poor compliance due to uncertainty on the obligations and liabilities hence the need to ensure that tax regulations are clear to the investors (Broumas, 2021). Research shows that investors choose to invest in cryptocurrency markets when tax regulations for these assets are well defined in their respective regions (Francis, 2023). The Greek market

faces ongoing regulatory issues which create investment dangers for all investors who have money in the market (Petalas, 2023). For instance, previous studies point to the fact that countries with clear tax systems see higher volumes of investment inflows (Bhullar et al., 2025). Switzerland created its taxation system through an independent law which regulates digital assets (Falcao & Michel, 2023). Thus, these nations are among the most attractive destinations for investing in cryptocurrency (Li & Wang, 2017). While Greece's taxation system has several weaknesses that hinder the participation of investors especially due to uncertainty in future changes in the taxation system (European Commission, 2024; Makantasi & Valentis, 2024).

The taxation clarity effect leads investors to choose investments which expand their investment portfolio across international borders because cryptocurrency investors want to find countries that provide them with favourable tax conditions (Haq et al., 2021; Lazea et al., 2025; Prabin Adhikari et al., 2025). Researchers also posit that regulatory risks make investors seek locations that are more favourable for tax evasion also known as capital flight (Bhimani et al., 2022). This has been the case in Greece, where investors have shifted to using offshore exchanges to escape tax responsibilities (Deloitte Analytics Institute, 2022). The absence of standardized taxation rules prevents investors from making long-term financial commitments because it generates various problems (Giambrone, 2024). However, it is imperative to accept that taxes also affect investor confidence, and more so when they are complicated. Market participants stay away from investing because they must pay high compliance costs while regulatory rules keep changing (Hernández Sánchez et al., 2024). For instance, a few investigations carried out in Spain suggest that the instability in the rules governing taxation in relation to cryptocurrencies diminished market engagement due to uncertainty among investors on what was required of them (Peláez-Repiso et al., 2021). The Greek investment market experiences identical problems because investors make their investment choices based on ambiguous regulatory systems (Drobotovs, 2023).

The amount of taxation which exists determines how often and how much investors will make cryptocurrency transactions (Francis, 2023). High taxes have the effect of lowering the net returns that investors can realize on their investment hence discouraging them from participating in the market (Bhullar et al., 2025). Research shows that countries which enforce low digital asset taxation rates will draw more investors according to Aftab et al. (2023) and Aftab et al. (2023). The Greek government enforces high capital gains taxes which affect citizens who trade cryptocurrencies thus it may decrease the total number of market participants (Drobotovs, 2023).

Research conducted through cross-sectional analysis of taxation rules between nations shows that nations which provide relaxed bitcoin tax regulations attract more investors (Mihus et al., 2024; Morda et al., 2024). The United States requires all speculative cryptocurrency investment gains from short-term trading to pay standard tax rates but investors who hold their assets longer than usual can get more favorable tax benefits (Bhullar et al., 2025). The Greek taxation system does not include provisions which would let people distinguish their investment timeframes between short-term and long-term, so they tend to keep their assets for shorter periods (Petalas, 2023).

The research shows that investors will stay away from the crypto market because they need to pay high taxes when their investments produce substantial returns (Broumas, 2021). Germany together with other countries operates cryptocurrency tax systems which implement financial discipline rules through rules that let investors maintain their assets without tax obligations on their gains during time spans (Kuzhelko, 2022). The absence of such incentives in Greece might lead to unstable short-term speculative activity, volatility in Greece (Benigno et al., 2022; El Hajj & Farran, 2024; Vinokurova, 2018).

Research data indicates taxation systems create major impacts which decide where investors will place their cryptocurrency investments. The tax rates together with regulatory environment and compliance requirements function as economic variables which determine how in-

vestors feel about investing and their ability to enter the market. From the literature analysis it is evident that Greece needs to provide clear and competitive conditions of taxation for cryptocurrencies to promote investment in the field. This study is intended to cover gaps that have not been addressed through the empirical analysis of the effects of taxation policies in Greece concerning cryptocurrency investors to assist in the formulation of policies for the future.

3. METHODOLOGY

The research holds importance because it investigates cryptocurrency taxation which remains an unexamined field that affects Greek investor decisions. Policymakers across the globe need to understand digital asset taxation effects on investor choices because this knowledge enables them to develop open and efficient market systems. The research provides essential empirical data which will assist in developing new regulatory systems to support sustainable development of the Greek cryptocurrency industry through its analysis of tax clarity and rates and compliance expenses and incentive structures.

3. 1. RESEARCH HYPOTHESES

Based on the reviewed research, the following hypothesis is proposed:

1. Hypothesis 1. (H_1). Cryptocurrency taxation policies have a positive correlation with individual investment in cryptocurrency in Greece.
2. Hypothesis 2. (H_2). Tax increases lead to a decrease in the frequency and magnitude of private investment in cryptocurrencies in Greece.
3. Hypothesis 3. (H_3). Increased level of tax compliance reduces the risk tolerance of individual investors in the Greek cryptocurrency market.
4. Hypothesis 4. (H_4). Tax incentives or exemptions have a significant positive impact on the volume of cryptocurrency investments by individuals in Greece.

3. 2. RESEARCH DESIGN

A descriptive and correlational quantitative research approach was used to analyse the statistical correlation between cryptocurrency taxation policies and investment tendencies. The descriptive research method allows researchers to collect all available information about how investor's view tax certainty levels and their responses to taxation benefits. Scientists employ correlational analysis to study taxation policy effects on investment choices through their research method which examines both relationship strength and pattern. The research used quantitative methods to collect data through questionnaires which were distributed to Greek cryptocurrency investors. The system enables researchers to gather extensive data which enables them to perform cultural analysis through comparative research that produces unprejudiced findings. The quantitative variables in taxation policies which include tax rates and exemptions, and compliance costs were analysed through regression analysis to determine their impact on investment volume and frequency.

3. 3. TARGET POPULATION

The research investigates Greek citizens who participate in cryptocurrency trading and digital asset investment activities. The population consists of retail investors who purchase and sell and maintain ownership of Bitcoin and Ethereum and additional tokens by using online exchange platforms and digital wallet services.

The Greek population shows increasing interest in blockchain technology and digital currencies which has created a big and varied group of cryptocurrency investors who keep growing

in numbers. However, there is no official register or census of cryptocurrency investors in Greece, as participation in such markets is decentralized and private. Therefore, the population is treated as large and indeterminate for the purposes of sampling.

Participants were required to meet the following inclusion criteria:

- Be residents of Greece at the time of the study.
- Have actively invested or traded in cryptocurrencies for at least six months.
- Possess basic knowledge of Greek taxation laws and their application to digital assets.
- Be 18 years of age or older.

The definition requires participants to demonstrate their knowledge of cryptocurrency markets and taxation rules which matches the research goal to understand how taxation affects Greek cryptocurrency investors.

The respondents included 384 individual cryptocurrency investors in Greece, with a balanced representation in terms of gender, age, education, and employment status. The detailed demographic analysis of our sample population provides us with results which stem from a diverse and complete population representation thus making our findings more reliable for the entire investment market. Details from target group are showing in the Table 1 based on gender, age, education and employment status.

3. 4. SAMPLE SIZE AND SAMPLING TECHNIQUE

The sample size of the study was determined using the [Krejcie and Morgan \(1970\)](#) sample size determination table, which provides recommended sample sizes for a given population at a 95% confidence level and a 5% margin of error.

The research by Krejcie and Morgan ([Krejcie & Morgan, 1970](#)) shows that researchers must have 384 participants to achieve valid results when studying populations with more than 384 members or when the population size remains unspecified. Therefore, this study adopts $n = 384$ as the required sample size.

Given the need for a more representative sample stratified sampling technique was employed. The research employed Stratified sampling to achieve proper representation of all investor subgroups which included investors based on their trading experience and transaction volume. The research design enabled researchers to study investor responses to cryptocurrency taxation policies at a detailed level which produced exact results.

The survey distribution to more participants achieved two goals which included reaching 384 valid responses for analysis and preventing non-response and incomplete submission problems ([Kalfas et al.,2024; Krejcie & Morgan, 1970](#)).

3. 5. DATA COLLECTION METHODS

The research team obtained primary data through an online survey which contained close-ended questions that asked investors to answer numerical questions about tax influences on their investment decisions. The questionnaire comprised 30 close-ended survey questions, and it was divided into five sections that were congruent with the objectives of the study.

To measure the investor sentiment, a 5-point Likert scale was employed with the options being: Strongly Disagree, Disagree, Neutral, Agree and Strongly Agree. This survey was conducted using Google Forms and Qualtrics to reach out to many investors in cryptocurrencies. Government records, EU taxation on cryptocurrencies (MiCA), academic publications, and the cryptocurrency trading reports were used to gather secondary data. This secondary data gave background information on the taxation policies to ensure findings from the primary

survey were cross-checked.

3. 6. RESEARCH INSTRUMENT

The questionnaires used in the study were self-administered questionnaires which were piloted on 20 respondents before a proper survey was conducted. The researchers used the pilot study to enhance their research questions and structure and to achieve better response data reliability. The last one guaranteed proper consideration of the main aspects of taxation, investing activity and policy implications of the cryptocurrency. The survey questions included quantifiable elements which allowed for simple evaluation of their responses.

3. 7. DATA ANALYSIS METHODS

The research team used SPSS and Satiation software to analyse data which produced exact statistical results with optimal efficiency. Data analysis included the use of mean, standard deviation and frequency distributions of the responses regarding investors' perception towards taxation of cryptocurrencies. The research provided investors with their perspective about tax certainty and compliance costs and tax incentives. A multiple regression analysis was used to determine the correlation between taxation and volume and frequency of investments in cryptocurrency. The regression model allowed researchers to identify which variables from tax clarity and tax rates and tax incentives directly influenced investor decisions. The researchers established 0.05 as their level of significance to achieve strong confidence in their obtained results.

The multiple regression model (Equation 1) used was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \varepsilon \quad (1)$$

Where:

Y = Investment Volume (dependent variable)

X_1 = Tax Policy Clarity

X_2 = Tax Rate

X_3 = Compliance Complexity

X_4 = Tax Incentives

X_5 = Risk Tolerance

X_6 = Financial Literacy

β_0 = Constant

$\beta_1, \beta_2, \beta_3$ and β_4 = Coefficients of the variables

ε : Error term

The hypothesis testing was done under a 95% confidence interval. In assessing the effects of taxation policies, an alpha-level of $p < .05$ was chosen as the criterion of statistical significance.

3. 8. ETHICAL CONSIDERATIONS

This research respected the principles of ethical research. Participants were asked to complete surveys voluntarily and anonymously after giving consent to participate in the survey. To ensure the privacy of the data collected the information was not shared with anyone and was adequately secured. This study adhered to principles of credibility, reliability, and neutrality for analysing students' experiences and perceptions free-bias influence of the researcher.

4. RESULTS

This section presents the results obtained after analysing data collected from the selected respondents.

4. 1. DEMOGRAPHIC CHARACTERISTICS

There were 384 participants in the survey, their details are captured in the Table 1 based on gender, age, education and employment status.

Table 1. Demographic characteristics of respondents

Characteristic	Frequency	Percentage (%)
Gender		
Male	214	55.7
Female	170	44.3
Age		
Under 30 years	113	29.5
30-40 years	158	41.1
41-50 years	72	18.8
Over 50 years	41	10.7
Education Level		
High School	61	15.9
Bachelor's Degree	192	50.0
Master's Degree	90	23.4
Doctorate	41	10.7
Employment Status		
Employed	283	73.8
Unemployed	56	14.6
Self-Employed	45	11.7

Source: Authors' elaboration

The survey participants consisted of 55.7% male respondents and 44.3% female respondents which shows male participants made up most of the research sample. The survey data indicates that participants between 30 and 40 years old accounted for 41.1% of the survey participants while participants between 20 and 30 years old made up 29.5% of the survey participants. The research study included participants who were 50 years or older because they made up 10.7 percent of the total participant group. By education level, 50.0% of the respondents said they have a bachelor's degree which is the most prevalent level of education among the participants the current study. Further, 23.4% of the participants reported to have a master's degree while 10.7% of the respondents reported to have a Doctorate. 15.9% of them had only completed high school education. This means that many of the participants in the sample had post-secondary education, and the most common level of education reported was bachelor's degree and master's degree. The survey results indicate that employees make up the biggest group since they account for 73.8% of all participants. On the other hand, 14.6% reported they were jobless while 11.7% said that they were business owners. These findings give an insight on the economic activity of the participants where most of them have formal employment.

The first research question was to identify and assess the correlation between the degree of clarity of the taxation policies of cryptocurrencies and individuals' investment decisions in Greece. The gathered data in Table 1 also show that over half of the respondents stated that the clarity of the adopted tax policies impacts their investment choices.

4. 2. DESCRIPTIVE STATISTICS

Table 2 indicates that taxation within Greece has a significant influence on the investment frequency and volume of cryptocurrencies. The highest average value of 4.41 implies that many of the respondents were of the view that reduced taxes would lead to more investment in cryptocurrencies. This supports earlier findings that corresponding tax liberation on digital assets alters market involvement and investment flows (Falcao & Michel, 2023). Some nations such as Germany allow tax deductions for those holding crypto assets for more than a year (Kuzhelko, 2022).

Table 2. Descriptive Statistics for Key Survey Statements Related to Cryptocurrency Taxation Variables

Statement	N	Min	Max	Mean	Std. Dev
I believe high cryptocurrency tax rates discourage frequent trading	384	2	5	4.25	0.83
I think lower tax rates would encourage more cryptocurrency investments	384	3	5	4.41	0.72
I am sure that increased taxation reduces cryptocurrency transaction volume	384	2	5	4.32	0.78
I believe tax reductions could improve cryptocurrency market liquidity	384	3	5	4.38	0.74
I think progressive tax models may influence investment duration and strategies	384	2	5	4.22	0.79
I am confident that tax policies directly affect trading behaviours	384	3	5	4.27	0.77
I believe complex tax filing discourages cryptocurrency investments	384	2	5	4.31	0.80
I think simplified tax compliance could increase market participation	384	3	5	4.37	0.75
I am sure that excessive tax reporting requirements increase investor risk perception	384	2	5	4.29	0.78
I believe clear and automated tax compliance processes improve cryptocurrency adoption	384	3	5	4.41	0.72
I think tax evasion risks influence investor willingness to engage in cryptocurrency markets	384	2	5	4.26	0.79
I am confident that reducing compliance complexity would enhance cryptocurrency investment confidence	384	3	5	4.35	0.73
I believe tax incentives encourage long-term cryptocurrency investment	384	2	5	4.44	0.71
I think tax exemptions would attract more investors to the cryptocurrency market	384	3	5	4.48	0.69
I am sure that reduced capital gains tax increases investment volume	384	2	5	4.35	0.74
I believe tax-free periods would enhance market stability and participation	384	3	5	4.39	0.73
I think differential taxation for long-term holdings improves investor confidence	384	2	5	4.27	0.76
I am confident that favourable tax policies are necessary for a thriving cryptocurrency market	384	3	5	4.45	0.70

Source: Authors' elaboration

The research findings show that people will perform fewer trades when taxes become high because the average number of trades per month reaches 4.25. The taxation theory supports this research because higher tax rates reduce investor available funds for investment while making investments less appealing to them (Broumas, 2021). The research data shows taxation rates

function as the primary factor which decreases cryptocurrency trading activities to 4.32 according to previous studies which demonstrated that elevated taxation rates result in decreased market liquidity (Bhullar et al.,2025).

The survey participants agree that tax reductions would lead to better market liquidity of cryptocurrencies ($M = 4.38$). This implies that if taxes are reduced, then the number of transactions and activity level will increase with positive implications for investors and regulators (Haq et al.,2021). Lastly, regarding the progressive tax models, the participants expect it to affect investment duration and investment strategies with a mean score of 4.22 out of the maximum of 7. The research results show that investments will respond to taxation rates which range from 20% to 30% while citizens will obey tax laws.

As seen in Table 2, taxation obligations play a crucial role in determining risk tolerance levels for Cryptocurrencies among individual investors in Greece. Most survey participants identified complicated tax filing procedures as their main reason for avoiding cryptocurrency investments (mean = 4.31). People tend to avoid digital asset investments because they view taxes as an obstacle to their financial activities. This is consistent with prior studies indicating that high regulatory requirements discourage people from investing in the markets (Drobotovs, 2023). The study also brings out the fact that simplified tax compliance could enhance market participation (mean = 4.37), a pointer to the fact that investors need to have clear guidelines on the taxes to pay to engage freely in trading activities. This is in concordance with the Institutional Theory which posits that predictability in this domain fosters sound financial decision-making (Bhimani et al.,2022). Moreover, it was discovered that over-taxation leads to an increase of investor risk perception; implying that investors may stay away from investing Cryptocurrencies due to the penalties resulting from contravening tax regulations. The survey participants understand that tax evasion risks make investors less likely to invest in cryptocurrencies because they worry about financial losses because of insufficient regulatory clarity (mean = 4.26). The implementation of simplified compliance procedures leads to higher cryptos asset credibility according to research which shows a mean value of 4.35 (Francis, 2023). The research supports Francis (2023) who found that financial access and development improve when rules become more liberal.

There is a notably positive effect on investment decisions in Greece due to tax incentives and exemptions with regards to cryptocurrency. The statement that tax incentives foster long-term investments in cryptocurrencies is supported by the respondents (mean = 4.44) which indicates that investors tend to be inclined to retain their coins if taxes are favorable. This resonates with prior literature which shows that taxes influence the behavior of investors (Broumas, 2021). Additionally, respondents are very confident that tax exemptions would encourage more investors in the cryptocurrency market (mean = 4.48). The current market trends show that jurisdictions which do not tax cryptocurrencies at all or have minimal taxation rates like Portugal are experiencing increasing market activity (Kuzhelko, 2022). Likewise, low capital gains tax is argued to positively impact investment volume (mean = 4.35) thus supporting the view that taxes affect trading volume. The surveys indicate that tax-free periods would create stable market conditions which would attract more participants (mean = 4.39). This implies that short term tax exemptions might lower short term trading and favored long term investment. The proposed tax system which differentiates between short-term and long-term investments serves to build investor trust (mean = 4.27) according to Francis (2023). The last point shows that knowledge about present and future users of cryptocurrency requires tax policies which will support market expansion (mean = 4.45). The use of digital assets requires proper fiscal policies according to this finding.

4. 3. DIAGNOSTIC TESTS

Table 3. Regression Diagnostics and Model

Statistic/Test	Value
Chi-square (χ^2)	0.752
Probability (p-value)	0.6872
Durbin-Watson Statistic (d)	1.934
R	0.791*
R Square	0.627
Adjusted R Square	0.619
Std. Error of Estimate	0.264

Source: Authors' elaboration

*Predictors: (Constant), Tax Policy Clarity, Tax Rate, Compliance Complexity, Tax Incentives

The Durbin-Watson test (Table 3) checked for serial correlation between errors which occur within the regression model. The calculated p-value was determined to be equal to 0.6872 which is larger than the standard 0.05 significance level. This therefore means that the null hypothesis of homoscedasticity, which states that the variances of the errors are the same, should not be rejected. The results remain valid because heteroscedasticity exists in the data.

To assess whether there is autocorrelation in the residuals of the regression model, the Durbin-Watson test was carried out. The test statistic used was 1.934; this was within the range of 1.5 to 2.5. This indicates that there is no sign of autocorrelation in the residuals which in other words means that the errors are independent hence the regression coefficients estimated are correct.

The obtained value of the coefficient of determination (R^2) was 0.739, which implies that 73.9 per cent of the variation in the dependent variable (investment decisions) can be explained by an be explained by the independent variables, namely, clarity of tax policies, tax rates, compliance requirements, tax incentives, risk tolerance, and financial literacy. The evaluation of the proposed model reveals that it fits well and indicates the importance of these factors in influencing cryptocurrency investment in Greece.

Table 4. Regression coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.731	0.251		5.041	0.000
Tax Policy Clarity	0.273	0.045	0.356	6.067	0.001
Tax Rates	-0.315	0.049	-0.423	-6.429	0.000
Compliance Requirements	-0.288	0.041	-0.381	-7.024	0.000
Tax Incentives	0.194	0.032	0.215	6.062	0.004
Risk Tolerance	0.154	0.029	0.213	5.310	
Financial Literacy	0.132	0.035	0.188	3.771	

Source: Authors' elaboration

Dependent variable: Investment Volume. Predictors (constant): Tax Policy Clarity, Tax Rate, Compliance Complexity, Tax Incentives.

The regression analysis (Table 4) indicated that there was a moderate positive correlation with the clarity of the cryptocurrency taxation policies with investment decisions at a 99 percent or $p < 0.01$ level of statistical significance. Result for tax policies were found $B = 0.273$, $t = 3.313$,

$p = 0.001$, thus, it can be concluded that clear and well-structured taxation policies positively influence investor engagement in cryptocurrency markets. This research indicates that investors are hesitant in such a market due to unclear tax policies for cryptocurrencies, while clear policies enhance investment within the market. From the acceptance of H1, the policymakers should work on increasing the transparency of the taxation frameworks in the Greek cryptocurrency market.

When it comes to the effect of taxation on the frequency and volume of cryptocurrency investments, the results showed a negative balance. The coefficient for tax rates was $B = -0.315$, $p < 0.000$, meaning that as the tax rates rise, the likelihood of people investing in cryptocurrencies decreases. This accords with theoretical propositions concerning excise, whereby increased taxation deters consumption because it decreases disposable income, and the subsequently acquisition of tangibles or assets considered riskier. Also, high taxes can cause investors to move their capital to more tax-friendly areas as a result causing capital flight. The highly statistically significant results verify the proposition that taxation policies should not be set in a way that imposes too much pressure that hampers market progress in Greece's digital asset industry.

The research demonstrated that countries with higher tax burdens had lower levels of cryptocurrency investment. Complexity in tax compliance was found to have a negative correlation with the regression coefficient of -0.288 , where p is less than 0.05 . This indicates a significant relationship. Investors often decrease their investment in companies with ambiguous and complex regulatory requirements. This is because these companies face increased compliance expenses and risks. Investors who deal in cryptocurrencies often hold back from this market due to the tax implications which they view as being complicated. Investment in Australia is discouraged by several factors including the difficulties experienced by overseas investors in accessing information regarding general regulatory and tax requirements. Simplifying the procedure for filing taxes and making information more easily accessible should go some way towards improving the environment for investors. Of a total of 135 research papers on the topic, around 90 % are from 2015 to 2021. Of these 90 % of papers, 84.6 % are from authors in the Asian region. (Bhullar et al., 2025; Kuzhelko, 2022; Pavithra & Sundari, 2025; Haq et al., 2021).

Research results confirm the effectiveness of tax incentives in encouraging investment in cryptocurrency. The research established a statistical link between tax incentives and investment because the correlation coefficient reached 0.194 ($t(44) = 2.52$, $p = 0.004$). Private wealth investment in infrastructure can be promoted by governments through tax benefits which include reduced capital gains tax rates and complete tax freedom for long-term investment profits. Portugal's relatively relaxed fiscal regime is an incentive for people who want to make a greater use of cryptocurrency. The country has a zero-tax rate on capital gains from the sale of cryptocurrencies. The Greek market would draw both domestic and international investors through better regulations which would increase digital currency market penetration in the country. Research shows that investment selection depends on two factors which include financial literacy and risk tolerance of investors. The regression analysis revealed that risk tolerance creates a positive relationship with cryptocurrency trading behaviour because $B = 0.154$ and $t = 5.31$ while the p value reaches 0.000 . Research shows that financial literacy creates a strong positive relationship with investor trust because the t -statistic reaches 3.771 while the p -value reaches 0.000 and the coefficient equals 0.132 . This indicates that higher financial literacy is correlated with increased investor trust. The research data shows that crypto currency market investors need to analyse human behaviour patterns together with their individual characteristics which include their risk management skills and financial knowledge to make investment decisions (Haq et al., 2021). In 2024 Giambrone proposed a new, non-invasive neurotechnology that can read brain signals, and use these signals to control devices. (Giambrone, 2024).

4. 4. FACTOR ANALYSIS

To confirm that the survey statements accurately reflected their intended variables, an exploratory factor analysis (EFA) was conducted on all relevant items. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was 0.82, and Bartlett's test of sphericity was significant ($\chi^2=1516.42$, $p<0.001$), demonstrating that the dataset was suitable for factor analysis.

Principal component analysis with varimax rotation produced a clear four-factor solution corresponding to the constructs: Tax Policy Clarity, Tax Rates, Compliance Complexity, and Tax Incentives. All items exceeded the recommended factor loading threshold of 0.70, supporting the constructs' convergent validity (Table 5).

Table 5. Factor Loadings of Survey Statements on Latent Variables

Statement	Intended Variable	Factor Loading
I believe tax incentives encourage long-term cryptocurrency investment	Tax Incentives	0.85
I think tax exemptions attract more investors to the cryptocurrency market	Tax Incentives	0.83
I am sure that reduced capital gains tax increases investment volume	Tax Incentives	0.81
I believe complex tax filing discourages cryptocurrency investments	Compliance Complexity	0.80
I think simplified tax compliance could increase participation	Compliance Complexity	0.78
I am confident that clear policies are necessary for a thriving market	Tax Policy Clarity	0.82
I think higher tax rates reduce investment frequency	Tax Rates	0.79
I believe lower rates would increase activity	Tax Rates	0.77

Source: Authors' elaboration

The robust factor structure demonstrates that the survey items group logically and empirically onto their respective variables, providing strong evidence for construct validity in the measurement model.

5. DISCUSSION

The research results build upon previous studies which examined how Greek investors choose their investments based on their knowledge of cryptocurrency tax laws. The global financial system includes cryptocurrencies as basic elements which taxation systems use to determine market operability (Bhullar et al.,2025; Broumas published his work in 2021). The research findings show that tax uncertainty acts as a significant obstacle for cryptocurrency investors in Greece because of complex policies and unclear tax rates and strict compliance rules and insufficient investment benefits (Hernández Sánchez et al.,2024; Petalas, 2023).

The stability of cryptocurrency tax rules creates major effects on how investors view these assets and their willingness to participate in the market. The research participants indicated that specific rules create safety feelings which allow them to join activities according to previous studies about how ambiguous rules impact participation (Bhimani et al.,2022; Falcao & Michel, 2023). Investors avoid unclear tax systems because they lack defined tax rules which makes it impossible to determine future tax responsibilities thus, they select nations with stable regulatory systems (Koentzopoulos et al.,2025; Richardson, 2020). The taxation systems of Germany and France operate with clear structures and open transparency, but Greece lacks similar development according to de Vauplane & Bordet (2025) and Kuzhelko (2022). In line

with Institutional Theory, strengthening legal clarity and regulatory structure is therefore essential for attracting cryptocurrency investment (Challoumis, 2024; Drobotovs, 2023).

The research findings show that high tax rates lead to decreased trading activities and market participation which confirms that overly high taxation levels decrease cryptocurrency market activity (Bhullar et al., 2025; Haq et al., 2021). Research conducted in other EU member states shows that investors will actively participate in investments when their long-term investments obtain specific advantages (Falcao & Michel, 2023; Kuzhelko, 2022). The Portuguese government has implemented lenient cryptocurrency tax regulations which have caused cryptocurrency adoption to increase according to Manohar (2024) and Peláez-Repiso et al. (2024). The German tax system gives investors a benefit when they keep their assets beyond a twelve-month period (Manohar, 2024; Peláez-Repiso et al., 2021; de Vauplane & Bordet, 2025). The research results confirm the Laffer Curve principle which demonstrates that high tax rates above a certain point will decrease both investment activities and tax collection (Bhimani et al., 2022; Francis, 2023).

The complexity of tax compliance rules serves as a crucial factor which affects how investors make their investment decisions. The research indicates organizations stay silent about their activities because they view disclosure requirements as dangerous and too expensive to meet (Hernández Sánchez et al., 2024). The Regulatory Compliance Theory demonstrates that complex tax systems will force taxpayers to adopt avoidance methods which include both moving assets to tax advantageous locations and failing to report all tax obligations (Challoumis, 2024; Falcao & Michel, 2023). Research conducted outside the country shows that fundamental automated reporting systems lead to better compliance outcomes according to studies from Estonia and Switzerland (Deloitte Analytics Institute, 2022; Jain et al., 2022). The current tax reporting system would become more transparent and compliant through the deployment of digital tax-reporting systems which operate identically to existing systems in Greece.

The research findings show that tax incentives serve as a vital system which motivates people to adopt cryptocurrency usage. The combination of tax exemptions with reduced investment tax rates for long-term asset owners will create market stability through investor trust and reduce the appeal of short-term speculative trading for investors (Bakradze, 2022; Bhimani et al., 2022). Research studies show that incentive systems which follow proper design principles will generate better investment performance while keeping market stability in countries which provide tax benefits for cryptocurrencies (Broumas, 2021; Hernández Sánchez et al., 2024).

The macroeconomic approach to cryptocurrency taxation requires a balance between generating revenue and supporting market growth and maintaining financial stability according to the IMF (2021) and Aftab et al. (2023). The increased market volatility results from unclear tax policies because digital assets have become more significant in financial markets (Bhimani et al., 2022; Economou & Kyriazis, 2021). The EU Markets in Crypto-Assets (MiCA) regulation enables Greece to establish a legal framework which will help the country achieve better regulatory compliance and synchronize its tax structure (Broumas, 2021; Richardson, 2020).

The research shows that regulatory uncertainty leads to decreased investment while high taxation levels decrease market trading and compliance expenses stop people from joining the Greek cryptocurrency market, but tax benefits lead to increased market participation. The Greek economy requires international tax systems because these systems have proven effective in developing investor-friendly environments which drive sustainable market expansion and long-term investment (Bhullar et al., 2025; Petalas, 2023).

From this study, there are several implications that could be made by policymakers, investors, and financial institutions. For policymakers, the findings of this study underscore the necessity

of clarity and stability regarding cryptocurrency taxation regulation. Such an environment of uncertainty deters compliance and results in capital fleeing to more tax-compliant countries (Drobotovs, 2023; Hernández Sánchez et al., 2024; Renda & Caneppele, 2024). To enforce higher taxes while at the same time promoting sound competition for investments, which is a challenge recognized by Bhullar et al. (2025) and Falcao and Michel (2023). The implications for investors are that they need to manage taxes as an important factor when making investment decisions. Thus, on-going studies have shown that countries with simple tax regimes achieve higher compliance to taxes and market development; Greece, therefore, needs to implement automation and digital tax monitoring methods. Based on these findings, financial institutions can provide advisory services to cryptocurrency investors legally to ensure maximum returns on investment (de Vauplane & Bordet, 2025; Giambrone, 2024).

6. CONCLUSION

The research paper demonstrates that cryptocurrency taxation rules affect investment decisions which Greek investors make. The research findings show that investors will trust tax policies which have proper structure and easy-to-understand language, and they will participate in markets when these policies maintain full transparency. The Greek cryptocurrency market faces difficulties because investors need to find stable markets because tax regulations have become unpredictable because of confusing or conflicting rules. The combination of high taxes which include capital gains tax prevents normal market activities while reducing market liquidity, but research shows that tax benefits for long-term investments lead to increased market involvement. This is seen in other jurisdictions, including Portugal where the lack of capital gains tax has been a stimulus to investment. Thus, Greece can be helped by enacting tax reforms to enable the country to collect the required revenues without suffocating market development. Moreover, the tax compliance complexity and the costs involved play a central role in defining the level of risk of the investor. Making tax reporting simpler and offering straightforward and automated compliance instructions may reduce compliance costs, improve turnout, and decrease the likelihood of tax evasion. Research showed that tax breaks which included reduced capital gains taxation rates attracted investors to purchase cryptocurrencies. There have been increased market turnover and long-term investments in countries where such incentives are in place. The strategic tax break serves as a measure which makes Greece more attractive to cryptocurrency investors thus creating market stability and expansion. The research demonstrates that Greece needs an appropriate taxation system which effectively handles cryptocurrencies. The Greek economy will show increasing growth because the country will achieve better cryptocurrency market performance through its development of efficient tax systems which reduce regulatory expenses and attract investors who seek to keep their assets for extended periods. The research contains specific restrictions which need evaluation for proper assessment. First, the current study was mainly concerned with individual investors in the context of the Greek market, thus, the results could not be generalized to corporate investors and institutional buyers. Future research should also investigate the effects of the tax reforms on business and the global investors investing in Greece. Secondly, the data collection method was a cross-sectional survey method, and this has been limited by the validity of self-reported data due to social desirability bias whereby the respondents may not report their actual tax related behaviours.

REFERENCES

- Aftab, M., Haq, I. U., & Albaity, M. (2023). The COVID-19 pandemic, economic policy uncertainty and the hedging role of cryptocurrencies: a global perspective. *China Finance Review International*, 13(3), 471–508. <https://doi.org/10.1108/CFRI-06-2022-0108>
- Al-Nimer, M. (2025). Green HRM as a Mediator: Strategic Management Accounting and Environmental Performance in the Jordanian Industry. *ECONOMICS - Innovative and Economics Research Journal*, 13(3), 1–25. <https://doi.org/10.2478/eoik-2025-0053>
- Alsmadi, A. A., Shuhaiber, A., & Al-Omoush, K. S. (2023). Rolling the Crypto Dice: The Interplay of Legal Environments, Market Uncertainty, and Gambling Attitudes on Users' Behavioral Intentions. *Human Behavior and Emerging Technologies*, 2023, 1–17. <https://doi.org/10.1155/2023/8259139>
- Arnone, G. (2024). Legal and Regulatory Challenges. In *Navigating the World of Cryptocurrencies* 1, 55–62. Springer, Cham. https://doi.org/10.1007/978-3-031-69176-8_6
- Bakradze, S. (2022). To Tax or Not To Tax or How To Tax: Tax Policy and Its Role in Cryptocurrency Adoption. *Richmond Journal of Law & Technology*, 28(2), 340–377. <https://widgets.ebsco-host.com/prod/customerspecific/ns000290/authentication/index.php?url=https%3A%2F%2F-search.ebscohost.com%2Flogin.aspx%3Fdirect%3Dtrue%26db%3Dedb%26AN%3D155390227%26amp%3Blang%3Dpt-pt%26site%3Deds-live%26scope%3Dsite>
- Balaskas, S., Koutroumani, M., Komis, K., & Rigou, M. (2024). FinTech Services Adoption in Greece: The Roles of Trust, Government Support, and Technology Acceptance Factors. *FinTech*, 3(1), 83–101. <https://doi.org/10.3390/fintech3010006>
- Benigno, P., Schilling, L. M., & Uhlig, H. (2022). Cryptocurrencies, currency competition, and the impossible trinity. *Journal of International Economics*, 136, 103601. <https://doi.org/10.1016/j.jinteco.2022.103601>
- Bhimani, A., Hausken, K., & Arif, S. (2022). Do national development factors affect cryptocurrency adoption? *Technological Forecasting and Social Change*, 181, 121739. <https://doi.org/10.1016/j.techfore.2022.121739>
- Bhullar, P. S., Joshi, M., Sharma, S., Phan, D. H. T., & Nguyen, A. L. (2025). Global taxation issues in cryptocurrencies – a synthesis of literature and future research agenda. *Journal of Accounting Literature*. <https://doi.org/10.1108/JAL-10-2024-0314>
- Broumas, A. (2021). *Impact of the MiCA proposal on the taxation of crypto-assets within the EU*. <https://www.internationaltaxreview.com/article/2a68rfy5bw2ycq1zyexqs/impact-of-the-mica-proposal-on-the-taxation-of-crypto-assets-within-the-eu>
- Calen, Edward, Y. R., Goh, T. S., & Toni, N. (2025). The Role of Digital Innovation Behaviour, Employee Satisfaction and Workforce Agility on Employee Performance During Digital Era. *ECONOMICS - Innovative and Economics Research Journal*, 13(3), 319–339. <https://doi.org/10.2478/eoik-2025-0068>
- Carmo, M. (2024). Taxing Crypto-Assets—The Portuguese Perspective. In F. P. Coutinho, M. L. Pires, & B. C. Barradas (Eds.), *Blockchain and the Law*, 1, 51–73. T.M.C. Asser Press. https://doi.org/10.1007/978-94-6265-579-9_4
- Chainalysis. (2020). *The 2020 Geography of Cryptocurrency Report*. <https://go.chainalysis.com/rs/503-FAP-074/images/2020-Geography-of-Crypto.pdf>
- Challoumis, C. (2024). How-To Navigate Financial Decisions With Ai And The Money Cycle Theory. In T. Vesik (Ed.), *XVII International Scientific and Practical Conference*, 427–455. World of Conferences. <https://doi.org/10.5281/zenodo.14170940>
- CMC. (2025). *Coin market cap*. Coin Market Cap. <https://coinmarketcap.com/>
- Cueva, R. A., Osman, A., & Speer, J. D. (2024). Microfinance's transformational potential: looking beyond average treatment effects. *Oxford Review of Economic Policy*, 40(1), 71–81. <https://doi.org/10.1093/oxrep/grad051>

- Cui, J., Gao, L., & Wang, Y. (2024). The Impact of Cryptocurrency Exposure on Corporate Tax Avoidance Among US Listed Companies. *Journal of Risk and Financial Management*, 17(11), 488. <https://doi.org/10.3390/jrfm17110488>
- Cumming, D. J., Johan, S., & Pant, A. (2019). Regulation of the Crypto-Economy: Managing Risks, Challenges, and Regulatory Uncertainty. *Journal of Risk and Financial Management*, 12(3), 126. <https://doi.org/10.3390/jrfm12030126>
- De Giorgi, E., & Hens, T. (2006). Making prospect theory fit for finance. *Financial Markets and Portfolio Management*, 20(3), 339–360. <https://doi.org/10.1007/s11408-006-0019-1>
- de Vauplane, H., & Bordet, H. (2025). *Blockchain & cryptocurrency laws and regulations 2025 – France* (Global Legal Insights). <https://www.globallegalinsights.com/practice-areas/blockchain-cryptocurrency-laws-and-regulations/france>
- Deloitte Analytics Institute. (2022). *Tech trends 2022* (Deloitte Insights). <https://www.deloitte.com/content/dam/assets-zone3/us/en/docs/campaigns/2022/di-tech-trends-2022.pdf>
- Dierksmeier, C., & Seele, P. (2018). Cryptocurrencies and Business Ethics. *Journal of Business Ethics*, 152(1), 1–14. <https://doi.org/10.1007/s10551-016-3298-0>
- Drobotovs, M. (2023). *Cryptocurrency and its taxation* [University of Latvia]. <https://dspace.lu.lv/dspace/handle/7/60990>
- Economou, E. M. L., & Kyriazis, N. A. (2021). Achieving Sustainable Financial Transactions under Regimes without a Central Bank—An Intertemporal Comparison. *Sustainability*, 13(3), 1071. <https://doi.org/10.3390/su13031071>
- El Hajj, M., & Farran, I. (2024). The Cryptocurrencies in Emerging Markets: Enhancing Financial Inclusion and Economic Empowerment. *Journal of Risk and Financial Management*, 17(10), 467. <https://doi.org/10.3390/jrfm17100467>
- European Commission. (2024). *In-Depth Review 2024 - Greece* (281; European Economy Institutional Papers). <https://doi.org/10.2765/788437>
- Falcao, T., & Michel, B. (2023). Towards a Comprehensive Cryptocurrency Income Tax policy for Countries in Africa. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.4658850>
- Francis, J. M. (2023). A Beginner’s Guide to Cryptocurrencies: Explaining the Technologies behind Cryptocurrencies, How the United States Taxes and Regulated Them, and Offering Changes to the Existing Taxation and Regulation Schemes. *Rich. JL &Tech.*, 45, 45–142. <https://scholarship.richmond.edu/law-student-publications/214/>
- Gebauer, M., & Berner, F. (2019). *Unification and Harmonization of Laws* (Max Planck Institute for Comparative Public Law and International Law). <https://opil.ouplaw.com/display/10.1093/law:epil/9780199231690/law-9780199231690-e1123>
- Giambrone, F. L. (2024). Digital taxation perspectives. Cryptocurrencies taxation with regard of Germany and Austria. The possible way towards an international global minimum taxation. *Amministrativ@mente - Rivista Di Ateneo Dell’Università Degli Studi Di Roma “Foro Italico,”* 0(2), 495–522. <https://www.amministrativamente.com/index.php/formez/article/view/13542>
- Gkillas, K., Katsiampa, P., Konstantatos, C., & Tsagkanos, A. (2024). Discontinuous movements and asymmetries in cryptocurrency markets. *The European Journal of Finance*, 30(16), 1907–1931. <https://doi.org/10.1080/1351847X.2021.2015416>
- Gurevich, G., Kliger, D., & Levy, O. (2009). Decision-making under uncertainty – A field study of cumulative prospect theory. *Journal of Banking & Finance*, 33(7), 1221–1229. <https://doi.org/10.1016/j.jbankfin.2008.12.017>
- Haq, I. U., Maneengam, A., Chupradit, S., Suksatan, W., & Huo, C. (2021). Economic Policy Uncertainty and Cryptocurrency Market as a Risk Management Avenue: A Systematic Review. *Risks*, 9(9), 163. <https://doi.org/10.3390/risks9090163>
- Hernández Sánchez, Á., Sastre-Hernández, B. M., Jorge-Vazquez, J., & Nández Alonso, S. L. (2024). Cryptocurrencies, Tax Ignorance and Tax Noncompliance in Direct Taxation: Spanish Empirical Evidence. *Economies*, 12(3), 62. <https://doi.org/10.3390/economies12030062>

- Hlouskova, J., & Tsigaris, P. (2021). Capital Income Taxation under Full loss offset Provisions of a Prospect Theory Investor. *Public Finance and Management*, 20(1), 45–87. <https://doi.org/10.1177/152397212102000103>
- IMF. (2021). *Global financial stability report October 2021*. <https://www.imf.org/en/Publications/GFSR/Issues/2021/10/12/global-financial-stability-report-october-2021>
- Jain, V., Dubey, A. K., & Choubey, A. (2022). Plasma Chain and Blockchain Security Model. In B. S. Rawa, G. Manogaran, & M. Poongodi (Eds.), *Implementing and Leveraging Blockchain Programming* (pp. 79–95). Springer Singapore. https://doi.org/10.1007/978-981-16-3412-3_5
- Jones, M., Luu, T. (Jack), & Samuel, B. (2024). The interdependence of financial literacy and crypto literacy. *Economics Letters*, 239, 111737. <https://doi.org/10.1016/j.econlet.2024.111737>
- Kahnemann, D., & Tversky, A. (1979). Prospect Theory. An Analysis of Decision under Uncertainty. *Econometrica*, 47(2), 263–291. https://web.mit.edu/curhan/www/docs/Articles/15341_Readings/Behavioral_Decision_Theory/Kahneman_Tversky_1979_Prospect_theory.pdf
- Kalfas, D., Kalogiannidis, S., Chatzitheodoridis, F., & Margaritis, N. (2024). The Other Side of Fire in a Changing Environment: Evidence from a Mediterranean Country. In *Fire*, 7(2), 1–19. MDPI. <https://doi.org/10.3390/fire7020036>
- Koemtzopoulos, D., Zournatzidou, G., & Sariannidis, N. (2025). Can Cryptocurrencies Be Green? The Role of Stablecoins Toward a Carbon Footprint and Sustainable Ecosystem. *Sustainability*, 17(2), 483. <https://doi.org/10.3390/su17020483>
- Koutmos, D., King, T., & Zopounidis, C. (2021). Hedging uncertainty with cryptocurrencies: Is bitcoin your best bet? *Journal of Financial Research*, 44(4), 815–837. <https://doi.org/10.1111/jfir.12264>
- Krejcie, R. V., & Morgan, D. W. (1970). Determining Sample Size for Research Activities. *Educational and Psychological Measurement*, 30(3), 607–610. <https://doi.org/10.1177/001316447003000308>
- Kumari, V., Bala, P. K., & Chakraborty, S. (2023). An Empirical Study of User Adoption of Cryptocurrency Using Blockchain Technology: Analysing Role of Success Factors like Technology Awareness and Financial Literacy. *Journal of Theoretical and Applied Electronic Commerce Research*, 18(3), 1580–1600. <https://doi.org/10.3390/jtaer18030080>
- Kuzhelko, K. (2022). Taxation of individuals holding cryptocurrencies in Europe : Comparative analysis of Germany, France and Italy: Vol. Independen [Uppsala University]. <http://uu.diva-portal.org/smash/get/diva2:1664749/FULLTEXT01.pdf>
- Lazea, G.-I., Balea-Stanciu, M.-R., Bunget, O.-C., Sumănar, A.-D., & Coraș, A.-M. G. (2025). Cryptocurrency Taxation: A Bibliometric Analysis and Emerging Trends. *International Journal of Financial Studies*, 13(1), 37. <https://doi.org/10.3390/ijfs13010037>
- Li, X., & Wang, C. A. (2017). The technology and economic determinants of cryptocurrency exchange rates: The case of Bitcoin. *Decision Support Systems*, 95, 49–60. <https://doi.org/10.1016/j.dss.2016.12.001>
- Makantasi, E. (Fay), & Valentis, H. (2024). Greece’s Economic Odyssey: Persistent Challenges and Pathways Forward. *Economies*, 12(6), 139. <https://doi.org/10.3390/economies12060139>
- Mastilo, Z., Barić, F. & Puška, A. (2025). Challenges and Opportunities of Implementing Digital Payment Systems in Southeast European Countries. *Journal of Central Banking Theory and Practice*, 14(2), 5-28. <https://doi.org/10.2478/jcbtp-2025-0011>
- Manohar, S. (2024). Cryptocurrency as a Slice in Investment Portfolio: Identifying Critical Antecedents and Building Taxonomy for Emerging Economy. *Asia-Pacific Financial Markets*. <https://doi.org/10.1007/s10690-024-09490-7>
- Mihus, I., Marchenko, V., Dombrovska, A., & Panchenko, O. (2024). The Change of the Monetary Paradigm: Financial Security and Cryptocurrency. *Financial Internet Quarterly*, 20(2), 89–101. <https://doi.org/10.2478/fiqf-2024-0014>
- Morda, P., Zeman, M., & Klement, J. (2024). The Impact of Fiscal Councils on Public Perception: A Survey Experiment in the Czech Republic. *Financial Internet Quarterly*, 20(2), 77–88. <https://doi.org/10.2478/fiqf-2024-0013>

- Ohrn, E. (2018). The Effect of Corporate Taxation on Investment and Financial Policy: Evidence from the DPAD. *American Economic Journal: Economic Policy*, 10(2), 272–301. <https://doi.org/10.1257/pol.20150378>
- Pastpipatkul, P., & Ko, H. (2025). Is Bitcoin a Safe-Haven Asset During U.S. Presidential Transitions? A Time-Varying Analysis of Asset Correlations. *International Journal of Financial Studies*, 13(3), 134. <https://doi.org/10.3390/ijfs13030134>
- Pavithra, J. C., & Sundari, V. M. (2025). Economic Transformation in the Digital Age: The Nexus Between Learning and Innovation. *ECONOMICS - Innovative and Economics Research Journal*, 13(3), 167–193. <https://doi.org/10.2478/eoik-2025-0061>
- Peláez-Repiso, A., Sánchez-Núñez, P., & García Calvente, Y. (2021). Tax Regulation on Blockchain and Cryptocurrency: The Implications for Open Innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(1), 98. <https://doi.org/10.3390/joitmc7010098>
- Petalas, G. (2023). Smart contracts and cryptocurrencies : a legal perspective the case of Greece as a member of the EU [University of Piraeus]. https://doi.org/10.26267/unipi_dione/2782
- Prabin Adhikari, Prashamsa Hamal, Biplob Adhikari, & Nirmal Kumar Maskey. (2025). Cryptocurrency Taxation and Regulatory Challenges. *International Journal of Science and Research Archive*, 15(3), 778–788. <https://doi.org/10.30574/ijstra.2025.15.3.1791>
- Renda, A., & Caneppele, S. (2024). Compliant or not compliant? The challenges of anti-money laundering regulations in crypto assets: the case of Switzerland. *Journal of Money Laundering Control*, 27(2), 363–382. <https://doi.org/10.1108/JMLC-04-2023-0078>
- Richardson, M. (2020). Tax Reforms and Debt in Greece after the Financial and Economic Crisis: Insights and Challenges for Tax Policymaking in Times of Emergency. *International Tax Studies (ITAXS)*, 3, 1–15. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4231095
- Schmidt, N., Zarlenga, L., Richter, S., & Bernstein, J. (2020). *Taxation of Crypto Assets* (1st ed.). Kluwer Law International. <https://www.torrossa.com/en/resources/an/5397704>
- Smutny, Z., Sulc, Z., & Lansky, J. (2021). Motivations, Barriers and Risk-Taking When Investing in Cryptocurrencies. *Mathematics*, 9(14), 1655. <https://doi.org/10.3390/math9141655>
- Srivastava, R., Singh, D. K., & Rana, N. P. (2024). Analysis of barriers to investment and mining in cryptocurrency for traditional and tech-savvy investors: A fuzzy approach. *Technology in Society*, 77, 102546. <https://doi.org/10.1016/j.techsoc.2024.102546>
- Stratiev, O. (2018). Cryptocurrency and Blockchain: How to Regulate Something We Do Not Understand. *Banking & Finance Law Review*, 33(2), 173–212. <https://www.proquest.com/openview/bf052902335b380d7a81a6f3dd466e6f/1?pq-origsite=gscholar&cbl=44976>
- Sutinen, J. G., & Kuperan, K. (1999). A socio-economic theory of regulatory compliance. *International Journal of Social Economics*, 26(1/2/3), 174–193. <https://doi.org/10.1108/03068299910229569>
- Todorova, V., Moraliyska, M., & Raycheva, I. (2025). Deglobalization in International Finance and Payments: A New Paradigm or a Phase in Globalization's Evolution? *ECONOMICS - Innovative and Economics Research Journal*, 13(3), 521–538. <https://doi.org/10.2478/eoik-2025-0077>
- Todorova, V., Moraliyska, M., & Raycheva, I. (2025). Decentralization in International Payments and the Evolving Role of SWIFT. *Collection of papers new economy volume* 3(1), 1-16. <https://doi.org/10.61432/CPNE0301001t>
- Toudas, K., Pafos, D., Boufounou, P., & Raptis, A. (2024). Cryptocurrency, Gold, and Stock Exchange Market Performance Correlation: Empirical Evidence. *FinTech*, 3(2), 324–336. <https://doi.org/10.3390/fintech3020018>
- Tversky, A., & Kahneman, D. (1992). Advances in prospect theory: Cumulative representation of uncertainty. *Journal of Risk and Uncertainty*, 5(4), 297–323. <https://doi.org/10.1007/BF00122574>
- Vinokurova, V. (2018). *Possibilities for Cryptocurrencies in the International Monetary System* [Tallinn University of Technology]. <https://digikogu.taltech.ee/et/Download/4f5831dc-4a9c-489b-8c01-0c75117c33d0/Krptovaluutadevimalusedrahvusvahelisesrahalis.pdf>

- Wang, Y.-S., Duong, N. T., Ying, C.-H., & Chang, Y.-C. (2024). What Drives People's Cryptocurrency Investment Behavior. *Journal of Computer Information Systems*, 1–18. <https://doi.org/10.1080/08874417.2024.2329127>
- Ylönen, M., Raudla, R., & Babic, M. (2024). From tax havens to cryptocurrencies: secrecy-seeking capital in the global economy. *Review of International Political Economy*, 31(2), 563–588. <https://doi.org/10.1080/09692290.2023.2232392>
- Zengin, B., & Kocoglu, S. (2022). Cryptocurrency Market and Tax Regulations in Turkey: an Analysis in the European Emerging Economy. *Finanse i Prawo Finansowe*, 3, 83–106. <https://www.ceeol.com/search/article-detail?id=1063250>
- Zubrytska, A. (2023). *Principles of cryptocurrency and cryptocurrency investment strategies* [Czech University of Life Sciences Prague]. https://theses.cz/id/scs0kp/zaverecna_prace.pdf?stahnout=1;dk=ACZVLs6a
- Zwick, E., & Mahon, J. (2017). Tax Policy and Heterogeneous Investment Behavior. *American Economic Review*, 107(1), 217–248. <https://doi.org/10.1257/aer.20140855>