



Cyprus Tax Guide 2023

Tax | VAT | Social Insurance
General Healthcare System
Company Registrar



A & C CHRISTOFI LTD is a fast-growing professional services company based in Limassol, Cyprus. The company is a member of the Institute of Certified Public Accountants in Cyprus (ICPAC), and holds the relevant practicing certificate needed for auditing in Cyprus. We offer a variety of professional services to our clients, adapting to their requirements and needs as they develop. As your partner, we function as part of your business.

With personalized attention to your business and the high-quality services we offer, we can navigate you and your company through all the important financial dates of 2023. This way, you and your company will always be up to date and know exactly your tax-due dates and plan accordingly.

End of each month

- Payment of tax deducted from employees' salaries (PAYE) in the preceding month (FORM TD61).
- Payment of Special Contribution for Defense withheld on payments of dividends, interest, or rents (when the tenant is a company, partnership, the state or local authority) made to Cyprus tax residents in the preceding month (FORM TD603, TD614, TD602).
- Payment of tax withheld in the preceding month on payments to non-Cyprus residents (FORM TD11).
- Payment of Social Insurance deducted from employees' emoluments (FORM Y.K.A. 2-002).
- INTRASTAT forms are submitted to the Tax authorities within 10 days from the end of the related month, in electronic form only provided that the supplies of a taxable person exceed the registration threshold for intrastat purposes.
- The VIES statement, is submitted to the Tax authorities within 15 days from the end of the related month in electronic form only.

By January 31st

- Submission of declaration of deemed dividend distribution form (FORM TD623) for 2020.
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By March 31st

- Electronic submission of the corporation tax return (FORM TD4) for 2021.
 - Electronic submission of the income tax return of individuals preparing audited financial statements (FORM TD1) for 2021.
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By April 30th

- Payment of the first installment of the premium tax for insurance companies (life business) for 2023 (FORM TD199).
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By May 31st

- Electronic Submission of the 2022 employer's return (FORM TD7).
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By June 30th

- Payment of special contribution for defense for the first six months of the current year on rents if such tax is not withheld at source by tenant and on dividends or interest from sources outside Cyprus (FORM TD601).
 - Payment of previous year personal income tax under the self-assessment method by individuals not preparing audited financial statements.
 - All companies registered in the Cyprus company register must pay an annual levy of €350. The annual levy is payable from the year of incorporation if the company is incorporated before 30th of June of the current year. In the case of group companies, the total amount payable is capped at €20,000.
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By July 31st

- Submission of the current year provisional tax return and payment of the first instalment (FORM TD6).
 - Electronic submission of previous year personal tax returns of individuals whose incomes do not include income from a trade/business, rents, dividends, interest, royalties nor income relating to trading goodwill (FORM TD1).
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By August 31st

- Payment of previous year final corporation tax under the self-assessment method FORM TD158.
 - Payment of previous year personal income tax under the self-assessment method by individuals preparing audited financial statements FORM TD158.
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By December 31st

- Payment of provisional tax - second and last installment for current year (FORM TD6).
- Payment of special contribution for defense for the last six months of current year on rents if such tax is not withheld at source by tenant and on dividends or interest from sources outside Cyprus (FORM TD601).
- Payment of the third and last instalment of the premium tax for insurance companies (life business) for 2022 (FORM TD199).

Within 30 days

- Payment of Capital Gains Tax.
 - Issuance of invoices within 30 days from when the transaction was made.
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Within 60 days

- Obtaining a Tax Identification Code from the Tax Commissioner Department once the registration of a company with the Registrar of Companies has been made. Similar rules apply in the case of companies incorporated outside Cyprus that become tax resident of Cyprus (FORM TD162).
 - Notification of changes of company details (i.e. registered office, activities, auditors etc.) (FORM TD162).
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Four months from the month of the transaction

Updating of books and records by businesses which are obliged to keep accounting records.

At the end of the financial period:

Stock taking must be conducted annually by businesses which have inventory.

Within the time frame specified by the tax authorities

Stock taking must be conducted annually by businesses which have inventory.

VAT deadlines

- There are no fixed times of the year to pay VAT, each business is different.
 - Payment dates depend on the type of business you are in, the VAT scheme you are in and the choices you have made.
 - You may pay VAT monthly, quarterly, or annually.
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Deadline for payment of contributions of self-employed

| Months that the contributions relate to | Date |
|---|----------------------------|
| January-March | 10th of following May |
| April-June | 10th of following August |
| July-September | 10th of following November |
| October-December | 10th of following February |

TIP: Life can get incredibly busy at times, and it's easy to forget or miss a critical deadline and the penalty provisions are harsh! So make sure you set yourself reminders on your phone and computer of the important deadlines coming up.

Notes:

- Physical persons are required to submit personal tax returns only when their gross income exceeds € 19,500.
- A physical person is obliged to submit audited financial statements if his/her turnover exceeds € 70,000 annually

Disclaimer:

This guide and the information within it have been produced as helpful reference point. The information and comments provide illustrations only and your specific circumstances are best discussed face to face.

No action should be taken without seeking the appropriate professional and legal advice. The authors accept no responsibility whatsoever for any loss occasioned by anyone acting on information contained within this document.

This is not a complete or comprehensive list of all accountancy dates. It is a summary of the key dates and deadlines. For specific advice, please contact us:

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