



## PROVISIONAL TAX 1ST INSTALMENT FOR 2023

According to the Cyprus Income Tax Law, legal entities and individuals have an obligation to apply a temporary tax assessment of their expected annual taxable income for the year 2023.

The deadlines for the submission and payment of the tax assessment are on or before following dates:

- 1st Instalment -> 31st of July 2023 with effective deadline 31st August 2023
- 2nd Instalment -> 31st of December 2023 with effective deadline 31st January 2024



Obligation to pay provisional tax, based on their expected annual taxable income for 2023 have all the:

- Individuals with taxable income other than salaries, pensions, dividends, and interest; and
- Legal entities with taxable income.

Entities with no taxable income do not have an obligation to pay provisional tax.

If provisional tax payments were made based on an incorrectly calculated yearly taxable profit, then there should be an amendment before the end of the current tax year, 31st December 2023.

To pay the provisional tax, you must first create the due amount through Tax Portal and then select one of the below payment methods:

- Credit/debit card by selecting  which automatically transfers you to JCC SMART gateway, or
- online banking, by selecting .

Any payments made after the effective deadline will be subject to interest at the current rate of 2,25% per annum (calculated on a completed months basis) plus a 5% penalty on the tax due. An additional penalty of 5% may be imposed by the Tax Department if the tax remains unpaid two months after the statutory deadline (i.e. for the 1st instalment, the penalty will be imposed from 1 October onwards).

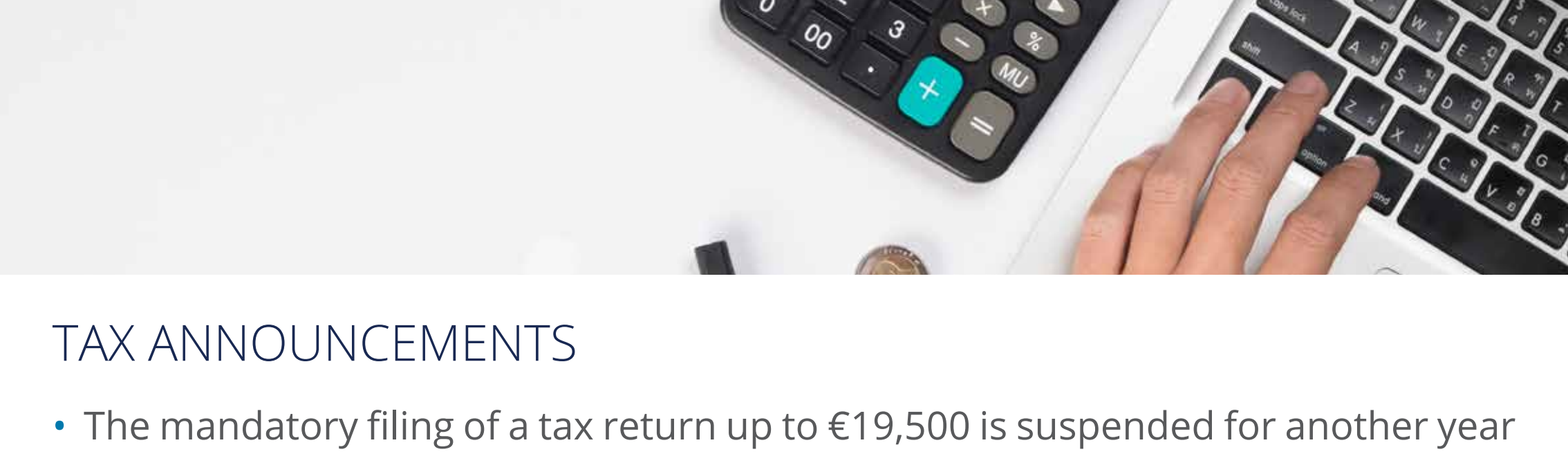
Any difference between the actual tax payable and the temporary tax paid for the year 2023 is payable by 1st of August 2024.

We are at your disposal to assist you for any clarification or assistance you might need on the calculation of the provisional tax and the administration of the provisional tax payments.



## SOCIAL INSURANCE RATES INCREASE IN 2024

According to the Social Insurance Law (59(I)2010), as from 1/1/2024 the social insurance contributions rate will increase from 8.3% to 8.9%. Employers and employees will be required to contribute an additional 0.6% to the Social Insurance Fund on their insurable earnings.



## TAX ANNOUNCEMENTS

- The mandatory filing of a tax return up to €19,500 is suspended for another year
- Extension of the submission of tax returns for 2022 noting that the deadline for the payment of the tax is extended until October 2, 2023.



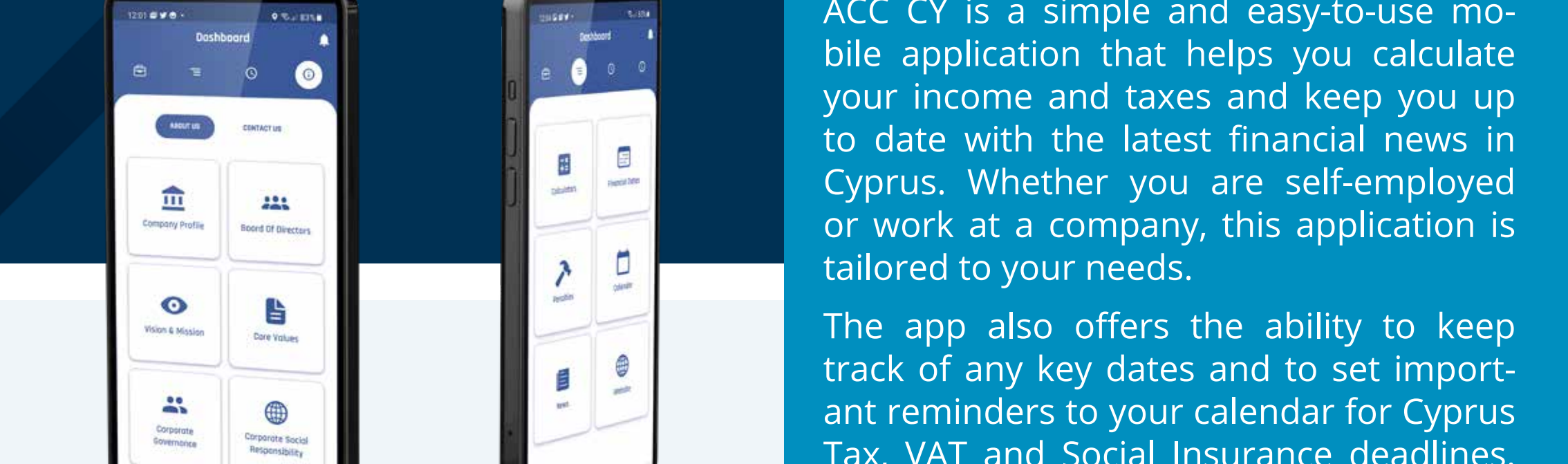
## CYPRUS TAX GUIDE AND FINANCIAL CALENDAR FOR 2023

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.

[Click here to view our Cyprus Compliance Guide for 2023](#)

[Click here to view our Cyprus Compliance Calendar for 2023](#)



## NEW VERSION OF OUR APP AVAILABLE FREE ONLINE!

ACC CY is a simple and easy-to-use mobile application that helps you calculate your income and taxes and keep you up to date with the latest financial news in Cyprus. Whether you are self-employed or work at a company, this application is tailored to your needs.

The app also offers the ability to keep track of any key dates and to set important reminders to your calendar for Cyprus Tax, VAT and Social Insurance deadlines. There is also a description of the penalties and interests regarding the Income TAX, VAT, Social Insurance and Annual Levy for companies in Cyprus.

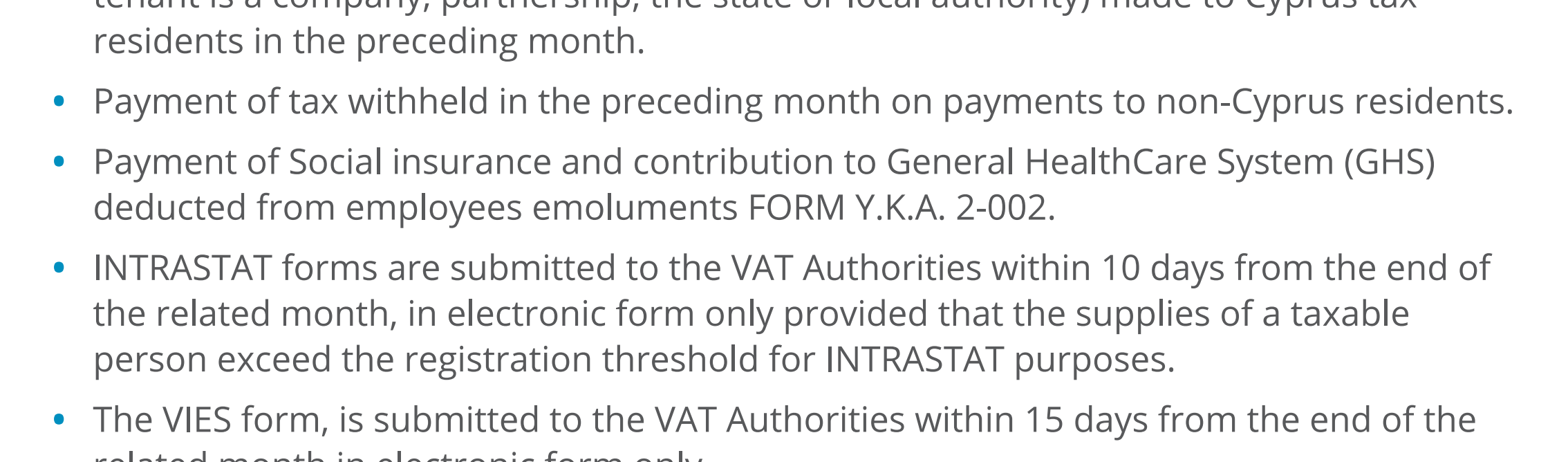
## UPCOMING SUBMISSION DEADLINES

### 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).

### By the end of the month

- Payment of tax deducted from employees salary (PAYE) in the preceding month.
- Payment of Special Contribution for Defence (SDC) and contribution to General Health Care System (GHS) 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.
- Payment of tax withheld in the preceding month on payments to non-Cyprus residents.
- Payment of Social insurance and contribution to General Health Care System (GHS) deducted from employees emoluments FORM Y.K.A. 2-002.
- INTRASTAT forms are submitted to the VAT 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 form, is submitted to the VAT Authorities within 15 days from the end of the related month in electronic form only.



## INFORMATION MANAGEMENT SERVICES

In today's era, managing information and sorting it efficiently can make all the difference you need to grow your business. Strategic Information Management (SIM) are IS/IT strategies which significantly improve information use and context to enhance performance and coordinate activities across functional and business unit lines, as well as the interactions with external entities, in pursuit of competitive advantage. Information Technology is bringing about a "paradigm shift" in the way we think about problems, markets, the economy, and social interactions. Information has become the fourth strategic resource for organizations, after capital, labor, and equipment, in this information society.

### Information Management Services with A&C CHRISTOFI LTD

Organisations that manipulate and use IT as a part of their long-term thinking are achieving and maintaining competitive advantage in this global marketplace. Computers are just one component of an IS and, along with other related technologies, have allowed us to obtain or collect data, process data, and deliver information (reports) more rapidly and reliably. We live in an era of constant change and, therefore, must prepare ourselves to cope with it.

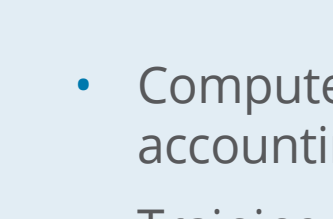
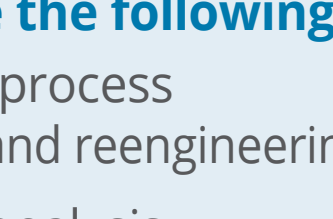
### Our Information Systems services include the following:

- IT Audit
- Preparation of user requirement specifications and feasibility studies
- Defining computer hardware and software requirements
- Business process redesigning and reengineering
- Systems analysis, evaluation, and design
- Information systems strategies
- Computerisation of accounting departments
- Training in the use of computers, accounting packages and other techniques

For more information get in touch with us!

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Download our app:



## WHO WE ARE

Licensed by the ICAEW, ACCA and Cyprus ICPAC

A & C CHRISTOFI LTD is a full-service accounting and auditing firm that focuses primarily on clients' needs. We offer accounting, payroll, and tax preparation services for businesses and individuals as well as tax planning and business advisory services. We focus on serving the unique needs of our clients on a one-to-one basis. We are accessible, flexible, and personal, and we make your business our business. We are dedicated to professionalism, integrity and our clients' complete satisfaction.

## A & C CHRISTOFI LTD

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