

## Tax News

### Temporary Tax Assessment 2018

**Temporary Tax  
is payable in two equal  
installments:**

- **1<sup>st</sup> installment 31 July 2018**
- **2<sup>nd</sup> installment 31 Dec 2018**

#### Deadline for Payment of Temporary Tax

In accordance with Article 24 of the Assessment and Collection of Taxes Law of 1978 as amended, all companies must notify the Commissioner of Taxation of their estimated chargeable income, and consequently their resulting temporary tax for the year 2018, by 31 July 2018.

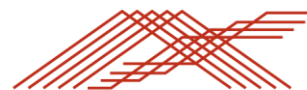
Based on the temporary tax computation, tax is payable in two equal installments as follows:

- 1st Installment 31 July 2018
- 2nd Installment 31 December 2018

#### Important notes:

- Non-payment on the due dates entails payment of interest at the rate of 3,5% per annum
- Non-payment on the due dates will also attract a monetary charge at the rate of 5%
- If the estimated income declared in 2018 is less than 75% of the final chargeable income as determined by the Income Tax return submitted for the year 2018 and as per the chargeable income as assessed by the Commissioner of Taxation, then any balance of tax which is payable is subject to an additional 10% charge
- Revision of the original declaration is possible until 31 December 2018, with any revised tax amounts be equally apportioned over the two installments, thus attracting 3,5% p.a. on past due installments
- Overpaid tax is refunded together with interest of 3,5% per annum as from 1st January 2019.
- Under the Income Tax law, all Cyprus tax resident companies are taxed at the rate of 12,5% on taxable income.





## Submission of income tax return and payment of income tax for individuals

### Submission due date of Income Tax Return for Tax year 2017

**Employees and pensioners**  
**31 October 2018**

**Self-employed < €70.000**  
**31 October 2018**

**Self-employed > €70.000**

### Tax year 2017

Following a recent Tax Law Amendment, on 8 June 2018, the Cyprus Tax Authorities (CTA) have announced via a publication in the Government Gazette the extension of the deadline for electronic submission of income tax return and payment of income tax for the tax year 2017 as follows:

#### Employees and pensioners

For Employees and pensioners, the electronic submission deadline for the 2017 tax year income tax return is 31 October 2018.

The deadline for settlement via self-assessment of income tax due, as per the 2017 tax declaration form (I.R.1), is also 31 October 2018.

#### Self-employed whose annual turnover does not exceed €70.000

For self-employed individuals whose annual turnover does not exceed €70.000 and who do not have an obligation to prepare audited financial statements the electronic submission deadline for the 2017 tax year income tax return and the deadline for settlement via self-assessment of income tax due is 31 October 2018.

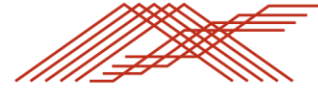
#### Self-employed whose annual turnover exceeds €70.000

For self-employed individuals whose annual turnover exceeds €70.000 and who do have an obligation to prepare audited financial statements the electronic submission deadline for the 2017 tax year income tax return is 31 March 2019 and the deadline for settlement via self-assessment of income tax due, as per the 2017 I.R.1 form, is 1 August 2018.



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Chartered Certified Accountants

The submission of the  
Income Tax return can only  
be made online via Taxisnet  
system

## Tax year 2018 and onwards

Following the Law Amendment, the below are relevant for tax years 2018 and onwards.

For Employees and pensioners, the electronic submission deadline for the 2018 tax year income tax return and the deadline for settlement via self-assessment of income tax due, as per the 2018 tax declaration form (IR1) is 31 July 2019.

### Self-employed whose annual turnover does not exceed €70.000

For self-employed individuals whose annual turnover does not exceed €70.000 and who do not have an obligation to prepare audited financial statements the electronic submission deadline for the 2018 tax year income tax return is 30 September 2019 and the deadline for settlement via self-assessment of income tax due, as per the 2018 I.R.1 form, is 30 June 2019.

### Self-employed whose annual turnover exceeds €70.000

The electronic submission deadline for the 2018 tax year income tax return is 31 March 2020 and the deadline for settlement via self-assessment of income tax due, as per the 2018 I.R.1 form, is 1 August 2019

Please contact our office for further discussion of how the above affects your business.

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Apserou Shiaka & Co Ltd

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