



## Second provisional tax instalment deadline

**15 December 2022 - The settlement deadline for the second provisional tax instalment for 2022 and the submission deadline for a revised (if applicable) provisional tax calculation for the tax year 2022 is the 31<sup>st</sup> of December 2022.**

### Persons involved

The following persons should reassess whether they should submit/update their provisional/temporary tax calculation:

1. Individuals with taxable income other than salaries, pensions, dividends and interest, and
2. Companies with taxable income.

A provisional tax return does not need to be submitted where there is no taxable profit.

### Payment of the second provisional tax instalment (assuming no revision)

A taxpayer can pay the second provisional tax instalment (as per the initial provisional tax calculation), within one month from the payment deadline (i.e. until 31 January 2023) without interest or penalties.


Late payment of provisional tax can only be made via online banking and will also be subject to interest at the current rate of 1,75% per annum plus a 5% penalty on the tax due. An additional penalty of 5% may be imposed by the TD, if the tax remains unpaid two months after the above due date.

### Revision of the provisional tax calculation and payment of remaining provisional tax due

In case of a downwards revision of the provisional taxable income declared, any outstanding provisional tax can be settled until 31 January 2023 without interest or penalties.

In case of an upward revision of the provisional taxable income declared, the additional amount of the first provisional tax instalment will need to be settled until 31 December 2022 with interest at 1,75% per annum applicable on late payments and imposed for each complete month of delay. The amount of the second provisional tax instalment can be settled until 31 January 2023 without interest or penalties.

In case of a downward revision, the provisional tax declaration (Forms T.D.5 (Individuals) and T.D.6 (Companies)) should be sent to the local District Tax Collection Offices through e-mail.



Where the provisional taxable income declared and paid is less than 75% of the final taxable income for the year, then an additional tax is imposed, equal to 10% of the difference between the final tax due and the provisional tax paid.

It is important to note that as according to the provisions of [Circular 54](#) issued by the Tax Office on 19/10/20211, employees and pensioners whose emoluments are higher than their 'other income' and they have paid income tax which relates to at least 75% of the total income through withholding by the employer (under the PAYE system), the additional tax of 10% will not be imposed.

As always, the Taxation Department of Costas Tsielepis & Co Ltd is at your disposal should you require any further information or clarifications on this or any other tax matter.