



2015 Temporary Tax Deadline

3 December 2015 - The deadline for the settlement of the second installment of the 2015 temporary tax is 31 December 2015.

Further to Tax Alert 7 of 23 April 2015 in reference to the requirement to submit a temporary tax assessment form for the year 2015, this is a kind reminder regarding the second and final installment of temporary tax for the current year, which all Cyprus tax resident companies and individuals having income subject to income tax other than salary income, are required to pay based on expected profits.

It is noted that the respective temporary tax can be settled by 31 January 2016 without any interest and penalties.

The 2015 temporary tax assessment may be revised by a taxpayer at any time before the deadline of 31 December 2015.

Downward revision of the temporary income can be done only up to an amount that would create a temporary income tax liability equal to the sum of payment already made up to the date of revision. This in effect would create a zero payable second instalment. The revised temporary tax assessment should however be submitted by 31 December 2015.

Upward revision of the temporary income creates an increased temporary income tax liability. This in effect results in an underpayment relating to the instalment previously paid, up to the date of revision. The underpayment needs to be settled by the following due date and it will carry a 4% interest per annum.

Please note that if the temporary income declared is lower than 75% of the final taxable income, the taxpayer must pay an additional tax equal to 10% of the difference between the final and temporary tax.

The Department of Taxation of Costas Tsielepis & Co Ltd is at your disposal should you require any further information or clarifications.