



**COSTAS TSIELEPIS & CO**  
CHARTERED ACCOUNTANTS

**COSTAS TSIELEPIS & CO LTD**

**TAX UPDATE**

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# TAX CALENDAR 2016

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“knowledge”

*Facts, information and skills  
acquired through experience or  
education; the theoretical or  
practical understanding of a  
subject.*

OXFORD DICTIONARY

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**ΓΝΩΣΗ**

## Introduction

The 2015 tax year is over, which means it is already time to start thinking about 2016.

In case you are wondering what are the tax filing and payment deadlines for 2016, read on.

Keeping a tax diary is very important if you want to be proactive and up to date with your tax compliance obligations and avoid paying unnecessary interest and penalties.

Courtesy of the Tax Department of Costas Tsielepis & Co Ltd, the below tax diary shows the Cyprus tax due dates for 2016 by month that apply to both individuals and companies.

This way, you and your company will always be up to date and know exactly your tax-due dates and plan accordingly. Of course, you could pay your taxes and submit the relevant returns before the deadline, which will ensure that no interest and penalties will be imposed.

## Tax Due Dates by Month

|                          |   |
|--------------------------|---|
| <b>End of each month</b> | <p>PAYE and special contribution for employees deducted from salaries relating to the previous month.</p> <p>Social insurance contributions relating to salaries of the previous month.</p> <p>Special Contribution for Defence to be withheld from Cyprus sourced dividends and interest for tax resident and domiciled individuals relating to previous month.</p> <p>Special Contribution for Defence to be withheld from Cyprus sourced rent paid to tax resident and domiciled individuals (when tenant is a company, partnership, the state or local authority) relating to previous month.</p> |
| <b>31 January</b>        | Submission of the deemed distribution declaration (Form IR 623) for the year ended 31 December 2013.  |
| <b>28 February</b>       | Submission of objections relating to tax assessments issued during December 2015.   |
| <b>31 March</b>          | <p>Electronic submission of the 2014 corporation income tax return (Form IR4).</p> <p>Electronic submission of the 2014 income tax return (Form IR1) for individuals preparing audited financial statements.</p>  |

|                               |  |
|-------------------------------|--|
| <b>30 April</b>               | Manual submission of the personal income tax return (Form IR1) for 2015 for salaried individuals whose gross income exceeds €19.500.   |
| <b>30 June</b>                | <p>Manual submission of personal income tax return (Form IR1) for 2015 by self-employed individuals who do not prepare audited financial statements if their gross income exceeds €19.500.</p> <p>Payment of the 2015 personal income tax under a self-assessment method by individuals not preparing audited financial statements (employees and self-employed).</p> <p>Payment of the 2016 special contribution for defence on rents, dividends or interest from sources outside Cyprus for the first 6 months of 2016.</p>                          |
| <b>31 July</b>                | <p>Electronic submission of the employers return for 2015 (Form IR7).</p> <p>Electronic submission of the personal income tax return (Form IR1) for 2015 for salaried individuals whose gross income exceeds €19.500.</p> <p>Submission of the 2016 temporary tax assessment and payment of the first installment for both individuals and companies.</p>  |
| <b>1 August</b>               | Settlement of the 2015 final corporation tax and personal tax for individuals preparing audited accounts.  |
| <b>30 September</b>           | Electronic submission of personal income tax return (Form IR1) for 2015 by self-employed individuals who do not prepare audited financial statements if their gross income exceeds €19.500.  |
| <b>31 December</b>            | <p>Payment of temporary tax - second and last installment for 2016.</p> <p>Payment of the 2016 special contribution for defence on rents, dividends or interest from sources outside Cyprus for the second 6 months of 2016.</p> <p>Physical stock take to be undertaken</p>   |
| <b>Interest and Penalties</b> | <p>The official interest rate, as set by the Finance Minister, for all amounts due after 1 January 2016 is 4%.<br/>(4% for 2015, 4,5% for 2014, 4,75% for 2013, 5% for years 2012 and 2011, 5,35% for the year 2010, 8% for the years 2007-2009 and 9% up to 31 December 2006)</p> <p>In addition to the interest, penalties of 5% and additional tax of 5% may also be imposed depending on the circumstances. Also a fixed penalty of €100 or €200 (depending on the circumstances) may be imposed on the late submission of Income Tax Returns.</p> |

## Tax Due Dates for Payment of Social Insurance Contributions of Self-Employed

| Months to which the contributions relate | 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 |

### NOTE

The tax information contained in this publication is accurate as at the date of its publication. The information in this publication is designed to increase the reader's general awareness of the Cyprus Tax System. For professional consultation, please contact the Taxation Department of Costas Tsielepis & Co Ltd.