



TAX CALENDAR 2018

“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 2017 tax year is over, which means it is already time to start thinking about 2018.

In case you are wondering what are the tax filing and payment deadlines for 2018, read on. Just a reminder, you do not need to worry about the special contribution on salaries or the immovable property tax since those were both abolished last year from 1st of January 2017.

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 2018 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

<p>End of each month</p>	<p>PAYE 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>
<p>Within 30 days from the date of the agreement</p>	<p>Payment of stamp duty</p>
<p>31 January</p>	<p>Submission of the deemed distribution declaration (Form TD 623) for the year ended 31 December 2015.</p>
<p>28 February</p>	<p>Submission of objections relating to tax assessments issued during December 2017.</p>

31 March	<p>Electronic submission of the 2016 corporation income tax return (Form TD4).</p> <p>Electronic submission of the 2016 income tax return (Form TD1) for individuals preparing audited financial statements.</p>
30 April	<p>Payment of the first installment of premium tax for life insurance companies</p>
30 June	<p>Payment of the 2017 personal income tax under a self-assessment method by individuals not preparing audited financial statements (employees and self-employed).</p> <p>Payment of the 2018 special contribution for defence on rents, dividends or interest from sources outside Cyprus for the first 6 months of 2018.</p> <p>Payment of the Annual Levy of €350 for the year 2018.</p>
31 July	<p>Electronic submission of the employers return for 2017 (Form TD7).</p> <p>Electronic submission of the personal income tax return (Form TD1) for 2017 for salaried individuals whose gross income exceeds €19,500*.</p> <p>Submission of the 2018 temporary tax assessment and payment of the first installment for both individuals and companies.</p>
1 August	<p>Settlement of the 2017 final corporation tax and personal tax for individuals preparing audited accounts.</p>
31 August	<p>Payment of the second installment of premium tax for life insurance companies</p>
30 September	<p>Electronic submission of personal income tax return (Form TD1) for 2017 by self-employed individuals who do not prepare audited financial statements if their gross income exceeds €19,500.</p>
31 December	<p>Payment of temporary tax - second and last installment for 2018.</p> <p>Payment of the 2018 special contribution for defence on rents, dividends or interest from sources outside Cyprus for the second 6 months of 2018.</p> <p>Physical stock taking to be undertaken</p> <p>Payment of the third installment of premium tax for life insurance companies</p>

Interest and Penalties	<p>The official interest rate, as set by the Finance Minister, for all amounts due after 1 January 2018 is 3,5% (same as 2017).</p> <p>(4% for 2016 and 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, two penalties of 5% each 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>
Notes	<p>(a) The 2017 personal income tax returns can only be submitted electronically. Manually submission is no longer permitted, except in cases of revised income tax returns.</p> <p>(b) Individuals are required to submit personal tax returns only when their gross taxable income exceeds €19.500.</p> <p>An individual is obliged to submit audited financial statements if his/her annual income from trade/business, rents, dividends interest, royalties or income relating to trading goodwill exceeds €70.000.</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

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

Your tax contacts in Cyprus



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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.