



TAX CALENDAR 2019

Changes will effect, as from 1 January 2019 the social insurance contributions have been increased from 7,8% to 8,3% for employees and employers and from 14,6% to 15,6% for self-employed individuals.

Also as from 1 March 2019 the General Healthcare System Law of 2001 (GHS), as amended, has come into effect. Initially, the contributions are set at 1,70% for employees and pensioners, 1,85% for employers, 1,65% for the government, and 2,55% for self-employed individuals. As from 1 March 2020, the contributions will increase to 2,65% for employees and pensioners, 2,90% for employers, 4,70% for the government and 4% for self-employed.

It is noted that 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.

The tax diary below shows the Cyprus tax due dates for 2019 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

End of each month	<p>PAYE for employees deducted from salaries relating to the previous month.</p> <p>Social insurance and General Healthcare 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>
Within 30 days from the date of the agreement	<p>Payment of stamp duty</p>

31 January	Submission of the deemed distribution declaration (Form TD 623) for the year ended 31 December 2016.
28 February	Submission of objections relating to tax assessments issued during December 2018.
31 March	Electronic submission of the 2017 corporation income tax return (Form TD4). Electronic submission of the 2017 income tax return (Form TD1) for individuals preparing audited financial statements.
30 April	Payment of the first installment of premium tax for life insurance companies
30 June	Payment of the 2018 personal income tax under a self-assessment method by individuals not preparing audited financial statements (employees and self-employed). Payment of the 2019 special contribution for defence on rents, dividends or interest from sources outside Cyprus for the first 6 months of 2019. Payment of the Annual Levy of €350 for the year 2019.
31 July	Electronic submission of the employers' return for 2018 (Form TD7). Electronic submission of the personal income tax return (Form TD1) for 2018 for salaried individuals whose gross income exceeds €19.500*. Submission of the 2019 temporary tax assessment and payment of the first installment for both individuals and companies.
1 August	Settlement of the 2018 final corporation tax and personal tax for individuals preparing audited accounts.
31 August	Payment of the second installment of premium tax for life insurance companies
30 September	Electronic submission of personal income tax return (Form TD1) for 2018 by self-employed individuals who do not prepare audited financial statements if their gross income exceeds €19.500.

<p>31 December</p>	<p>Payment of temporary tax - second and last installment for 2019.</p> <p>Payment of the 2019 special contribution for defence on rents, dividends or interest from sources outside Cyprus for the second 6 months of 2019.</p> <p>Physical stock taking to be undertaken</p> <p>Payment of the third installment of premium tax for life insurance companies</p>
<p>Interest and Penalties</p>	<p>The official interest rate, as set by the Finance Minister, for all amounts due after 1 January 2019 is 2% (3,5% for 2018 and 2017, 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>
<p>Notes</p>	<p>(a) The 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> <p>(c) In cases where the deadline for the submission of a tax return or payment of a tax or other liability falls on a Saturday or Sunday or Public holiday, the deadline for complying with these obligations is extended until the next business day</p> <p>(d) Any person who is fraudulently delaying or omitting to pay taxes or any person who delays payment of withheld taxes i.e. from salaries (such as PAYE and special contribution), payments to non-residents (such as films and royalties), as well as defence tax withheld from dividends, interest and rental income is guilty of a criminal offence and is liable to fines and imprisonment in the case of individuals. In the case of a company the directors, executive managers and accountants are also liable for penalties and imprisonment;</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

Notes

Every employer or self-employed individual who fails to pay the contributions within the time limit, is obliged to pay an additional penalty in the range of 3% and 27%, depending on the period of delay, calculated on the amount of contributions due for payment.

