

# TAX DIARY 2023.

**ServPRO**  
Accountants & Consultants

National member of:  
**Auditaxes**   
INTERNATIONAL

## End of each month

- Payment of tax deducted from employees' salary (PAYE) in the preceding month.
- Payment of Special Defence Contribution (SDC) withheld on payments of dividends, interest or rents (when the tenant is a Cyprus company, a partnership, the Republic or a local authority) made to Cyprus tax residents in the preceding month (Note 1).
- Payment of tax withheld on payments to non-Cyprus residents in the preceding month.

### 31 JANUARY

- Payment of the Special Defence Contribution (SDC) and General Healthcare System Contributions (GHS) on deemed dividend distribution for the profits of year ended 31 December 2020.

### 31 MARCH

- Electronic submission of the income tax return (TD4) for companies for the tax year 2021.
- Electronic submission of the income tax return for physical persons preparing audited financial statements for the tax year 2021 (Note 3).

### 30 APRIL

- Payment of premium tax for life insurance companies - first instalment for 2023.

### 31 MAY

- Electronic submission of the employer's return (TD7) relating to the payroll for the year 2022.

## 30 JUNE

- Payment of Special Defence Contribution (SDC) for the first six (6) months of 2023 on rents, if such tax is not withheld at source by tenant, and on dividends or interest from sources outside Cyprus (Notes 1 & 4).

## 31 JULY

- Submission of the 2023 provisional income tax return and payment of the first instalment (Note 5).
- Electronic submission of the 2022 income tax return by individuals (TD1) and payment of the tax by self-assessment (Notes 2 & 3).

## 1 AUGUST

- Payment of the 2022 final corporation tax under the self-assessment method (Note 6).
- Payment of the 2022 personal income tax under the self-assessment method by self-employed individuals preparing audited financial statements (Note 3 & 6).

## 31 AUGUST

- Payment of premium tax for life insurance companies - second instalment for 2023.

## 31 DECEMBER

- Submission of the 2023 revised provisional tax return (if applicable) and payment of the second instalment of provisional tax (Note 7).
- Payment of Special Defence Contribution (SDC) for the last six (6) months of 2023 on rents, if such tax is not withheld at source by tenant, and on dividends or interest from sources outside Cyprus (Note 4).
- Payment of premium tax for life insurance companies - third and final instalment for 2023.

## NOTES

- 1 General Healthcare Contributions (GHS) are also paid if the payment is made to a Cyprus tax resident individual.
- 2 For tax years up to 2022, physical persons are required to submit personal tax returns only when their gross taxable income exceeds €19,500.
- 3 A physical person 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. Such physical person should be paying his/her 2021 income tax by 1 August 2022 and submitting his/her electronic tax return by 31 March 2023.
- 4 Through tax portal under payment codes 604, 612, 613.
- 5 Through tax portal under payment codes 200 and 213 for self-employed individuals.
- 6 Through tax portal under payment code 300.
- 7 TD5, TD6 in case of downward revision and through tax portal in case of upward revision.

*The above deadlines are subject to revision by the Tax Department and therefore taxpayers are advised to seek for any new announcements in respect of this matter.*

## **PENALTIES & INTEREST ON LATE SUBMISSIONS & PAYMENTS**

### **Administrative penalties**

An administrative penalty of €100 or €200 (depending on the case) is imposed for the late submission of a tax return or late submission of supporting documentation requested by the Tax Commissioner.

In case of late payment of the tax, a penalty of 5% is imposed on amount of tax due. An additional penalty of 5% is imposed if the tax remains unpaid for two (2) months after the payment deadline.

### **Public interest rate**

The interest rate applicable on late payment of taxes is set through a Decree and it is calculated on a completed month basis. The interest rate for 2023 is 2.25%.

The interest rates applicable for previous years are as below:



PERIOD	ANNUAL INTEREST RATE
Up to 31/12/2006	9%
1/1/2007 - 31/12/2009	8%
1/1/2010 - 31/12/2010	5.35%
1/1/2011 - 31/12/2012	5%
1/1/2013 - 31/12/2013	4.75%
1/1/2014 - 31/12/2014	4.5%
1/1/2015 - 31/12/2016	4%
1/1/2017 - 31/12/2018	3.5%
1/1/2019 - 31/12/2019	2%
1/1/2020 - 31/12/2022	1.75%

**LET'S WORK TOGETHER.**



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