

Corporate Tax - Cyprus

Filing deadlines for Cyprus tax returns extended

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Introduction **Extensions available**

Introduction

Section 5 of the Assessment and Collection of Taxes Law (as amended) requires companies to file their tax return for any given year by no later than the end of the following year. A three-month extension is allowed if the return is filed electronically.

With electronic filing now compulsory, this means that the return must be submitted by no later than 15 months after the end of the tax year. For example, the due date for company income tax returns for 2012 was March 31 2014.

Extensions available

In response to the recommendations of the Global Forum on Transparency and Exchange of Information for Tax Purposes, and within the framework of a wider action plan to improve tax compliance, the Inland Revenue Department has extended this deadline in a number of instances.

Company income tax returns for 2012

The last date for electronic filing of returns for 2012 has been extended by three months to June 30 2014.

Company income tax returns for 2008 to 2011

On March 7 2014 the department announced that it had completed the first phase of sending reminders for tax returns through the Taxis net electronic filing service for the tax years 2008 to 2011. All companies that had not yet submitted returns for the tax years 2008 to 2011 were reminded to do so without delay, via notices sent to each company and through Circular 2014/2 (dated January 30 2014). The department advised all companies that had not received a reminder or submitted a tax return for one of these years to contact their local income tax office to verify the information contained in the department's records, so that they could immediately comply with the requirement to file tax returns.

As stated in the reminder, non-compliance incurs an automatic penalty of €100 under Section 50A(a) of the Assessment and Collection of Taxes Law. Continued non-compliance will incur a further automatic penalty of €200 under Section 50A(b) of the law, as well as legal action to remedy the default. The deadline for filing returns was initially April 15 2014, but was subsequently extended to May 9 2014.

Dormant companies

Circular 2014/2 reiterates the tax authorities' definition of a 'dormant company' and the information that such company must include in its tax return. Dormant companies were required to file their tax return for 2011 on Form IR 163 _DOR by no later than May 9 2014. Only a director of the company could sign the tax return on the company's behalf.

Non-resident companies incorporated or registered in Cyprus

Circular 2014/3 (dated March 20 2014) sets out the information that non-resident companies must include in their tax return. Returns for 2011 had to be submitted by no later than May 9 2014.

Companies with which contact has been lost

On March 7 2014 the department requested that the Cyprus representatives or advisers of companies with which they were no longer in contact complete a declaration in a prescribed form (IR 163 _CON), stating that contact had been lost and that they were not in a position to submit tax returns. They were also required to give the department the company's last known contact details. The deadline for such notification was initially March 21 2014, but was subsequently extended to May 31 2014.

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