



Philippos
Aristotelous

New law on payment of tax arrears approved



February 17 2017 | Contributed by Andreas Neocleous & Co LLC

Corporate Tax, Cyprus

On January 27 2017 Parliament approved a new law which provides for the payment of overdue taxes by monthly instalments. The scheme covers a wide range of taxes, the most relevant of which for companies are:

- income tax;
- value added tax;
- special defence contribution;
- immovable property tax;
- capital gains tax;
- stamp duties; and
- special contribution for employees.

The new law allows arrears to be repaid by:

- 54 monthly instalments for tax obligations below €100,000; or
- 60 monthly instalments for tax obligations above €100,000.

The new law also gives the tax commissioner discretion to grant discounts on interest and penalties on a case-by-case basis.

The new law's implementation date is to be determined by the commissioner. Pending the announcement of an implementation date, the Tax Department has announced that its staff will continue to carry out their duties in accordance with existing procedures and implement all of the recovery measures at the department's disposal.

For further information on this topic please contact Philippos Aristotelous at Andreas Neocleous & Co LLC by telephone (+357 25 110 000) or email (aristotelous@neocleous.com). The Andreas Neocleous & Co LLC website can be accessed at www.neocleous.com.

The materials contained on this website are for general information purposes only and are subject to the disclaimer.

ILO is a premium online legal update service for major companies and law firms worldwide. In-house corporate counsel and other users of legal services, as well as law firm partners, qualify for a free subscription.