



Cyprus Indirect Tax News

Brexit - Appointment of a VAT Fiscal Representative in Cyprus

On 15 February 2021, the Cyprus Tax Authorities (CTA) issued a new Implementing Guideline ([IG 10/2021](#)) to clarify that there is no obligation for taxable persons who carry out or will carry out taxable transactions in Cyprus and are based in the United Kingdom, to appoint a VAT fiscal representative or provide a bank guarantee to the CTA.

As from 1 January 2021, the United Kingdom is no longer considered part of the European Union and is thus considered a third country for VAT purposes. As a result, the protocol on administrative cooperation and combating fraud in the field of VAT and on mutual assistance for the recovery of claims relating to taxes and duties has been provisionally implemented (subject to final ratification by the European Union bodies).

Based on this provisional implementation, the CTA have confirmed that a taxable person established in the United Kingdom will be able to register for VAT purposes or remain VAT registered in Cyprus without having to appoint a VAT fiscal representative or provide a bank guarantee to the CTA.

It is also clarified that if this protocol is not ratified by the European Union bodies, the CTA will allow reasonable time for appointment of a VAT fiscal representative or placement of bank guarantee if necessary.

How can our Indirect Taxation team help you?

We are at your disposal to discuss the above and advise you on any impact on your activities.

Get in touch

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