



Cyprus Tax News

2019 Provisional Tax - Reminder

We would like to remind you of the following upcoming deadlines:

- **31 December 2019:** Submission of a revised provisional tax return for 2019,
- **31 January 2020:** Payment of 2nd provisional tax instalment for 2019.

Obligation to pay provisional tax

As mentioned in our [previous tax alert](#), the following persons should consider whether they should make a provisional tax calculation and pay provisional tax:

- Individuals with taxable income other than salaries, pensions, dividends and interest, and
- Companies with taxable income.

Option to revise provisional tax calculation

Taxpayers may revise their initial provisional tax calculation by manually submitting a revised provisional tax return to the Tax Department (TD) and paying any outstanding provisional tax due until **31 December 2019**.

In case of an upward revision of the provisional taxable income declared, interest at 2% per annum would be imposed on the additional amount of the first provisional tax instalment.

Payment of the second provisional tax instalment (assuming no revision)

Otherwise, a taxpayer can pay the second provisional tax instalment (as per the initial provisional tax calculation) until **31 January 2020** without interest or penalties.

The timely payment of the second provisional tax instalment can be made through [JCC](#), the card payment processing

system that facilitates (among other) the electronic settlement of taxes.

Late payment of provisional tax will need to be made at the TD and will also be subject to interest at the current rate of 2% per annum and to a 5% penalty on the tax due. An additional penalty of 5% may be imposed if the tax remains unpaid two months after the above due dates.

Imposition of 10% additional tax if final tax is underestimated

Taxpayers are reminded that if the provisional taxable income declared is less than 75% of the final taxable income for the year, then an additional tax is imposed, equal to 10% of the difference between the final tax due and the provisional tax paid.

How can we help?

We are at your disposal to assist you with the calculation of the provisional tax as well as with the timely administration of the provisional tax payments.



Get in touch

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