



Cyprus Tax News

Clarification on previous alert with regards to the Tax and VAT measures announced by the Cyprus Government following the Coronavirus outbreak.

Non-payment of the increased contributions to the General Healthcare System (GHS) for the months of April and May 2020

Further to our previous alert (Issue 05/2020) with regards to the Tax and VAT measures announced by the Cyprus Government following the Coronavirus outbreak, we hereby provide a clarification with regards to GHS contributions.

Following our communication with the Health Insurance Organisation and the Ministry of Finance, we understand that the intention of the Cyprus Government is for the reduced contributions to the GHS to apply for the months of April and May 2020 and this will be applicable for all contributors.

Effectively, the **increased** contribution rates to the GHS will apply as planned for the whole of **March 2020**.

The below table specifies the period of application of the relevant contribution rates to the GHS per contributor's category:

	Contributor's Category	Up to 29 February 2020 and during the period 1 April – 31 May 2020 %	For March 2020 and as from 1 June 2020 onwards %
A)	Employees/ Pensioners/ Income Earners/ persons holding an office	1,70	2,65
B)	Employers	1,85	2,90
C)	Self-employed individuals	2,55	4,00
D)	The Republic or natural/legal person responsible for the remuneration of Officers	1,85	2,90
E)	The Republic	1,65	4,70

We expect that the GHS legislation will be amended to reflect the above understanding.

We are in continuous communication with the relevant Authorities and we aim to revert with further guidance and clarifications.

How can we help?

We are at your disposal to discuss the above developments with you and how these affect your business.



Get in touch

Nicosia Offices infnicosia@deloitte.com tel: +357 22 360300

Limassol Offices infolimassol@deloitte.com tel: +357 25 868686



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte network") is, by means of this communication, rendering professional advice or services. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2020 Deloitte Limited

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line.