

TAX NEWS

On July 11, 2013 passed by the House Of Representatives the amendment of the Immovable Property Tax Law (No. 24/1980).

Changes related to International Business Companies

- All owners of property in Cyprus are now liable to pay an annual tax to the Inland Revenue based on the total 1980 value of all immovable property registered in their name. According to the revised section 3 of the Immovable Property Tax Law, the Immovable Property Tax rates for 2013 are as follows:

Immovable Property value based on 1.1.1980 prices		Tax Rate	Tax	Cumulative Tax
€1 -	€40,000	0.6%	€240*	€240
€40,001 -	€120,000	0.8%	€640	€880
€120,001 -	€170,000	0.9%	€450	€1,330
€170,001 -	€300,000	1.1%	€1,430	€2,760
€300,001 -	€500,000	1.3%	€2,600	€5,360
€500,001 -	€800,000	1.5%	€4,500	€9,860
€800,001 -	€3,000,000	1.7%	€37,400	€47,260
€3,00,001 -		1.9%		

*Minimum tax charge of €75

With an amendment to the Immovable Property Tax Law the deadline for paying the immovable property tax for 2013 is extended from 30 September 2013 to 15 November 2013.

It is worth reiterating that, every person who does not pay the tax due by the deadline day (i.e. by 15 November 2013) will be subject to an additional 10% charge on the tax due.

Furthermore, every person who settles its tax liability at least 30 calendar days before the deadline day (i.e. before 16 October 2013) will be provided with a 10% discount on the tax due.