

# TAX CARD 2021



## **Foreword**

This publication provides information about Cyprus' tax system, incorporating some useful notes and relevant tax figures, based on current tax legislation and practices. The tax information contained in this booklet is accurate as at the date of its publication.

The publication is for general guidance only and does not constitute a professional advice. For any specific subject, the reader is encouraged to refer to the appropriate tax consultant.

For more information, please contact us at our offices. Contact details can be found at the end of this booklet.

GTH Business Solutions Ltd

Cyprus

January 2021

## 1. Personal Income Tax

### 1.1 Cypriot Tax resident (individual)

An individual is considered as tax resident in Cyprus for income tax purposes if he/she stays physically in Cyprus for a period exceeding 183 days in aggregate during a tax year. Moreover, as from 1 January 2017 an individual can be a tax resident of Cyprus even if he/she spends less than 183 days in Cyprus provided that he/she satisfies all of the following conditions within the same tax year (1 January – 31 December):

- remains at least 60 days in Cyprus ;
- pursues business in Cyprus and/or he/she works in Cyprus and/or is a director in a Company tax resident in Cyprus ;
- maintains a permanent residence in Cyprus , which can be either owned or rented by him;
- is not a tax resident of any other country;

In the case of a person who is tax resident in Cyprus, tax is levied on all income accruing or arising from sources both within and outside Cyprus, in respect of:

- Profits or other benefits from any business
- Profits or other benefits from any office or employment
- Dividends, interest or discount
- Rents, royalties or other profits arising from property
- Any amount or consideration in respect of any trade goodwill reduced by any amount incurred for the purchase of such trade goodwill
- Benefit in kind equal to 9% per annum of any amount received as a loan or financial assistance by a company's director, or by a company's individual shareholder or by his/her spouse, or by any relative up to a second degree

### 1.2 Tax Rates

Chargeable Income €	Tax rate %	Tax Amount €	Cumulative Tax €
0-19.500	0	0	0
19.501-28.000	20	1.700	1.700
28.001-36.300	25	2.075	3.775
36.301-60.000	30	7.110	10.885
Over 60.000	35	-	-

### 1.3 Tax exemptions

Interest income	100%
Dividend income	100%
Profits from the sale of securities (shares, debentures, bonds, etc)	100%
Remuneration from salaried services rendered outside the Republic to a permanent establishment or to a foreign employer for more than 90 days in a tax year	100%
Remuneration from any employment exercised in Cyprus commencing from 1.1.2012 by an individual who was not resident in the Republic before the commencement of employment (applicable for 5 years commencing from the 1st of January following the year of employment, until the 31st December 2025).	20% or €8.550 of remuneration (the lower)
Remuneration from any employment exercised in Cyprus commencing from 1.1.2012 by an individual who was not resident in the Republic before the commencement of employment (applicable for 10 years for emoluments exceeding €100.000 p.a. starting from the year of employment).*	50%
Rent from buildings in respect of which there is a Preservation Order*	100%
Capital payments from life insurance plans* or approved provident funds	100%
Foreign pension (special tax rate 5%)	€3.420
Widows pension up to €19.500 (over €19.500 special tax rate 20%)*	100%
Profits from permanent establishment abroad*	100%
FX (foreign exchange) gains other than gains from trading in foreign currencies and derivatives	100%
Lump sum payments on retirement or commutation of pension or a gratuity on death	100%

\* Under certain conditions.

### 1.3 Deductible expenses

All expenses incurred wholly and exclusively for the production of income are deductible in calculation taxable income including:

Interest on the acquisition of Fixed Assets used in the business	100%
Rents receivable	20% of gross rents, and wear and tear allowances on the cost of the building
Subscriptions to trade unions and professional bodies	100%
Donations to approved charitable institutions and political parties (supported with receipts)	100%
Scientific research expenditure	100%
Losses of current and previous five years (only in cases of preparing audited financial statements)	100%

### 1.4 Non – Deductible expenses

Expenses not incurred wholly and exclusively for the production of income or not backed up by supporting documentation	100%
Business entertainment expenses	Excess over 1% of gross income, or €17.086
Interest payable on the acquisition of an asset not used in the business, or for the acquisition of a private motor vehicle	100%
Private motor vehicle expenses	100%

### 1.5 Personal allowances

Social insurance contributions	Restricted to 1/5th of taxable income before allowances
General HealthCare System contributions (GHS)	
Deduction for annual life insurance premiums (< 7% of the insured amount)	
Provident and Pension funds contributions	
Contributions to Medical Funds (up to 1.5% of remuneration), and contributions to equivalent foreign funds *	

\* Under certain conditions.

### **1.6 Tax benefit on Directors' and Shareholders' Loans**

Whenever a company grants a loan or other financial assistance to its directors or shareholders (and up to their 2nd degree relatives) who are physical persons, the recipient is deemed to have a monthly benefit of 9% p.a. calculated on a monthly basis.

The tax on such benefit is assessed and collected via the PAYE system for emoluments.

### **1.7 Losses carried forward**

If audited financial statements are prepared by an individual, tax losses incurred during a tax year, may be carried forward over the next five years and to be offset against taxable income.

Where a person or a partnership convert a business into a limited liability company, all unutilised losses may be used by the new company.

### **1.8 Obligation to submit Tax Returns and to prepare audited Financial Statements**

Individuals with gross income exceeding €19.500 in a tax year are obliged to file an income tax return.

Sole proprietors with an annual turnover exceeding EUR €70.000 are obliged to prepare audited financial statements.

### **1.9 Treatment of foreign tax paid**

Any foreign tax paid on income that is subject to income tax in Cyprus is credited against the Cyprus income tax payable on this income, irrespective of the existence of a tax treaty.

### **1.10 Domiciled in Cyprus**

An individual is considered as **domiciled** in Cyprus if he/she has a domicile of origin in the Republic of Cyprus according to the provisions of the Wills and Succession Law (i.e domicile of his/her father at the time of birth).

The following individuals are **not considered to be domiciled** in Cyprus:

- An individual who has his domicile of origin in Cyprus and he has not obtained a domicile of choice in another country, provided that he has not been a tax resident of Cyprus during the last 20 years before this amendment to the Defence Law came into effect and subsequently he becomes tax resident of Cyprus.
- An individual who has his domicile of origin in Cyprus but has obtained a domicile of choice in another country and has not been a tax resident of Cyprus during the 20 years before he becomes tax resident of Cyprus.
- An individual who has his domicile of origin in a country other than Cyprus, provided

he has not been tax resident of Cyprus during the 17 out of the last 20 years.

Individuals who are considered to be “**non-domiciled**” in Cyprus would be exempted from payment of Special Defence Contribution (SDC) on dividend income, interest income and rental income received from Cyprus or abroad, even if they are considered to be tax residents of Cyprus for income tax purposes.

## 2. Corporation Tax

**2.1** A Company is considered as resident in Cyprus for corporate tax purposes if its management and control is exercised in Cyprus.

In general, and in line with international tax principles, the following conditions should be considered as to determine if a Company qualifies the tax resident of Cyprus:

- All management decisions are taken in Cyprus by the directors exercising their duties from Cyprus (i.e board of Directors meetings must be held in Cyprus).
- The majority of the Directors of the Company are Cyprus tax residents and they exercise their office from Cyprus.
- An actual administrative office is maintained in Cyprus.
- Accounting records of the Company are prepared and kept in Cyprus.

### 2.2 Tax rates

Companies and Semi-Governmental Organizations	12,5%
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### 2.3 Exempted from Income Tax

Interest income not accruing from or not closely connected with the ordinary activities of the business	100%
Income from dividends*	100%
Profits from the sale of securities	100%
Foreign exchange gains other than gain from trading in foreign currencies and derivatives	100%
Gain from the sale of Intellectual Property assets ( IP regime). The capital cost of any intangible asset, excluding goodwill and assets qualifying under the old IP regime is tax deductible as a capital allowance over the useful economic life of the asset, as determined by acceptable accounting principles.	80%
Profits of a permanent establishment abroad**	100%
Rent from preserved building	100%

\*Dividends will only be exempt to the extent that these are not tax deductible by the paying company.

\*\* Under certain conditions.



## 2.4 Deductible expenses

Expenditure incurred wholly and exclusively for the production of income	100%
Subscriptions and donations to approved charities (with receipts)	100%
Employer's contributions on salaries*	100%
Interest for the acquisition of Fixed Assets used in the business	100%
Expenses for business entertainment	1% of gross income with a maximum amount of €17.086
Expenditure of patents, patent rights or intellectual property rights	80%
Amortization of the cost of acquisition or development of intangible assets	Over useful life of asset or 20 years (lower of the two)
Interest expense incurred for the acquisition, after 1.1.2012, of the share capital of a subsidiary company when the participation in the subsidiary is 100%, directly or indirectly, and provided that the subsidiary does not own any assets that are not used in the business	100%
Notional interest deduction on new equity (fully paid share capital and share premium) introduced in the business on or after 1st January 2015. It is calculated by multiplying the new equity with a reference interest rate, being the yield, applicable as of 31st December of the year preceding the tax year, of the 10year Government bond of the country in which the new equity is invested, increased by 5%.	80% of taxable profit arising from new equity
Expenditure of scientific research including that undertaken by an innovative small and medium business.	100%

\* Under certain conditions.

## 2.4 Non-deductible expenses

Expenses not incurred wholly & exclusively for the production of income, or not backed up by supporting documentation	100%
Private Motor Vehicle Expenses	100%
Interest on the acquisition of an asset not used in the business, or for the acquisition of a private motor vehicle, regardless of whether the vehicle is used or not used in the business.	100%
Interest on the acquisition of shares in a wholly owned subsidiary, when subsidiary owns assets not used in the business, calculated pro rata to the percentage of assets not used in the business.	100%

## 2.5 Losses carried forward and Group relief

### **Loss carried forward:**

Unutilized tax Losses of a tax year can be carried forward and be set-off against the tax profits of the next five years

### **Group loss relief:**

The current year loss of one company in a Group can be set-off against the taxable profits of another within the same tax year provided that both companies are members of the group for the whole year\*

Companies are considered part of a Group if:

- One is a 75% subsidiary of the other
- Both are 75% subsidiaries of a third company

As from 1.1.2015, the group loss provisions are extended to cases where a subsidiary company which is tax resident in another EU member state, can surrender its taxable losses to Cy tax resident Company provided that the subsidiary has exhausted all the means of surrendering the losses in its member state of residence company.

\* Under certain conditions.

## 2.6 Treatment of foreign tax paid

Any foreign tax paid on income that is subject to income tax in Cyprus is credited against the Cyprus income tax payable on this income, irrespective of the existence of a tax treaty.

## 2.7 Anti-Tax Avoidance Provisions

The following anti-tax avoidance provisions have been introduced in the Income Tax Law as a result of the adoption of the EU Council Directive 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market.

### **Interest deductibility limitation rule**

The Interest Limitation rule limits the deductibility of Cyprus company's or Cyprus Group exceeding (net) borrowing costs by relation to a 30% ratio of Cyprus company's or Cyprus Group taxable earnings before interest, tax, depreciation and amortisation (EBITDA). A fixed amount of EUR3 million of exceeding borrowing costs per year can be deducted, irrespective of the deductibility limit based on the EBITDA.

### **Controlled Foreign Company (CFC) rule**

The Controlled foreign company rule attributes the income of a controlled subsidiary or a permanent establishment ("PE") of a Cyprus company that is established in a low tax jurisdiction to be taxed under Cyprus tax rules. A controlled subsidiary or a permanent established is one that Cyprus company holds directly or indirectly more than 50% of the share capital. A low tax jurisdiction is one with a tax burden lower than 50% of the tax would have been charged on the company or PE under the applicable Cyprus tax system.

## Exit Taxation rules

A Cyprus tax resident company may be subject to corporation tax at 12.5% on an amount equal to the difference between the market value of the transferred assets at the time of their exit and their value for tax purposes, in any of the following cases:

- (a) transfers assets from its Head Office (HO) to its permanent establishment (PE) in another Member State or in a third country in so far as Cyprus no longer has the right to tax the transferred assets due to the transfer;
- (b) transfers assets from its PE in a Member State to its HO or another PE in another Member State or in a third country in so far as Cyprus no longer has the right to tax the transferred assets due to the transfer;
- (c) transfers its tax residence to another Member State or to a third country;
- (d) transfers the business carried on by its PE in Cyprus to another Member State or to a third country in so far as Cyprus no longer has the right to tax the transferred assets due to the transfer.

### **Hybrid mismatch rules**

Hybrid mismatches rule introduced in the Cyprus tax legislation neutralizes the tax effects of hybrid arrangements. Hybrid mismatches are differences between two or more tax systems that can be exploited to achieve:

- (i) double non-taxation;
- (ii) double deduction;
- (iii) deduction without inclusion and
- (iv) non-taxation without inclusion.

### **General Anti-Avoidance Rules (GAAR)**

The General anti-abuse rule adopted in the Cyprus legislation from the European Directive tackles abusive tax practices that have not been dealt with through specifically targeted provisions and does not affect the applicability of specific antiabuse rules.

### 3. Annual Wear and Tear Allowances

<b>Buildings</b>	<b>%</b>
Commercial buildings and apartments	3
Industrial, agricultural and hotel buildings	4*
Metallic frame of greenhouses	10
Wooden frame of greenhouses	33 1/3
<b>Plant and machinery</b>	
Machinery	10**
Water drillings, industrial carpets, video recorders, televisions	10**
Fork lifts, excavators, loading vehicles, bulldozers and oil barrels 25%	25
Furniture and Fittings	10**
Computer hardware and operating systems	20
Application software with a cost up to EUR €1.708	100
Application software with a cost over EUR €1.708	33 1/3
Commercial vehicles	20
Tools	33 1/3
Boreholes	10**
Agricultural machinery	15**
<b>Ships and Boats</b>	<b>%</b>
New cargo vessels	8
New passenger vessels, motor yachts, tug boats, and ships used in fishing industry	6
Sailing vessels	4 ½
Motor launches	12 ½
Used vessels	Useful life
<b>Specialized Assets</b>	
Wind Generators	10
Photovoltaic systems (including installation costs, less subsidies)	10
New Airplanes and helicopters	8

\* If acquired between 2012-2018: 7%

\*\* If acquired between 2012-2018: 20%

## 4. Value Added Tax (VAT)

### 4.1 VAT Rates

Standard VAT rate (Effective from 13 January 2014 onwards)	19%
Reduced VAT rate (catering services, restaurant services, etc.) Effective from 13 January 2014 onwards	8%
Reduced VAT rate (foodstuffs, medicine, books, entrance to concerts, etc.)	9%
Reduced VAT rate (foodstuffs, medicine, books, entrance to concerts, etc.)	5%
Sale or construction of new residential properties (subject to conditions) to EU beneficiaries since 1/10/2011 and to non EU beneficiaries since 8/6/2012	5%
Zero VAT rate (export of goods, international air and sea transport and related services.)	0%

### 4.2 Special VAT Concessions / Reliefs

VAT relief on the importation of certain categories of aircraft (covering small aircraft for business use)
New scheme covering the lease of pleasure boats and private aircraft in Cyprus with reduced VAT rates

### 4.3 Compulsory registration with the Cyprus VAT Register

Cases of compulsory registration	Registration threshold
Supply of goods and services within the Republic	>€15.600
Supply of goods and services to persons established in other Member States, where they do not hold a valid VAT number	>€15.600
Supply goods and provide services to VAT registered persons within the EU (obligation to register with the VIES system)	NIL
Offer zero rated supplies of goods and services	
Acquire goods from other EU Member States from persons or organisations involved in exempt activities (educational institutions, hospitals, etc.)	€10.252
Carry out distance sales of goods from persons established in other EU Member States to individuals or non-VAT registered persons within the Republic	€35.000

#### 4.4 Obligations after registration with the Cyprus VAT Register

Type of liability	Clarifying comments
Submission of VAT Returns	Per month or per quarter electronically via Taxis Net system.
Issue of VAT invoices	In relation to taxable supplies of goods or services to taxable persons in the Republic and/or to any EU established persons
Issue of legal receipts	To individuals or non-VAT registered persons for the taxable supply of goods or the provision of services with effect from 16/1/2012.
VIIES statement (monthly)	For the supply of goods and services to other EU Member States and for triangular trade, provided that the counterparty holds a valid VAT number. No registration threshold exists.
INTRASTAT statement for departures of goods	For the supply of goods to other EU Member States, provided that the counter party holds a valid VAT number.
INTRASTAT statement for arrivals of goods	For acquisition of goods from other Member States, provided that the recipient of the goods holds a valid VAT number.
Deregistration from the Cyprus VAT Register	Within 60 days from termination of trading operations.

#### 4.5 Penalties for non-compliance

Non-compliance cases	Fine/Penalty
Failure to register with the Cyprus VAT Register	€85/month
Delayed VAT return submission	€100/VAT return
Delayed payment of output VAT	10% one-off penalty
Delayed payment of output VAT	1.75% annual interest
Delayed registration with the VIES system	€50/VIES statement
Delayed submission of VIES statement	€50/VIES statement
Delayed correction of VIES statement	€15/VIES declaration
Failure to submit VIES statements - Criminal offence	€850/VIES statement
Delayed registration with the INTRASTAT system	€15/INTRASTAT declaration
Delayed submission of INTRASTAT declaration	€15/INTRASTAT declaration
Delayed correction of INTRASTAT declarations	€15/INTRASTAT declaration
Failure to submit INTRASTAT declare. - Criminal offence	Fine up to €2.562
Delayed deregistration from the Cyprus VAT Register	€85 one-Off penalty
Consequences for refusal, omission, delay, negligence in the settlement of any VAT amounts due	-Encumbrance on immovable property -Freezing/confiscation of funds in bank accounts

## 5. Capital Gains Tax

### 5.1 Tax Rates

Capital Gains Tax is imposed on profits from disposal of immovable property situated in Cyprus, or shares in companies, which have immovable property in Cyprus, and such shares are not listed in any stock market.

The gain arising after the deduction from sale proceeds, of the value of the property as at 1.1.1980 or the cost of acquisition after 1.1.1980 adjusted to account for inflation, is **taxed at the rate of 20%**. Lifetime exemptions that are applicable to individuals for gains from the sale of immovable property amount to:

	Gain up to €
Any disposal of immovable property	17.086
Disposal of agricultural land	25.629
Disposal of private residence*	85.430

\* Under certain conditions.

Note: Gains accruing from disposal of property held outside the Republic are exempt from capital gains tax.

## 6. Special Contribution for the Defence Fund\*

Type of income:	Rates
Interest income earned by a tax resident in Cyprus from sources within and outside Cyprus	30%
Rental income minus 25% (residents only)	3%
Interest received by provident funds	3%
Foreign dividend income (under certain conditions)	17%
Additionally for individuals only:	Rates
Interest income from Government development bonds and Government saving bonds	3%
Interest when total income does not exceed €12.000	3%
Dividends received by individuals resident and domiciled in Cyprus	17%

From 16th July 2015 no Special Defence Contribution is charged for individuals who are Cyprus Tax Residents but are not domiciled in Cyprus. Previously, special Defence Contribution was applicable only on Cyprus tax resident individuals.



## 7. Social Insurance

### 7.1. Rates

Employer contributions	8.3%*
Employee contributions	8.3%*
Self - employed contributions	15,6%*

\* Restricted to the maximum level of annual income as per 3.2 below.

### 7.2 Other Employer's Contributions

	Employer's contribution
Social Cohesion Fund	2,0%
Redundancy Fund*	1,2%
Human Resource Development Fund*	0,5%
Holiday Fund*	8,0%

\* Restricted to the maximum level of annual income as per 7.3 above.

### 7.3 Maximum Level of Annual Income

	€	Per annum €
Weekly employees	1.104	57.408
Monthly employees	4.784	57.408

## 8. Contributions to the General Healthcare System

### 8.1 Rates

As from 1st March 2019, the GHCS contributions are calculated and paid, based on a percentage of the gross emoluments / pensions, as follows:

Contributor	From 1/3/2020 onwards %
a. Employees/pensioners/income earners/persons holding an office	2,65
b. Employers	2.90
c. Self employed	4.00
d. The Republic or the person responsible for the remuneration of the Officers	2.90
e. The Republic	4.70

## 8.2 Income Limit

The contributions are calculated on gross annual emoluments limited to €180.000 p.a.

## 9. Land Transfer Fees

Transfer fees are paid by the acquirer to the Department of Land and Surveys on transfers of immovable property. The transfer fees are calculated on the market value of the property as estimated by the Department of Land and Surveys at the following rates:

### 9.1 Tax Rates

Value €	Tax rate %	Transfer fees €	Cumulative €
Up to 85.000	3	2.550	2.550
85.001 -170.000	5	4.250	6.800*
Over 170.000	8		

**9.2** No transfer fees in the case of companies' reorganizations.

**9.3** No transfer fees are paid in the event of an immovable property transferred that is subject to VAT. In the event where the transfer is not subject to VAT, land transfer fees are reduced by 50%.

**9.4** Transfer fees in the case of free transfers of property are calculated on the value of property as follows:

- From parents to children: NIL
- Between spouses: 0,1%
- Between third degree relatives: 0,1%
- To trustees: €50

## 10. Stamp Duty

Cyprus stamp duty is levied only on documents (written agreements / contracts) concerning assets situated in Cyprus and transactions or matters that will be carried out in Cyprus.

The stamp duty on agreements with a fixed value is levied as follows:

Value of Contract	Stamp Duty
≤ €5.000	0%
€5.001 ≤ €170.000	0.15%
≥ €170.001	0.2% plus €247,50

The maximum stamp duty payable is capped at €20.000.

Documents relating to Company reorganization of restructuring transactions, are exempt from stamp duty.

## 11. Annual levy

An annual levy fee of €350 will be imposed for all companies registered in Cyprus payable to the Registrar of Companies. For the year 2021 the special levy is payable before or on 30 June 2021.

## 12. Tax Calendar

The most important dates for tax purposes are as follows:

	31/1	31/3	30/4	30/6	31/7	1/8	31/12
Payment of Special Contribution for Defence for deemed dividend distribution purposes (TD 623)	√						
Electronic submission of the income tax returns of individuals and companies preparing audited financial statements (TD1, TD4)		√					
Payment of balance of tax liability through self-assessment by individuals who do not prepare audited financial statements. (TD 158)				√			
Payment of special contribution on rents, dividends or interest by two interims (30/6 and the second half by 31/12) (TD 601)				√			√
Electronic submission of personal income tax return and payment of self-employed individuals not preparing audited accounts (TD 1)					√		
Submission of provisional tax declaration and payment of first/second instalment of the current year (TD5, TD6)					√		√
Payment of final tax of the year of assessment with self-assessment for individuals and companies that prepare audited accounts						√	
<b>On a monthly basis</b>							
Payment of tax deducted from employee's salary (PAYE)	End of the following month (TD61A)						
Payment of Special Contribution for Defence withheld on payments of dividend, interest and rents made by companies, partnerships, the State or local authorities, to Cypriot tax residents	End of the following month (TD601)						

## **12. Penalties for late payment or non-payment of taxes**

### **12.1 Interest for late payment of tax**

Interest is imposed where the tax due is not paid by the prescribed dates, either when the payment is made under a self-assessment or when the payment is made on the basis of an assessment raised by the Tax Commissioner. If an assessment is made by the Tax Commissioner after the lapse of 3 years from the due date of filing of the tax return, no interest is imposed, provided that the tax as per the tax return was paid on the due date and the tax return was filed on the due date.

The interest is calculated for complete months and it is based on the official rate announced by the Ministry of Finance from time to time, currently 1.75%.

### **12.2 Administrative penalties:**

- €100, in case a person refuses, fails or neglects to notify or submit a tax return or to supply information or perform any duty within the deadline prescribed by the law.
- €200, in case a person refuses, fails or neglects to notify or submit a tax return or to supply information or to perform a duty (for which the law prescribe a deadline for the submission) within the deadline set by the Commissioner by notice (minimum 60 days).
- €100, in case a person refuses, fails or neglects to notify or submit a tax return or to supply information or to perform a duty (for which the law does not prescribe a deadline for the submission) within the deadline set by the Commissioner by notice (minimum 60 days) and the information required to be furnished relates to a third person.
- 5% on the tax due, in case a person fails to pay the tax due by the due date or within the period prescribed by a notice issued by the Tax Commissioner.
- An additional monetary charge of 5% on the tax due, in case a person omits to pay the tax due for more than 2 months from the payment deadline.
- Up to €20.000 administrative fine, in case an individual violates the provisions of the Assessment and Collections of Taxes Law or the relevant regulations or the notifications or the decrees issued by the Tax Commissioner, depending on the level of violation. Before the Tax Commissioner proceeds to the imposition of an administrative fine, the affected individual will be notified and will have the right to submit an objection within five working days from the date of notification.

### **12.3 Criminal liability for non-payment of taxes**

- Any person who is fraudulently dealing or omitting to pay taxes.
- Any person who delays payment of taxes withheld by him, i.e. from salaries (such as PAYE and special contribution), payments to non-residents (such as films and royalties), as well as defence tax withheld from dividends, interest and rental income is guilty of an offence and is liable to fine plus imprisonment in the case of individuals. In the case of a company the directors, executive managers and accountants are also liable for penalties and imprisonment.

## [GTH Business Solutions Ltd](#)

*We are a Cyprus based professional services team, offering part-time office solutions to our esteemed clientele, aiming to support their professional image & eliminate the burden of a property management.*

## [Our Services](#)

We offer a wide range of services to our clients which can be grouped into four categories:

### **Office solutions**

- Office space
- Conference and meeting room rental
- Receptionist services and customized telephone answering
- Mail handling

### **Tax Services**

Professional tax services offered include:

- Corporate Tax
- Personal Tax
- VAT services

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