

**TAX INFORMATION 6/2024**

**Provisional tax 2024**

According to the Assessment and Collection Income Tax Law in Cyprus, all companies that will have taxable income for tax year 2024 should declare the provisional tax to the Tax Authorities by 31 July 2024. If the Company does not expect to have any taxable income for the year 2024, there is no requirement to file a temporary tax return.

The corporate income tax rate in Cyprus is 12,5% and is calculated on the estimated taxable profits for the current year. Provisional tax can be paid in two equal instalments as follows:

- 31 July of 2024 -1st instalment and
- 31 December 2024 -2nd instalment

**Provisional tax settlement is made ONLY through the Tax Portal/online banking.**

All companies have the right to revise their estimated taxable income at any point in time before 31st December 2024. If the estimated taxable income is revised upwards, 5% interest is payable on the difference between the revised amount payable and the amount initially declared from the due date of payment of the first instalment.

If the estimated tax paid for 2024, through temporary tax return, is below 75% of the actual tax liability calculated based on the audited financial statements for the year, then there will be a surcharge (penalty) of 10% on the underestimated tax payable.

It is noted that, the final tax for tax year 2024 should be settled by 1st August 2025.

As you can appreciate, it is each company's responsibility to estimate its results and proceed with a payment of temporary tax, if needed.

We would like to inform you that the Tax department of PEK Ltd, may assist you with the estimation of the provisional taxable income and payment of the instalments.

You are kindly requested **to inform us about the expected taxable income of year 2024 by 10th of July 2024** and if you require, the payment of the 1<sup>st</sup> instalment of the provisional tax to be processed through our office, to arrange the appropriate bank transfer to the following bank account:

**PEK LTD CLIENT'S ACCOUNT**

**HELLENIC BANK PUBLIC COMPANY LIMITED**  
**IBC, NICOSIA, CYPRUS**  
**EURO A/C: 140-01-805460-01**  
**SWIFT: HEBACY2N**  
**IBAN: CY83 0050 0140 0001 4001 8054 6001**

In case we do not hear from you by 10 July 2024 (for assistance in calculating temporary tax), we will assume that your Company will not have any taxable profit for 2024 and thus no provisional tax should be declared. For any further information please contact our Tax department.

**Contact persons of Tax Department**

**E-mail address**

Elena Chrysostomou- Tax Manager

ecc@pek-cy.com

Maria Solomou

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It is noted that our fees will depend on the chargeable time spent by our staff for the preparation of the provisional tax. Minimum fees are €100 plus handling fees for each instalment €50 plus VAT for each physical or legal person.

**PEK LTD**  
**June 2024**

*This newsletter has been prepared as a general guide and for information purposes only. It is not a substitution for professional advice. One must not rely on it without receiving independent advice based on the particular facts of his/her own case. No responsibility can be accepted by our firm or our staff for any loss caused by acting or refraining from acting on the basis of this newsletter.*