



**CHELCO  
VAT**

**CHELCO VAT LTD**

**VAT UPDATE**

**DECEMBER 2016**

## **Mandatory e-filing of VAT returns as of May 2017**

**All VAT returns are to be submitted electronically as of 2 May 2017.**

To this effect, the Council of Ministers issued regulation ΚΔΠ.367/2016, as published in the Cyprus Gazette on 16/12/2016, amending the main regulations to the Cyprus Value Added Tax (VAT) Laws.

The amendment adds paragraph 6A to regulation 17 of ΚΔΠ.314/2001 which dictates that all taxable persons, as per the provisions of the Cyprus VAT Laws, are obliged to submit their VAT returns electronically. Returns are submitted via the on-line TaxisNet portal.

This means that electronic submission of VAT returns will be obligatory for all taxable persons as of 2 May 2017, when the above regulation is put into effect.

Further guidance is expected from the Tax Authorities soon with regards to this matter, which is expected to also impact electronic payments of any VAT due by taxable persons. We will keep you updated of any such changes as they become available.

The Tax Department's transition into a more digital relationship with the taxable persons follows the announcement of the Commissioner of Taxation, Yiannis Tsangaris, in early November of this year, who said that "the Tax Department is moving ahead with a transition to a more digital relationship with taxpayers in Cyprus."

To this end, taxpayers were urged by the Commissioner "to register with TaxisNet and activate e-filing for their various direct and indirect tax returns as soon as possible."

Chelco VAT Ltd is at your disposal to discuss your VAT needs and assist in meeting your obligations.

### **NOTE**

**Chelco VAT Ltd** is the only VAT-dedicated service provider in Cyprus and specialises in strategic VAT planning and VAT compliance. The above is issued as guidance only and should not be solely relied upon to structure business and other transactions without expert advice. Our experienced team at Chelco VAT Ltd, supported by our leading network of associates around the world, is ready to help you handle all your VAT needs and requirements.

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**ΓΝΩΣΗ**

221, Chr. Chatzipavlou Str., Helios Court, 1st Floor, 3036 Limassol, Cyprus | P.O. Box 51625, 3507 Limassol, Cyprus  
T: + 357 25 871200 | F: + 357 25 871220 | E: info@chelcoVAT.com | www.chelcoVAT.com