

5 MAY 2023 VAT ALERT

0% VAT on essential consumer goods

The Cyprus government approved earlier this week a 0% Value Added Tax (VAT) on certain consumer goods.

The relevant amendment to the Cyprus VAT Law was published in the Cyprus Gazette today and imposes a 0% VAT rate from the date of publication to 31 October 2023 for the below goods:

- Bread (includes all kinds of bread, except pastries and any other bread-based products)
- **Milk** (includes fresh milk, sweetened milk, condensed milk, long-life milk, flavored milk and plant milk)
- Eggs
- **Baby foods** (in powder, dry or liquid form which are intended for consumption by children. Snacks are not included)
- Baby diapers
- Products for feminine hygiene protection (tampons, sanitary napkins and incontinence pads)
- Adult diapers

You may click <u>here</u> to view the VAT law amendment.

We are always at your disposal to address your VAT needs and challenges, now and in the future.