



The Ministry of Finance of Cyprus has just announced the approval of the following bills in order to support businesses to counter the impact of the Coronavirus outbreak

1. Bill providing for a temporary suspension of the submission of the VAT return ending in February 2020:

The deadline for the submission of the VAT Return covering the period December 2019 – February 2020 which was due by the 10th of April 2020 has been extended to the 30th of April 2020, provided that:

- a) the taxable person pays the VAT payable amount until the 10th of November 2020

and

- b) the total sales of the taxable person for the period from 01st of March 2019 till the 29th of February 2020 have not exceeded one million euro.

2. Bill providing for the reduction of the Standard VAT rate and one of the Reduced VAT rates:

- a. the Standard VAT rate of 19% will be reduced to 17% over a two-month period from 1st of April 2020 to 31st of May 2020 and

- b. The Reduced VAT rate of 9% will be reduced to 7% for a period of three and a half months, from 1st of April 2020 till the 15th of July 2020.

For more information, please feel free to contact us at VAT@kinanis.com.