



ANNUAL LEVY CHANGES FOR YEARS 2012 AND 2013

The following amendments have recently been introduced to the provisions of the Cyprus Companies Law concerning the imposition of the Annual Levy of €350 that was initially introduced in year 2011.

- 1) From year 2013 and onwards, **ALL** Cyprus registered companies will be required to pay the annual levy of €350 to the Registrar of Companies by 30 June of each year (i.e. the annual levy for year 2013 is payable by 30 June 2013). The annual levy will be payable irrespective of whether:
 - it is the year of registration of the Company;
 - the Company does not carry out activities;
 - the Company does not have assets;
 - the Company only has assets located in the Turkish occupied areas of the Republic of Cyprus.
- 2) All companies that were exempted in year 2012 from the payment of annual levy as a result of the exemptions (as per point 1), are now required to pay the levy of €350 in respect of year 2012. The payment must be made by 29 March 2013.
- 3) Any company that was registered during the year 2012, or any company with no activities, or any company/group of companies with no assets, or any company only with assets located in the Turkish occupied areas of the Republic of Cyprus, that applies to the Registrar of Companies for the commencement of the procedures for its strike-off from the Register by 29 March 2013, shall be considered as being struck-off the register from 1 January 2012 and will not be liable to pay the levy for the year 2012.
- 4) Financial penalty of 10% is applicable if the levy is paid within 2 months from the due date and 30% if the levy is paid within 5 months from the due date. If the levy and the penalty is not paid within five months, the Registrar of Companies will remove the company from the registry (something which is expected to restrict the company from filing documents or requesting certificates from the Registrar's Office). The return of the company to the registry can be effected within two years with the payment of a fee of €500 and after two years with the payment of a fee of €750.