



IMMOVABLE PROPERTY TAX 2013

On 30 April 2013 the Cyprus House of Representatives voted the Immovable Property Tax Amending Law N33(I)/2013, providing the new bands and rates for immovable property tax. The Law came into force as at 1 January 2013.

Basis of Tax

Immovable property tax is imposed annually on all immovable property situated in Cyprus, that is owned by each person (legal or natural, Cyprus resident or non Cyprus resident), that was the registered owner of immovable property as at 1 January of each year. Immovable property tax is not imposed on property situated outside Cyprus.

The value of the property that will be subject to tax is the value of the property based on 1 January 1980 prices.

The value of the property based on prices as at 1 January 1980 is shown on the title deed. It is likely that the value of the property held by the Cyprus Land Registry may have been updated to reflect additions of buildings/structures or other amendments that for some reason were not included in the title deed.

What Constitutes Immovable Property

- Ground
- Buildings connected to the ground
- Planted trees or growing along the ground
- Privileges, rights to use, real work and any kind of other right and benefits relating to or considered to be relating to the ground or buildings or other structures or works/projects
- Wells, drillings and water rights

Rates

Immovable Property Values (based on 1 January 1980 prices)			Rate	Tax	Cumulative tax
From	€	To	%	€	€
1		40.000	0,6	240 *	240
40.001		120.000	0,8	640	880
120.001		170.000	0,9	450	1.330
170.001		300.000	1,1	1.430	2.760
300.001		500.000	1,3	2.600	5.360
500.001		800.000	1,5	4.500	9.860
800.001		3.000.000	1,7	37.400	47.260
3.000.001			1,9		

* No tax is payable where immovable property value for a person is less than €12.500



IMMOVABLE PROPERTY TAX 2013

Submission of returns and payment of tax

Every owner of immovable property in Cyprus is required to submit to the Inland Revenue Department (IRD) the following forms and pay the resulting tax:

- For immovable property owned in Cyprus as at 1 January 1980, the owner must submit forms IR301 and IR302 declaring the immovable property owned as at that date
- If during a year there was an amendment (i.e. acquisition, addition or sale of immovable property), then the owner must declare the amendment by submitting form IR303 by 30 September of the year following the year in which the amendment occurred
- Upon submission of the forms, the owner of immovable property is required to pay the resulting immovable property tax that arises in accordance with the submitted declarations of property owned as per the forms. Tax payment is due by 30 September of every year
- In case the value of immovable property as per the declarations submitted is smaller than $\frac{3}{4}$ (75%) of the final assessed value of the immovable property, then additional tax of 10% is imposed on the difference between the amount of tax paid in accordance with the declaration submitted and the amount of tax payable as per the final tax assessment
- In accordance with Immovable Property Tax Amending Law N33(I)/2013, the deadline for payment of immovable property tax for year 2013 is by 15 November 2013
- In case tax for year 2013 is paid by 5 November 2013, there will be a discount of 10% on the amount of tax payable
- In case tax for year 2013 is paid after 15 November 2013, there will be additional penalty of 10% on the amount of tax payable, **plus** interest **plus** administration penalties as per current tax laws