



TEMPORARY TAX ASSESSMENT FOR THE YEAR 2015

1. Obligation to submit estimation of chargeable income

According to article 24 of the Assessment and Collection of Taxes Law (4/1978) as amended, self-employed persons and companies must submit their temporary tax assessments on/or before 31st July in order to pay taxes during the year in 2 equal instalments. The first instalment of the temporary tax is due on 31st July and the second on 31st December. The temporary assessment may be revised at any time before the end of the current year, i.e. before 31st December. If the revised tax is higher than the tax declared on the original temporary assessment, interest on the balance of tax payable is calculated from the due date of payment (31st July).

2. Effects of understating / overstating chargeable income

If the object of the temporary tax declared is smaller than 3/4 (75%) of the object of the final tax, then the final tax payable shall be increased by an amount equal to 10% of the difference between the amount of the final tax and the amount of the temporary tax payable or paid.

The refund for any overpayment of temporary tax by reason of high computation is received with interest as calculated in accordance with the applicable public interest rate (currently at 4% p.a.) and based on the number of completed months from 1st January of the year following the year of assessment. The payment of tax plus any additional tax by reason of low computation or no computation, is similarly with interest but is based on the number of completed months from 1st August of the year of assessment.

3. Penalties in case of delay of payment of Temporary tax instalments

Any late payments of temporary tax will bear interest at 4% p.a. on every completed month of delay, irrespective of when it is paid. Additionally, a 5% penalty will be paid on the amount of each instalment in case it is not paid on time.

4. Requirement

Based on the above, please inform us if your Company will make profits during the year **2015** and the amount of the forecasted profits. **For this purpose you are required to complete and return to us "Appendix 1 - Computation of Temporary Tax".**

Additionally, inform us of the activities which give rise to these profits, like:

- Trading in securities and the types of securities (shares, bonds, promissory notes, currencies, etc)
- Interest income and breakdown from where it arises (bonds, promissory notes, fixed deposits, current accounts, etc)
- Trading in products
- Provision of services

If the activities which give rise to the forecasted profits are taxable, then we would advise that taxes are paid in advance (in 2 instalments) as described above so as to avoid interest and penalties when taxes are paid later on.



APPENDIX 1 - COMPUTATION OF TEMPORARY TAX

Yearly estimated chargeable income (€)	Income tax rate	Estimated tax payable (€)
	@12,5%	
		↓
Instalments	Due Date	Temporary tax (€)
1 st instalment	31/07/2015	
2 nd instalment	31/12/2015	