

CYPRUS 2026 TAX CALENDAR FOR COMPANIES

A Comprehensive Compliance Guide for Tax Year 2026

Introduction

This tax calendar provides Cyprus-registered companies with a complete overview of all major tax compliance deadlines for the year 2026. It covers corporate income tax, VAT, payroll withholding tax (PAYE), provisional tax, annual company levy, and company registration requirements. Please note that this calendar reflects the tax laws as of January 2026, with the key 2026 Tax Reform changes effective from 1 January 2026[1].

Important: Companies should monitor official announcements from the Cyprus Tax Department for any deadline extensions or additional requirements that may be announced during the year.

SECTION 1: CORPORATE INCOME TAX

1.1 Corporate Tax Return (TD4) – 2024 Tax Year

Key Dates:

- **Original Deadline:** 31 March 2026
- **Extended Deadline:** 30 November 2026 (for companies required to prepare financial statements)

Requirements:

The TD4 corporate tax return must be submitted electronically through TAXISnet. The return must be based on audited financial statements prepared in accordance with International Financial Reporting Standards (IFRS)[2].

Key Points:

- This is an extension for 2024 returns (companies have been granted additional time)
- The return is signed by external auditors and the company's director
- Payment of any corporate income tax due must accompany the submission

- For 2024, companies are taxed at 12.5% rate (this rate applies to 2024 and 2025 income)

Late Submission Penalties:

- Late filing attracts automatic penalties
- Interest accrues on unpaid tax at 5.5% per annum
- Additional 5% penalty may be imposed if tax remains unpaid two months after the due date

Tax Reform 2026 Note: From 1 January 2026, the corporate income tax rate increases to **15%**^[1]. This applies to the 2026 tax year onwards.

1.2 Corporate Tax Return (TD4) – 2025 Tax Year

Key Dates:

- **Deadline:** 31 March 2027
- **Payment Due:** 31 August 2026

Requirements:

The TD4 return for the 2025 tax year must be submitted by 31 March 2027 (15 months from the end of the tax year). This follows the standard timeline for corporate tax returns.

Change: The Cyprus Tax Reform has been emended by moving the deadline to **31 January of the second year following the tax year** (e.g., 2026 return due by 31 January 2028), which would shorten the filing window.

SECTION 2: PROVISIONAL TAX (TEMPORARY TAX)

Provisional tax applies to Cyprus-resident companies and is payable in two equal instalments during the tax year.

2.1 First Instalment – Tax Year 2026

Statutory Deadline: 31 July 2026

Effective Deadline (without penalties/interest): 31 August 2026

Payment Method: Electronic submission via TAXPORTAL.

Key Points:

- Payment must be made electronically
- The first instalment represents 50% of the estimated tax liability
- Companies must make a provisional tax calculation and declare it before paying

Penalties for Late Payment:

- **5% fixed monetary penalty** on unpaid amount (if paid after 31 August)
- Interest at **5.5% per annum** calculated on completed months of delay
- Additional 5% penalty may apply if payment remains outstanding two months after the due date

New Companies: Companies incorporated between 1 August and 31 December in a calendar year are not required to pay the 1st instalment; total estimated provisional tax should be paid by 31 December of that year.

2.2 Second Instalment – Tax Year 2026

Statutory Deadline: 31 December 2026

Effective Deadline (without penalties/interest): 31 January 2027

Payment Method: Electronic submission via TAXPORTAL

Key Points:

- Payment must be made electronically
- The second instalment represents the remaining 50% of estimated tax liability
- Companies may revise their provisional tax calculation before the statutory deadline (31 December 2026)

Revision of Provisional Tax Calculation:

- If **downward revision:** Outstanding second instalment can be settled by 31 January 2027 without penalties
- If **upward revision:** Additional amount of first instalment must be settled by 31 December 2026 with 5.5% interest; second instalment can be settled by 31 January 2027 without penalties
- All revisions must be submitted by **31 December 2026**

Penalties for Late Payment:

- **5% fixed monetary penalty** on unpaid amount (if paid after 31 January 2027)
 - Interest at **5.5% per annum** calculated on completed months of delay
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SECTION 3: VALUE ADDED TAX (VAT)

3.1 Quarterly VAT Returns and Payments

General Schedule:

VAT is typically filed and paid on a quarterly basis. The general deadline is the **10th day of the second month after each quarter ends**.

2026 VAT Periods:

VAT Period	Period Ends	Standard Deadline	Effective Deadline (with grace)
Q1 2026	31 March 2026	10 May 2026	10 May 2026
Q2 2026	30 June 2026	10 August 2026	10 August 2026
Q3 2026	30 September 2026	10 November 2026	10 November 2026
Q4 2026	31 December 2026	10 February 2027	10 February 2027

Key Points:

- VAT is submitted electronically through TFA.
- VAT is calculated as: VAT collected on sales minus VAT paid on purchases
- If VAT is due, payment deadline is the Effective deadlines as stated above.
- If VAT is overpaid, refunds or credits can be claimed

Late Submission Penalties:

- €100 flat fee for late submission of VAT return
- 10% surcharge on any unpaid VAT amount
- Interest accrues at 5.5% per annum on unpaid amounts

VIES Statement (Recapitulative Statement):

Companies with intra-EU supplies must submit their monthly VIES statement before the 15th day of the following month .

Late VIES Penalties:

- €50 flat fee for late submission of VIES statement
- Correction of a mistake of VIES statement is allowed up to end of the following month. Otherwise a €15 penalty is apply.

3.2 Monthly VAT (Optional Scheme)

Eligibility:

Large VAT-registered businesses may opt for monthly VAT filing and payment. If elected, VAT returns must be filed by the **10th day of the following month** after each month ends.

Key Points:

- Monthly filing provides more frequent cash flow monitoring
 - Same penalties apply for late submission (€100 + 10% surcharge)
 - Election is typically made annually with the Tax Department
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SECTION 4: PAYROLL AND WITHHOLDING TAX (PAYE)

4.1 Monthly PAYE Declarations and Tax Payments

Deadline: Last day of the month following the payroll month

Example Timeline:

- Payroll paid in January 2026 → PAYE declaration and tax payment due 28 February 2026
- Payroll paid in February 2026 → PAYE declaration and tax payment due 31 March 2026
- And so on for each month

Key Points:

- PAYE declarations are submitted electronically through TFA.
- Must include income tax withheld from employees and social insurance contributions
- Payment must be made as per deadline stated above.

Late Payment Penalties:

- Interest at 5.5% per annum on unpaid amounts
- 5% fixed penalty on unpaid tax
- Additional 1% penalty if amount remains unpaid after the due date.

Annual Filing:

After the final monthly declaration for the year 2026, employers must also file annual PAYE summaries with supporting documentation.

4.2 Summary of Withholding Tax (TD7)

Deadline: 31 March 2027 (for the 2026 tax year)

Requirements:

The TD7 is a summary document showing all income tax, social insurance, GHS contributions and other allowance and deduction withheld during the tax year.

SECTION 5: SPECIAL TOPICS FOR 2026

5.1 Tax Reform 2026 – Key Changes Effective 1 January 2026

The Cyprus government approved a comprehensive tax reform on 22 December 2025^[1], with major changes taking effect from 1 January 2026. The following changes affect companies:

Corporate Income Tax Rate Increase:

- **New Rate:** 15% (increased from 12.5%)
- **Effective Date:** 1 January 2026
- **Applies to:** Tax years beginning on or after 1 January 2026
- **2025 Tax Year:** Still taxed at 12.5% (earlier timeline)
- **2026 and beyond:** Taxed at 15%

Special Defence Contribution (SDC) Changes:

- **SDC on dividends:** Reduced from 17% to 5%
- **SDC on rental income:** Abolished
- **SDC on deemed dividend distribution:** Abolished for profits earned from 1 January 2026 onwards

Filing Deadline Change:

- Corporate tax returns are due by **31 January of the second year following the tax year** (e.g., 2026 return due by 31 January 2028)
- This would shorten the current 15-month filing window

Deemed Dividend Distribution Rules:

- Rules are abolished for profits earned from 1 January 2026 onwards
- Existing deemed dividend rules continue to apply to pre-2026 profits (until 2031 transition)

Impact for Clients:

- Higher corporate tax burden starting 2026
- Reduced taxation on dividend distributions (SDC reduction)
- Elimination of certain automatic deemed distributions

5.2 Country-by-Country (CbC) Reporting – 2024 Fiscal Year

Deadline: 31 December 2025 (already passed; noted for 2026 context)

2025 CbC Notification Deadline: 31 December 2025

Next CbC Deadline (2025 Reporting Year): 31 December 2026

Who Must File:

- **Multinational Enterprise (MNE) groups with consolidated annual revenue of €750 million or more.**
- Cyprus entities that are part of qualifying groups

Requirements:

- MNE groups must file detailed CbC reports showing financial information by jurisdiction
- Information includes: revenue, profits, taxes paid, number of employees, tangible assets
- The "reporting entity" (usually ultimate parent or designated group entity) files the primary report
- Other group members file notification confirming group status and identifying the reporting entity

Penalties for Non-Compliance:

- €10,000 for late filing of CbC report
- €5,000 for late filing of CbC notification
- Interest on late payments

Practical Note:

Multinational groups with Cyprus operations should ensure their CbC compliance calendar is coordinated across all jurisdictions where the group operates.

SECTION 6: SUMMARY TABLE OF 2026 COMPLIANCE DEADLINES

Date	Obligation	Form/Description	Responsible Party	Notes
31 January 2027	2nd Provisional Tax Instalment (2026)	Electronic via TAXPORTAL	Company	Grace period ends; 5% penalty + 5.5% interest after
31 March 2027	Corporate Tax Return (TD4) – 2025 Year	TD4 + Payment	Company	For the 2026 TD4: moved to 31 January 2028
31 March 2027	Summary of Withholding Tax (TD7)	TD7 – via TFA	Company	N/A
Q1, Q2, Q3, Q4 2026	Quarterly VAT Returns & Payments	VAT Return via TFA	Company	10th of 2nd month after quarter; €100 + 10% surcharge if late
31 July 2026	1st Provisional Tax Instalment (2026)	Electronic via TAXPORTAL	Company	Grace until 31 August 2026
31 August 2026	Effective Deadline for 1st Provisional Tax and final tax for 2025.	Electronic via TAXPORTAL	Company	5% penalty + 5.5% interest after
Monthly	PAYE & Social Contributions	Monthly declarations via TFA	Employer	Due end of following month
30 November 2026	Extended Income Tax Return (TD4) for 2024 Year	TD4 + SIT Tax Table	Company	Extended deadline; standard penalties apply if late
31 December 2026	2nd Provisional Tax Instalment (2026) Statutory Deadline	Electronic via TAXPORTAL	Company	May revise calculation until this date
Various dates (18 months from incorporation).	Annual Return (HE32) – Individual Company Dates	HE32 + Audited Accounts	Company	Calculate based on incorporation date or last filing date

SECTION 7: BEST PRACTICES AND RECOMMENDATIONS

7.1 Planning Tips for Companies

1. Provisional Tax Management

- Calculate provisional tax accurately based on prior year results and current year projections
- Make timely payments to avoid 5.5% interest charges
- Consider quarterly estimates to refine your provisional tax calculation
- Monitor revised provisional tax deadlines (31 December) to make adjustments

2. VAT Compliance

- Maintain proper records of VAT invoices (both issued and received)
- Reconcile VAT monthly to identify discrepancies early
- Ensure VIES statements match VAT returns
- Allow buffer time for electronic submission to avoid late filing penalties

3. Payroll Compliance

- Maintain accurate payroll records for all employees
- Process PAYE withholding correctly and on time
- Keep supporting documentation for audit purposes
- Coordinate with HR to ensure timely submission

4. Annual Filings

- Plan the AGM well in advance of the HE32 filing deadline
- Coordinate with your auditor to complete audited accounts on time
- Allow 28-day buffer for HE32 filing to avoid penalties
- Request filing extensions early if needed

5. Tax Reform 2026 Planning

- Recalculate provisional tax for 2026 based on new 15% corporate tax rate

- Assess impact of increased taxation on cash flow
 - Consider optimizing SDC strategy given reduced dividend tax
 - Review profit distribution strategies
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7.2 Recommended Filing Calendar for Companies

Q1 (January – March 2026)

- ☐ By 31 January: Pay 2nd Provisional Tax Instalment for 2025
- ☐ By 31 January: Submit any outstanding PAYE for July-November 2025
- ☐ Monthly: Submit PAYE declarations and payments
- ☐ By 31 March: Extended deadline for 2024 Corporate Tax Return (TD4)

=Q2 (April – June 2026)

- ☐ By 10 May: File Q1 2026 VAT return.
- ☐ Monthly: Submit PAYE declarations and payments
- ☐ Plan AGM for annual accounts approval

Q3 (July – September 2026)

- ☐ By 31 July: Pay 1st Provisional Tax Instalment for 2026
- ☐ By 31 August: Grace deadline for 1st Provisional Tax Instalment and final corporation tax of the year 2025.
- ☐ By 10 August: File Q2 2026 VAT return.
- ☐ Monthly: Submit PAYE declarations and payments
- ☐ Hold AGM and prepare HE32 annual return

Q4 (October – December 2026)

- ☐ By 10 November: File Q3 2026 VAT return.
 - ☐ By 31 December: Pay 2nd Provisional Tax Instalment for 2026
 - ☐ By 31 December: Finalize revised provisional tax calculation (if needed).
 - ☐ By 30 November filing of TD4 and SIT Tax table for the 2024.
 - ☐ Monthly: Submit PAYE declarations and payments.
 - ☐ End-of-year tax planning and review
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SECTION 8: KEY CONTACTS AND RESOURCES

8.1 Official Websites and Resources

Cyprus Tax Department (TAXISnet, TAXPORTAL AND TFA):

- Website: www.tax.gov.cy, taxforall.mof.gov.cy, <https://taxportal.mof.gov.cy>
- Electronic Filing: www.taxisnet.gov.cy
- VAT Queries: VAT Registration and Compliance Unit
- Corporate Tax: Corporate Taxes Unit

Registrar of Companies:

- Website: www.companies.gov.cy
- HE32 Filings and Company Information

Cyprus Accounting and Audit Profession:

- ICPAC (Institute of Certified Public Accountants Cyprus)
- Professional guidance and continuing education

8.2 Contact Information for Your Tax Advisor

Clients should maintain regular contact with their tax advisor for:

- Provisional tax calculation and payment planning
- Corporate tax return preparation and filing
- VAT compliance and quarterly reviews
- PAYE and payroll compliance
- Company registration and HE32 filings
- Tax reform impact analysis and planning
- CbC reporting (for multinational groups)
- Monthly VIES reporting.

SECTION 9: DISCLAIMER AND IMPORTANT NOTES

Disclaimer:

This tax calendar is prepared based on the current Cyprus tax laws and regulations as of January 2026. It is intended as a general reference guide for companies and does not constitute professional tax advice. Tax laws are subject to change, and the Cyprus government may issue extensions, amendments, or clarifications throughout the year.

Important Notes:

1. **Deadline Extensions:** The Cyprus Tax Department frequently announces deadline extensions for specific periods or taxpayer groups. Companies should monitor official announcements on www.tax.gov.cy.
 2. **Tax Reform Implementation:** The 2026 tax reform is effective from 1 January 2026. Some proposed changes (such as revised filing deadlines) require legislative confirmation. Monitor official announcements.
 3. **Electronic Filing Required:** All tax filings and payments must be submitted electronically through TFA and TAXISnet. Manual submissions are not accepted.
 4. **Interest and Penalties:** Interest accrues at 5.5% per annum on late payments. Penalties vary by tax type (5% fixed for provisional tax, €100 for VAT returns, €50 for VIES, etc.).
 5. **Professional Advice:** Companies are strongly advised to consult with their qualified accountant or tax advisor for personalized guidance on their specific tax obligations and to ensure full compliance.
 6. **Group Compliance:** For groups of companies, ensure that all entities within the group maintain separate compliance calendars and that inter-company obligations (such as CbC reporting) are coordinated.
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References

[1] Cyprus Tax Reform 2026 (Approved 22 December 2025). Corporate income tax rate increase from 12.5% to 15% effective 1 January 2026; SDC amendments; abolition of deemed dividend distribution for profits from 2026 onwards.

[2] Cyprus Income Tax Law (as amended): Requirements for audited financial statements and TD4 corporate tax return submission.

[3] Proposed Changes to Cyprus Tax Administration (2026 Tax Reform): Potential revision of corporate tax filing deadline to 31 January of the second year following the tax year. Status pending final legislative confirmation.

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This tax calendar is provided as a professional courtesy to support tax compliance planning. Companies should monitor official Tax Department announcements for any updates or extensions.