

Announcements by the Inland Revenue

Electronic submission of Employer's Return of Employees

It was announced by the Inland Revenue Department that, as of 2011, it is mandatory that the submission of Employer's Return of Employees (Form IR 7) is done electronically via the Taxisent system. Consequently, hard copy submissions will no longer be accepted for filing of returns for the tax year 2011 and subsequent years.

The procedure is similar to the one applicable for electronic submission of Company Tax Returns (Form IR 4). In order to register a company (as an employer) with the Taxisnet system, certain forms must be completed and filed with the Inland Revenue Department together with a copy of the identification card of the person who signed these forms on behalf of the company.

1. Form IR 80 (application for registration of the company to the taxisnet system); and
2. Form IR 68 (authorisation of an individual or tax service provider to submit the tax return on behalf of the company).

It may be relevant to note that, unlike Company Tax Returns (Form IR 4), the filing of the Employer's Return of Employees (Form IR 7) can either be done by the company itself or by a professional tax advisor.

Payment of tax from overseas

The Inland Revenue Department also announced that it is now possible for taxpayers to settle their tax liabilities by making a visa payment through *jccsmart* payment system (<https://www.jccsmart.com>). However, no payments can be effected through *jccsmart* payment system for taxes which are overdue (i.e. after the respective time deadline).

In addition to settlement of tax via *jccsmart* payment system, it is also possible to make a cash or cheque payment. It is also feasible to make a wire transfer to a specific account held with the Central Bank of Cyprus.

Lastly, it was announced that the tax authorities would no longer accept cheques issued by foreign banks as of 1 January 2012.

Ernst & Young Cyprus Compliance and Reporting professionals would be glad to assist.

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