

Estate Duty was abolished in 2000. The executor/administrator of the estate of the deceased is required by the Deceased Persons Estate Law to submit to the Tax Authorities a statement of assets and liabilities of the deceased within six months from the date of death.

VAT is imposed on the provision of goods and services in Cyprus, as well as on the acquisition of goods from the EU and the importation of goods into Cyprus.

Taxable persons charge VAT on their taxable supplies (output tax) and are charged with VAT on goods or services which they receive (input tax).

For intra-community acquisitions of goods (except goods subject to excise duty or new means of transport) the trader does not pay VAT on receipt of the goods in Cyprus but instead accounts for VAT using the acquisition accounting method. This involves a simple accounting entry in the books of the business whereby he self charges VAT and at the same time claims it back if it relates to taxable supplies thereby creating no cost to the business.

Where the acquisition relates to an exempt transaction, the trader must pay the VAT that corresponds to the acquisition.