

## T&L D-briefs series

May 2022

Stay on top of tax and legal (T&L) issues that impact your business through our bi-monthly [T&L D-briefs](#).

In this issue, we:

- cover the **taxation of employees' share option schemes** and share potential developments;
- provide an overview of the upcoming enhancement of the **Transfer Pricing regime** in Cyprus;
- outline the **tax and other obligations** that an individual should consider, when intending to **dispose immovable property** in Cyprus;
- give a summary on the procedure for submitting relevant information to the **Cyprus Beneficial Ownership Register for Express Trusts**;
- share insights of a Supreme court case that created a precedent for the Cyprus legal order, regarding **companies under administration**.

T&L D-briefs  
May 2022  
Issue 5

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### Local Tax developments



#### Taxation of employees' share option schemes

Click below to watch our Director, [Yiannakis Frangous](#), briefly explain the tax treatment of share option schemes, a popular remuneration tool for incentivising employees.

#### Transfer pricing developments

The arm's length pricing of related party transactions (transfer pricing) is a focus area for the Cypriot Tax Authorities. New rules are soon expected to be voted by the Parliament, providing a clear framework on how taxpayers should be documenting their intra-group transactions to support their adherence to the arm's length principle. Click [here](#) for more details and connect with [Harris Kleanthous](#) (our TP Leader) and his team to discuss how Deloitte can help you.

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#### International Tax developments

During the last few years, the international tax rules are constantly being challenged and re-written. In order to help you keep abreast with the latest developments, we suggest that you subscribe to [World Tax Advisor](#).

World Tax Advisor presents tax news, commentary and insights from around the world written by Deloitte professionals.

In [this month's edition](#), read about the revised position of the Swedish Tax Authorities on when working from home may create a permanent establishment for an overseas employer, amongst other topics. The position does not by any means reflect the position of the Cyprus Tax Authorities but provides useful food for thought.

## What taxes is an individual subject to, when disposing immovable property in Cyprus?

Regardless of an individual's tax residency status, the disposal of immovable property in Cyprus brings about some tax consequences.

This article summarises the tax and other obligations that an individual should consider, when intending to dispose immovable property in Cyprus but also the taxes that a buyer is liable to, when acquiring immovable property in Cyprus.



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## Business and other corporate matters

### **Beneficial Ownership Register of Express Trusts and Similar Legal Arrangements**

As from 17 May 2022, the online platform for the Cyprus Beneficial Ownership Register of Express Trusts and Similar Legal Arrangements is in operation. Read our [tax alert](#) to learn more.



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## Legal

### **Supreme Court in Cyprus finds service of pleadings to the directors of company under administration improper**

The Supreme Court held on appeal that the board of directors of a company under administration does not have the power or capacity to accept service of any documents on behalf of a company under administration.

Service of the documents must be made to the company's authorised representative, that is the company's administrator/receiver or be served to the company's registered office.

**The successful appellant** (the company under administration) **was represented by Gaston Hadjianastassiou of Hadjianastassiou, Ioannides LLC** (member of the Deloitte Legal network).

Click on the link below to read the details of the court case.



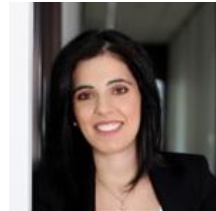
For the greek version of the article, click [here](#).



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## Mark your calendar!

**31 MAY 2022**

- Electronic submission of the 2021 employer's return (TD7)

**30 JUNE 2022**

- Payment of company annual levy to the Registrar of Companies
- Payment of SDC on rents, dividends or interest from sources outside the Republic for the first six months of 2022



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