

## **Filing of Annual Returns and Payment of Annual Levy**

### ***Filing of Annual Returns***

The Registrar of Companies and Official Receiver (the “Registrar”) has recently issued an announcement in relation to the Cyprus companies’ obligation under the Companies Law Cap. 113 (the “Law”) to file annual returns accompanied by financial statements.

It is important to note that a company which fails to file overdue annual returns will be struck-off the Register of Companies, in accordance with the provisions of Article 327 of the Law.

Even though we have not seen in practice the abovementioned Article being applied by the Registrar, its recent announcement may well be a sign of the Registrar’s intention for stricter enforcement of the Law.

### ***Annual Levy***

All Cyprus companies should pay an annual levy of **€350** for the year 2014 (and any previous years for which they had an obligation to do so). The due date for payment of the annual levy for the year 2014 is 30 June 2014. Overdue payments are subject to penalties, as follows:

- **€385**, including penalties for settlement from 01/07/2014 until 31/08/2014
- **€490**, including penalties for settlement from 01/09/2014 until 30/11/2014

If a Cyprus company fails to comply with the above, the Registrar has the right to strike the company off the Register of Companies, in accordance with Article 327 of the Law. A company may be reinstated by paying to the Registrar a penalty of **€500** within a period of 2 years from the date of strike-off. The penalty increases to **€750** if more than 2 years pass since the date of a company’s strike-off.

*If you have any related questions/queries please do not hesitate to contact us.*