



# Monthly Page



In the context of implementing the 4th AML European Directive into Cyprus law, section 61A(4)(a) of the Prevention of Money Laundering and Terrorist Financing Law, provides for the maintenance of a central register of ultimate beneficial owners of companies and other legal entities (“UBOs”).

## The Cyprus Register of Ultimate Beneficial Owners to be introduced in 2021



On the 16th of December 2020, the Council of Ministers decided to:

- (i) appoint the Registrar of Companies and Official Receiver of the Ministry of Energy, Trade and Industry, as the competent authority for the maintenance of the central register of UBOs444666, and
- (ii) provide the Registrar with the authorization to collect the relevant information through the platform/system already in place.

From this date onwards, entities will be granted a period of 6 months (ie until 19/7/2021) for the purposes of registering the applicable information concerning their UBOs.

It is highlighted that, the system that has been developed is an intermediate solution and access is only provided to the competent authorities, upon request to the Registrar of Companies; therefore, it will not be available to the wider public. All information will then be transferred to the final platform that will be developed during the second half of 2021. Access to such platform will be granted based on the provisions of the 5th AML European Directive.

It is noted that all companies and legal entities are obliged to comply with the relevant new provisions.

More information and the relevant link for submitting the above information will be provided by the Cyprus Registrar of Companies in due course. Hence, we will share more detailed information once these become available.

## New Taxisnet Declarations of withheld Special Defence Contribution (SDC) and National Health contributions from Interest and Dividends

The withholding of Special Defence Contribution and National Health Contribution on interest and dividends, will be declared from now on only by electronic tax declaration forms, through the Taxisnet online system, using their unique taxisnet codes.

- Form T.D.602 (replacing form TD61AT)- Declaration of withheld Special Contribution for Defence and National Health Contribution from Interest, and
- Form T.D.603 (replacing form TD61AM)- Declaration of withheld Special Contribution for Defence and National Health Contribution from Dividends.

Since National Health Contributions are not exempt for non-domiciled shareholders (which is the case for defence fund contributions) all Cyprus companies with Cyprus tax resident shareholders distributing dividends or interest, are obliged to submit the aforementioned forms.

For each withholding, the respective analysis should be submitted along with the payment by the end of the month following the month in which the withholding was made.

The fine for non or late submission of the relevant forms will be €100 per return.

Payment methods:

- Within deadline: JCC Smart Website and through the Tax Portal
- After the respective deadline: only via the Tax Portal