

Tax Alert

Preparation of audited Financial Statements by individuals

According to the Article 30(1) of the assessment and collection of taxes law, every individual with a total Gross Annual Turnover of over Euro 70.000 is required to keep proper books and records and to prepare audited Financial Statements.

An interpretative circular was issued by the tax department, clarifying that the term “Turnover”, for the purpose of the article 30(1), includes only the revenue generated from the exercising of any business activity. The circular also clarifies that if an individual, in addition to the turnover, has interest / dividend / rental income, then such income should also be taken into account in assessing whether the threshold of Euro 70.000 is exceeded or not.

According to the circular, the individual should exercise a business activity in order to be obliged to prepare audited financial statements. Employees and pensioners who have interest and/or dividend and/or rental income, which is/are not the result of any business activity, should not have an obligation to prepare audited financial statements even if the threshold of Euro 70.000 is exceeded.

This content is intended for general information purposes only. You are advised not to use any information contained herein as a substitute for consultation with professional advisors.

Head Offices

115 Faneromenis Avenue,
Antouanettas Building,
6031 Larnaca,
P.O. Box: 40089

6300 Larnaca, Cyprus

Tel: +357 24 201600

Fax: +357 24 201601

Email: info@harriskyriakides.law

Website: www.harriskyriakides.law

For further information please
do not hesitate to contact us