



## CYPRUS - July 2017

---

### LOCAL PROPERTY TAX SET TO CHANGE..... 1

---

#### Local property tax set to change

*Some will pay more and some will pay less local property taxes in Cyprus this year as charges will be assessed on 2013 property valuations rather than those of 1980 in efforts to provide a fairer taxation system.*

Local property tax in Cyprus is set to change this year as the Municipalities and Communities will be assessing the tax payable on the 2013 property valuations rather than the 1980 valuations.

It is anticipated that most people will pay about the same local property tax as they did in 2016.

However, the new assessments may result in those whose properties were registered as plots or fields in 1980 and which have subsequently been developed – and those whose properties are in planning zones that have subsequently been rezoned will pay more tax this year than previously.

The Greek language newspaper 'Ο Φιλελεύθερος (Phileleftheros) reports that a person in the Limassol Municipality of Agios Athanasios has been asked to pay €229.32 compared to the €78.49 he paid last year, while another in Larnaca has been asked to pay €200 this year compared to his 2016 bill for €70.

We understand that the Municipalities have the option of imposing a uniform rate of up to 0.024 per cent on a property's 2013 valuation. This will result in the Municipalities collecting approximately €20.8 million this year compared to the €19.1 million they collected last year.

The Phileleftheros reports that the rate in the Municipalities of Strovolos will be 0.015%, Aradippou 0.019%, Larnaca 0.023%, Limassol 0.024%, and Paphos 0.019% per thousand, while the rate in Paralimni has yet to be set.