



# Relief from Penalties for the Income Tax Return and the TSI for 2022

## Transfer Pricing alert

February 2025

On 12 February 2025, the Cyprus Tax Department (“CTD”) announced that, by decision of the Commissioner of Taxation, no administrative fines will be imposed on taxpayers for late submission of the Income Tax Return (“TD4”) and the Table of Summarized Information (“TSI”) for the tax year 2022, provided that the filing is completed by **31 May 2025**.

Submission after 31 May 2025 will result in the imposition of administrative fines as follows:

- Imposition of an administrative fine of €500 for late submission of the TSI for the tax year 2022.
- Imposition of a monetary charge of €100 for late submission of the TD4 for the tax year 2022.

Taxpayers subject to these requirements are encouraged to assess their reporting obligations in advance to ensure compliance with TSI submission and to prepare the necessary Transfer Pricing reports in accordance with Article 33 of the Income Tax Law and Circular 6/2023, which may, on a case-by-case basis, include the following:

- ✓ The Local File;
- ✓ The Master File; and
- ✓ Minimum Transfer Pricing documentation.

## How KPMG in Cyprus can assist

Please note that we will not be able to guarantee meeting the deadline of 31 May regarding the tax year 2022 for requests received after 15 April.

Should you like to further discuss the content of the legislation and potential impact to your business, please contact one of our trusted advisors from the Tax department at KPMG in Cyprus.

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