



Issue N-31-2021, 8 November 2021

The Minister of Finance issued a Decree providing guidance on key provisions of the DAC6 implementing Law

In brief

On 29 October 2021 the Minister of Finance issued a Decree providing guidance on key provisions of the Law on Administrative Cooperation in the Field of Taxation (Law 205(I)/2012) (“Law”), implementing Council Directives (EU) 2018/822 of 25 May 2018 and 2020/876 of 24 June 2020 on the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements (“DAC6”).

The Decree was issued after the Cyprus Tax Authority had already issued an announcement extending the deadline for submission of DAC6 reports without any penalties to the end of 30 November 2021.

For background, please refer to our Tax Update Newsletters **N-9-2021**, **N-15-2021** and **N-26-2021**.

In detail

Decree issued by the Minister of Finance on the DAC6 implementing Law

The Decree issued by the Minister of Finance answers a number of questions which had been raised by intermediaries and taxpayers in relation to DAC6, providing guidance and much needed clarity on the interpretation of key provisions and concepts of the Law.

Specifically, the Decree covers and provides guidance on a number of key concepts including: what is an arrangement, who is a participant, how each hallmark should be interpreted and applied, who has an obligation to report and what constitutes proof for an intermediary or the taxpayer to claim exemption from reporting.

The takeaway

Intermediaries and taxpayers alike need to reflect on the Decree vis-a-vis their arrangements from 25 June 2018 to date, finalise any preliminary conclusions reached vis-a-vis DAC6 and proceed with the reporting as required.

PwC has dedicated teams and has developed tools to support you in analysing the guidance further and assisting you towards meeting your obligations under DAC6.

Let's Talk

For a deeper discussion of how this issue might affect your business, please contact:

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