



Cyprus VAT Regulation: 305/2024

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On 13 September 2024, **Regulation 305/2024** was published in the Official Gazette of the Republic in relation to the application for the option not to tax that is given in relation to the **lease and/or rental of immovable property**. More specifically, the Regulation provides that the application must be made through the **submission of the form TD 1220** as specified in the Regulation and Schedule 8 of the Cyprus VAT Law.

Commencement Date - The Regulation became effective on 13 September 2024.

Termination of the application of the declaration of the Option not to tax - The declaration of the option not to tax ceases to be valid from the date that there is a change of ownership in the immovable property.

Transitional Provisions - The form TD 1220 is valid for leases whose signing date precedes thirty (30) dates from the date of the commencement date of this Regulation.

Notes as per TD 1220:

- (1) The application must be submitted within 30 days from the date of signing the lease agreement. **The Tax Commissioner may approve another date later than 30 days for the submission of the application/declaration following a relevant application.**
- (2) The declaration must be submitted together with:
 - (i) an attached copy of the notarized agreement of the lease and/or rental of the immovable property.
 - (ii) an attached copy of the identity of the signatory and, for legal entities, a certificate of directors.
- (3) In the event that this form is submitted for part of the immovable property, a relevant description specifying the part in the immovable property for which is applicable must be included.
- (4) The relevant form must be accompanied with any additional details/supporting documentation for each immovable property relevant to the application.

You can find the relevant form TD 1220 in the [link](#)

Let's Talk!

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

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