

Amendments to tax laws to facilitate loan restructuring



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Corporate Tax, Cyprus

Parliament passed a package of legislative measures on 8 July 2018 that aims to encourage the resolution of non-performing loans. The legislative measures included an extension of the current tax exemptions on transfers of immovable property from a borrower to a lender in the course of a loan restructuring to borrowers that dispose of the property themselves in the open market in order to restructure debt. Both sets of exemptions will be available until the end of 2019.

With effect from 17 July 2018, Law 96(I)/2018 has amended the Income Tax Law, **(1)** Law 98 (I)/2018 has amended the Special Contribution for Defence Law **(2)** and Law 100 (I)/2018 has amended the Capital Gains Tax Law **(3)** in order to implement the amendments.

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Endnotes

(1) Law 118(I)/2002.

(2) Law 117(I)/2002.

(3) Law 52/1980.

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