



Compliance Services

Indirect Tax Services

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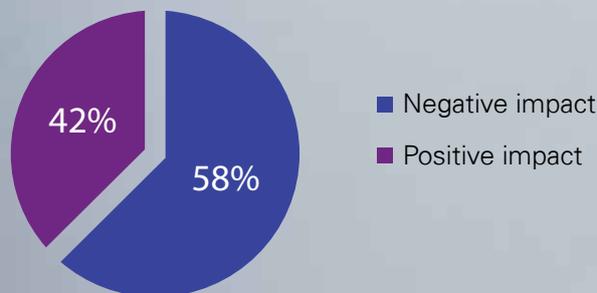
Indirect Taxation Complexities

Bearing in mind the continuous trend towards indirect taxation, businesses are facing increased challenges in achieving full compliance as well as realizing more pressure on their cash resources. It is crucial that businesses are in a position to assess the degree of efficiency and effectiveness in managing indirect taxes being one of the most important and riskiest area of their operations.



For the majority of businesses, large medium or small, VAT is the third largest cash flow item after sales and cost of sales. However, determining the true impact that VAT has on the cash position of a business, is a complex process.

Often businesses focus solely on the net VAT payable to, or receivable from, the tax authority. But this ignores the significant amounts of VAT amounts that flow in and out of a business daily (e.g. on customer receipts and payments to suppliers).



58 percent of companies say that VAT has a negative impact on their business.

VAT compliance

Given that VAT is a transactional tax that affects almost every transaction a business enters into, reporting requirements will need to be met in accordance with local and EU VAT legislation. Our services in this area are addressed to clients who are required to be registered or are currently registered for VAT purposes.

How can KPMG help?

KPMG's Indirect Tax team comprises of professionals who have the necessary technical knowledge and hands-on experience in all sectors of commerce and industry. We apply the gained experience to assist clients in identifying and managing their VAT risks and compliance obligations. Our approach to VAT compliance services combines both the local and EU perspectives, using technology both as an enabler for VAT compliance and as a means to help Cyprus based companies gain insight in their VAT affairs. We can also work closely with Global Indirect Tax professionals from KPMG International member firms across the globe in every major market with a VAT regime in order to address our client's specific needs.

Letting you focus on your business affairs

- If you are looking to reduce or mitigate your VAT compliance risk, KPMG has the technical knowledge and skills to assist

- Outsourcing your VAT compliance to KPMG will have potential benefits which can result in substantial savings and improved administrative efficiency and compliance
- With our help you can manage VAT in an effective way, reducing cost and mitigating compliance risk.

How can KPMG help add long-term value to your business?

For any business looking to outsource its indirect tax compliance activities and gain the benefits of using a specialist, KPMG in Cyprus can help with the following:

- Preparation and / or review of periodic VAT Returns
- Preparation of monthly VIES reports (VAT Information Exchange System)
- Reconciliations, management reports and data analytics
- Refund of the accumulated VAT credit balance
- Correction of VAT returns and VIES statements
- VAT clearance certificates
- EC VAT refund and 13th directive reclaims
- Registration and deregistration
- Bad Debt relief procedure
- Support for indirect tax audits.

“Poor in-house procedures and limited compliance knowledge can result in the imposition of significant penalties, damaged reputation and/or missed opportunities”

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