

## TAX NEWS

On 30<sup>th</sup> May 2013, the Inland Revenue Department of Cyprus issued Circular 2013/8 with regards to the five-year restriction of carry-forward and setoff of losses.

### Proposed changes related to International Business Companies

- **The above new provision has been put into force from 21.12.2012 and governs the allowances for losses, as follows:**

Commencing from the tax year 2012 and thereafter, the taxable income of each year can be set off only against the losses of the previous five years. That is, the taxable income of 2012 can be set off against the tax losses of 2007.