

# BKMS GROUP

## Business Domiciliation in Cyprus



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# CYPRUS BUSINESS DOMICILIATION

- Cyprus Temporary Residence and employment permits for Non EU Nationals employed by companies of foreign interests
  - Companies with foreign shareholders majority
  - Share capital at least of €171.000 if foreign participation is <50%
  - Direct foreign capital investment of at least €171.000
  - Operation of the company from self contained offices in Cyprus (not part of private residences or another office)
  - Employment of maximum 5 Executive Directors with minimum monthly salary of €3.872 and no restriction of the residence period
  - Employment of maximum 10 middle management staff with monthly salary between €1936 to €3871 and no restriction of the residence period



## EXCEPTION FROM THE DEFENSE TAX

- The Special Contribution for the Defense of the Republic Law imposes tax on certain categories of income (interest, rents, dividends) received by persons who are considered to be residents for tax purposes of Cyprus.
- With the amendments dated 9<sup>th</sup> July 2015 of the tax laws, a Cyprus tax resident individual, who is not domiciled in Cyprus, will effectively not be subject to Defense Tax in Cyprus on any interest, rents or dividends (whether actual or deemed) regardless of whether such income is derived from sources within Cyprus and regardless of whether such income is remitted to a bank account or economically used in Cyprus.



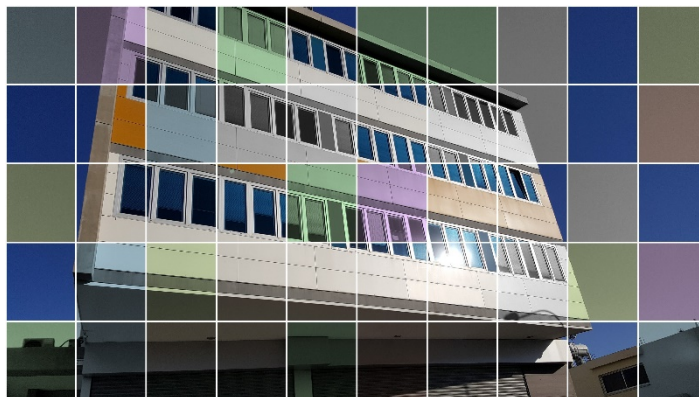
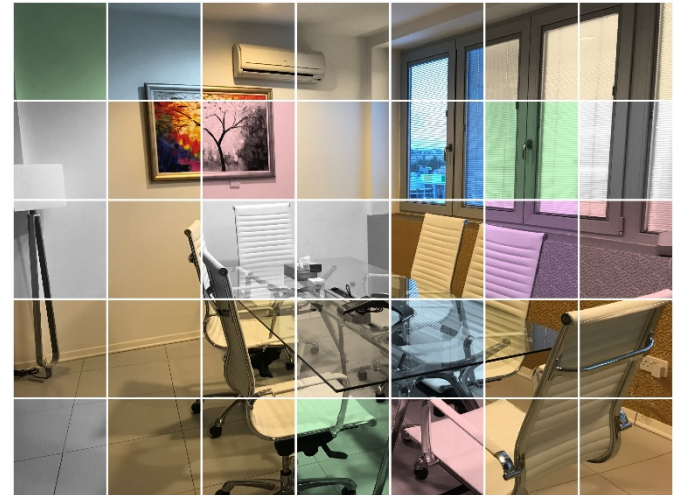
## EXCEPTION FROM THE DEFENSE TAX

- The term “domiciled in Cyprus” is defined in the law as an individual who has a Cypriot domicile of origin in accordance with the Wills and Succession Law but it does not include:
  - An individual who has obtained and maintained a domicile of choice outside Cyprus in accordance with the Wills and Succession Law, provided that such an individual has not been a tax resident of Cyprus for a period of 20 consecutive years preceding the tax year; or
  - An individual who has not been a tax resident of Cyprus for a period of 20 consecutive years prior to the introduction of the law.



# CONTACT DETAILS

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