



Despite being one of the smallest countries in the world, Cyprus is one of the most significant financial and business centers. A combination of factors such as a reliable legal system, favorable tax regime with number of exemptions, both for business and individuals, wide network of double tax treaties, highly developed corporate services, as well as a quick and simple procedure for registering a company in Cyprus, in the last decade have made Cyprus one of the most popular investment destinations around the world.

Cyprus Tax regime advantages

- Low corporate tax rate 12,5% on profit
- Dividend income is completely exempt from income tax*
- Exception of tax on Profits from disposable securities (such as shares, bonds or debentures)*
- Exception of tax on Profits from permanent establishments maintained abroad. Additionally, any tax losses from a permanent establishment abroad are allowed deductions for the Cyprus company.
- No withholding taxes on dividend, interest and royalty payments abroad
- No capital gains tax (except for disposal of real estate in Cyprus or shares of company holding real estate in Cyprus)
- Favorable tax regime for Cyprus holding companies
- Attractive IP Box regime
- Tonnage tax for shipping companies
- Notional interest deduction for investments into Cyprus companies
- Personal tax exemptions for new residents and non-domiciled individual
- More than 60 double tax treaties

*Subject to conditions

Other advantages of a Cyprus

- Location: Located in the Eastern Mediterranean, the island of Cyprus is conveniently situated at the hub of three continents: Europe, Asia and Africa;
- Developed Infrastructure;
- Legal System: Cyprus legal system is based on English Common Law principles, that is well known as business friendly;
- Stable political environment;
- Cyprus is EU & UN Member;
- Non-domiciled rules;
- Permanent residency programs for investors;
- Attuned legislation in accordance with OECD regulations;
- Cyprus has adopted International Financial Reporting Standards (IFRS);
- Incorporation process for a Cyprus company is simple and straightforward. Low formation fees;
- Secure bank system;
- Free move of capital;
- Friendly and stable business environment for investors;
- High level of education and professional expertise;
- Use of English language: As a former British Colony, English is widely spoken throughout the island with 80% of the population being relatively fluent.

