



BUSINESS DOMICILIATION IN CYPRUS

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THE PROGRAM

- 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% or 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 without any 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



THE PROGRAM

Exception from the Defence tax

- The Special Contribution for the Defence 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 9th July 2015 of the tax laws, a Cyprus tax resident individual, who is not domiciled in Cyprus, will effectively not be subject to Defence 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.

THE PROGRAM

- 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.
 - An individual who has been a tax resident of Cyprus for at least 17 years out of the last 20 years prior to the tax year, will be considered to be “domiciled in Cyprus” and as such be subject to Defence Tax regardless of his/her domicile of origin.

NECESSARY DOCUMENTS

In respect of the company

1. The Original Corporate Documents of the company issued by the Registrar of the Companies:
 - a. Certificate of Incorporation
 - b. Certificate of Registered Office
 - c. Certificate of Directors and Secretary
 - d. Certificate of Shareholders
 - e. Memorandum and Articles of Association.
2. Business profile provided by the director describing the nature of the company's business and details of its operations.
3. List showing the initial shareholders with their passport number, nationality and full address abroad.

NECESSARY DOCUMENTS

4. “Analytical statement of Company’s Personnel” showing the existing and the applying staff.
5. Bank statement with a balance of €41.006 on company’s bank account in a Cyprus Bank.
6. Credit advice/Swift message-confirmation of the transfer of the amount of €170.860 from a bank abroad to the company’s bank account in a Cyprus bank.
7. Copy of the domicile deed title of lease agreement or contract of sale and purchase of the company’s offices in Cyprus. It can be provided within 3 months from the day of the application.
8. Proof of payment of the annual levy of €350 to the Registrar of Companies.
9. Authorisation to submit the application on behalf of the Company.

NECESSARY DOCUMENTS

In respect of the employee

1. Copy of valid passport or other travel document with validity of at least two years from the date of the submission of the application.
2. Copy of passport's or other travel document's page showing the latest arrival in the Republic and entry visa (if applicable).
3. Brief Curriculum Vitae (CV) – including copies of academic qualifications.
4. Original letter of Guarantee issued by a bank or cooperative institution of Cyprus with a validity for at least 1 year over the required permit for covering possible repatriation expenses. The amount depends on the country of origin.
5. Original contract of employment duly signed and two (copies) dully stamped.
6. Copy of Title Deed or rental agreement of a house/apartment.

NECESSARY DOCUMENTS

7. Original blood analysis results showing that the applicant does not bear/suffer from AIDS (HIV), Syphilis, Hepatitis B and C and a chest x-rays for tuberculosis (TB) from a Government Hospital of the Republic or duly certified by a government doctor of the Republic.
8. Certificate of Health Insurance for medical care that covers inpatient and outpatient care and transportation of corps (plan A).
9. Employer's liability insurance with an automatic renewal.
10. Original Certificate of Criminal Record from the country of origin (if the applicant resides in a country other than the country of origin, the certificate should be issued from the country of residence), duly certified.
11. Authorization for payment by bank transfer (FIMAS)
12. The minimum limit of the monthly salary is €3.872 for the executive directors and €1.936 for Middle-management staff, executive staff and any other key personnel.

FEES

A. Business Residency Application Fees - €25,000

1. Preparation and submission of the application

- i. Preparation of the application and relevant documents
- ii. Blood analysis results and chest x-rays
- iii. Certificate of Health Insurance
- iv. Letter of Guarantee for ten years
- v. Employment contract
- vi. Individual tax registration
- vii. Social Insurance registration

2. House or Appartement Rental

- i. Agent Costs
- ii. Rental agreement of a house/apartment

3. Office Rental

- i. Rental agreement for the company's offices in Cyprus
- ii. Furniture (Desk, drawers, bookcase, chair)
- iii. Telephone device

4. Company Registration in Cyprus

- i. Registration fees
- ii. Company Tax Registration
- iii. Company VAT Registration
- iv. Social insurance Registration

FEES

B. Annual Fees

1. Company Administration - €10,000

- I. Accounting services
- II. VAT Return Submission
- III. Salary preparation
- IV. Social Insurance / Tax payments
- V. Administrative tasks
- VI. Audit Services
- VII. Annual company registrar fees
- VIII. Employer's liability insurance
- IX. Submission of Annual Tax Return
- X. Registration of local domain name
- XI. Email / Website

2. Office Administration - €12,500

- I. Annual Rent for the Office
- II. Local phone & fax line - forwarding to email
- III. VPN connection to Italy
- IV. Internet access
- V. Printing/photocopying facilities
- VI. Utilities (electricity, water, municipal taxes)
- VII. Mail forwarding by scan email
- VIII. Use of conference room for meetings
- IX. On-site visitor reception
- X. Administrative support during meetings

3. Annual Rent of the house / apartment (to be negotiated based upon client preferences)



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