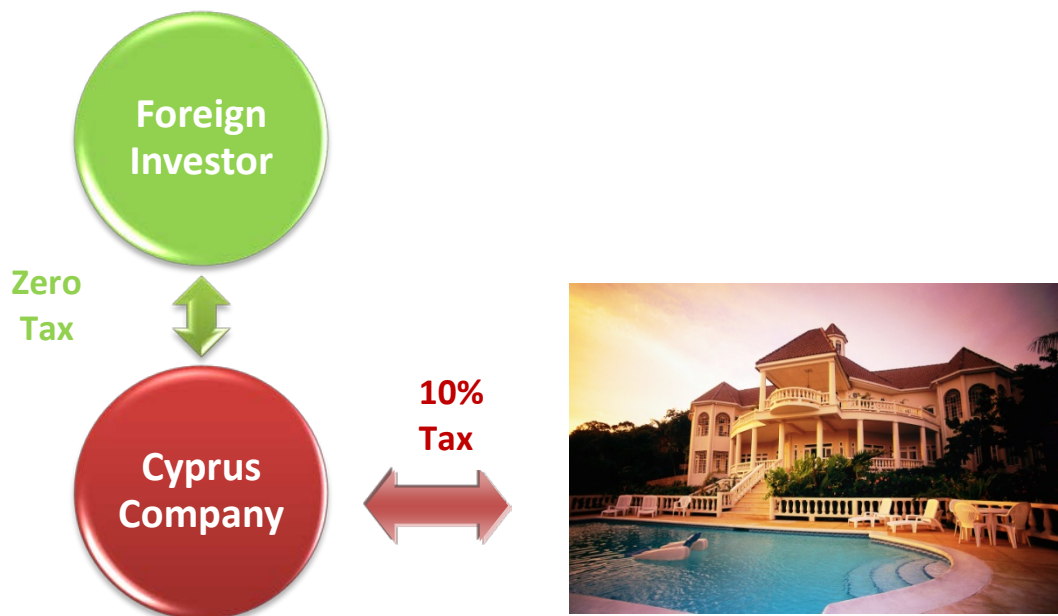


REAL ESTATE STRUCTURE IN CYPRUS

This particular kind of company structure can be used very effectively in cases where a physical person, a partnership or a legal entity wishes to buy a property, which will be used for office or any type of commercial use:

- ✓ The property will be purchased by the Cyprus Company.
- ✓ The entity in the said country will pay rent to the Cyprus Company for the use of the building
- ✓ The rent is an expense in the said country and therefore tax deductible
- ✓ The rent is an income of the Cyprus Company and is taxed in Cyprus at 10%
- ✓ All dividends paid to the investor are tax free of any other tax in Cyprus

The basic holding company scenario is illustrated below:



ABOUT BKMS

With over a decade worth of experience and a prominent network of international clients, BKMS has established a reputation that speaks for itself. BKMS is covering a broad spectrum of industries, taking into account the required accounting treatment and tax implications as well as the challenging international regulatory framework.

Client Trust and loyalty are the very fundament of every commitment undertaken by BKMS. Adherence to a strict policy of professionalism therefore results in continuously successful developments.

Regulated by Cyprus Securities and Exchange Commission Reg. No 96/196



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