

## Citizenship by investmentprogramme

# Investment

Applicants must invest a minimum of EUR 2 million in 1 of the following:

- Investment in real estate, land development and infrastructure projects:
- **Residential properties**
- Commercial properties/Land development/Developments in the tourism sector/Combination; and/or
- Investment in financial assets of Cypriot companies/ organizations; and/or
- Investment in Alternative Investment Funds or financial assets of Cypriot companies/organisations that are licensed by the Cyprus Securities and Exchange Commission (CySec); and/or
- A combination of the aforementioned investments including investments in special Government Bonds of the Republic of Cyprus up to a maximum value of EUR 500.000.

The investment must be maintained for a minimum period of 3 years from the date that citizenship is granted.

#### **Real Estate Investment:**

Applicants must purchase a permanent residence worth a minimum of EUR 500,000 which is to be retained for the life of the main applicant. This is not required if the applicant has already invested EUR 2 million in residential real estate.



#### Citizenship

Applicants will first be issued with a permanent residence permit. Citizenship is typically granted within 6 months of submission of the application.

#### **Family members**

The investors' spouse, children under the age of 18 and adult children between the ages of 18-27 who are in full time study, can apply without additional investment. Parents of investors can apply for citizenship as well, provided they also purchase a permanent residence to the value of EUR 500.000 (excl. VAT).

#### **Conditions of stay**

The investment must be maintained for a minimum of 3 years following the grant of citizenship. A privately owned residence of EUR 500.000 must be retained for life by the investor.

#### Language requirement

No Language requirement

# **Dual citizenship**

Permitted



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### Tax considerations for individuals who want to become resident inCyprus

#### Pros

- Stable legal, tax and regulatory environment.
- Significant exemptions from taxation:
  - Profit on disposal of shares (and other qualifying 'titles', e.g. bonds, debentures).
  - Dividends and interest for Non Doms (17 years).
  - 50% exemption for a period of 10 years if salary from employment in Cyprus exceeds €100.000 (20% exemption in certain other cases).
  - 100% exemption of salaries for employment outside Cyprus subject to conditions.
  - No capital gains tax, except for properties in Cyprus (or shares of companies holding properties in Cyprus).
- Low personal tax rates 20% 35% with a tax free band of approximately €20k.
- Option to tax at a flat rate of 5% on any amount in excess of €3.420 for foreign sourced pensions.
- Trust regime offers flexibility for asset protection and generational wealth transfers.
- No Inheritance tax, wealth tax or estate tax applies.
- Self-assessment regime.
- Corporation tax rate 12,5%. Effective tax rate may be lower through a number of exemptions as well as deductions.
  - Dividend exemptions; Profit on Disposal of shares and other titles exemption; PE exemption; Notional Interest Deduction on new equity; IP Box; FX tax neutral, etc.
- No WHT on dividends, interest and most royalties.
- No exit taxes.
- Unilateral relief of foreign taxes through credit.
- Access to broad Double Tax Treaty (DTT) network and EU Directives.

#### Cons

Non-residents are subject to Capital Gains Tax for the disposal of Cyprus immovable property or shares of a company owning directly or indirectly immovable property subject to conditions. This applies unless DTT protection is available.



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