

Altus Citadel Corporate Services

Cyprus Tax Residence



About Us



Altus Citadel Corporate Services Ltd is a proud member of the Altus Citadel Group, a global network of companies dedicated to excellence in corporate services, consulting, and tax planning.

Altus Citadel has a team of qualified professionals, brought together to become an outstanding player in the area of corporate services, consulting and tax planning. In 2014 Altus Citadel has been granted a license (No 26/196 of an Administrative Services Provider by the Cyprus Securities and Exchange Commission).



Our Services

- Company formation
- Administration and management
- Tax planning and consultancy
- IT focused on business solutions



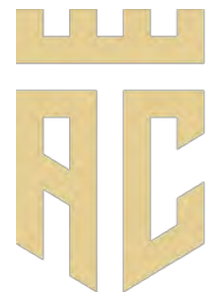
Our Customers

- Wealth management and family offices
- Global consumer goods manufacturers
- Small retail operations
- Private individuals



Our People

- Qualified accountants
- Qualified tax consultants
- Experienced Administrators
- Paralegal Experts
- Board level managers



Your Global Business Experts

Coverage: **Global**

Headquarter: **Cyprus**

Other Physical Presence: **Ajman, Dubai & Luxembourg**

Established in: **2014**

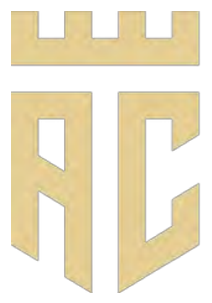
Client's globally: **+200**

Global bank institutions and payment providers we work with: **+60**

Industries we cover:

- Construction
- Education
- Fintech
- Funds & Asset Management
- Hospitality
- IT
- Manufacturing
- Oil & Gas
- Real Estate
- Retail
- Shipping and Logistics
- Trading & Services





Professional Memberships & Affiliations

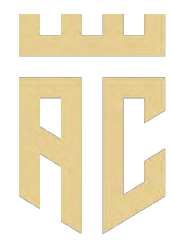


Think Ahead

CYPRUS SECURITIES
AND EXCHANGE
COMMISSION

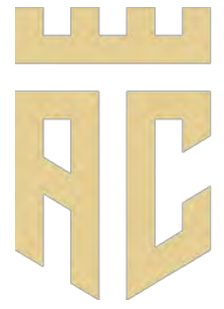


Chartered
Institute of
Taxation
Excellence in Taxation



**ALTUS
CITADEL**
Services Dubai Multi
Commodities Center (DMCC).





Legal Basis & Definition of a Tax Year

Under the Income Tax Law of 2002, an individual is considered a Cyprus tax resident if they spend at least 183 days in the country within a calendar year (the “183-day rule”).

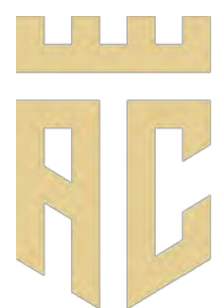
On 14 July 2017, an amendment introduced a second criterion—the “60-day rule”—allowing individuals to qualify as tax residents under certain conditions, even if they spend fewer than 183 days in Cyprus.

The term “tax year” for personal income tax purposes refers to the calendar year (January 1 to December 31) during which income is earned. Income tax returns are typically filed for the previous calendar year in which the income was received, or taxes were withheld.

Personal income tax rates in Cyprus

Chargeable Income (€)	Tax Rate	Accumulated Tax (€)
0 – 19,500	0%	0
19,501 – 28,000	20%	1,700
28,001 – 36,300	25%	3,775
36,301 – 60,000	30%	10,885
Over 60,000	35%	–





The "60-day" Rule

The rule applies to individuals who in the relevant tax year:

- (i) do not reside in any other single state for a period exceeding 183 days in aggregate, **and**
- (ii) are not tax resident in any other state, **and**
- (iii) reside in Cyprus for at least 60 days, **and**
- (iv) have other defined Cyprus ties. To satisfy this condition the individual must:
 - carry out any business in Cyprus **and/or**
 - be employed in Cyprus **and/or**
 - hold an office (director) of a company tax resident in Cyprus

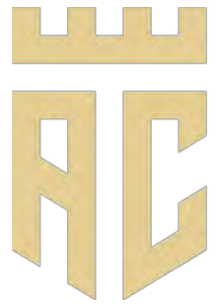
at any time in the tax year, provided that such is not terminated during the tax year,

(v) must maintain in the tax year a permanent residential property in Cyprus which is either owned or rented by the individual.

In case an individual owns a Cyprus company, it is suggested to become appointed as director of the company in order to satisfy condition mentioned in point **(iv)**.

Alternatively, Altus Citadel may assist with employment by a Cyprus company, which is authorized to employ foreign nationals.





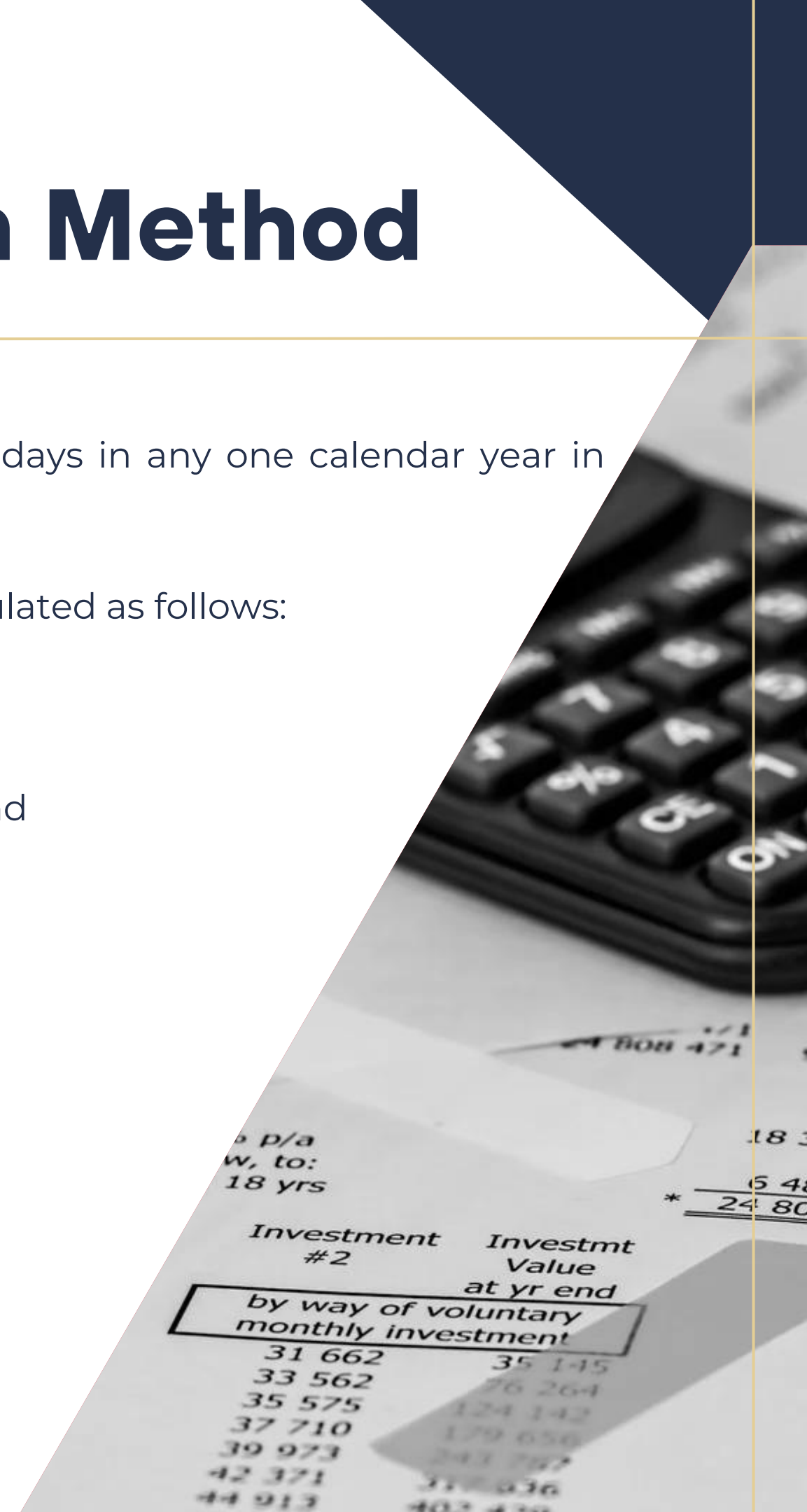
The "183-day" Rule & Calculation Method

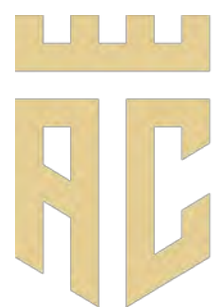
The '183-day rule' for Cyprus tax residency is satisfied for individuals who spend more than 183 days in any one calendar year in Cyprus, without any further additional conditions/criteria being relevant.

For the purposes of both the '183-day rule' and the '60-day rule', days in and out of Cyprus are calculated as follows:

- the day of departure from Cyprus counts as a day of residence outside Cyprus
- the day of arrival in Cyprus counts as a day of residence in Cyprus
- arrival and departure from Cyprus in the same day counts as one day of residence in Cyprus, and
- departure and arrival in Cyprus in the same day counts as one day of residence outside Cyprus.

A Cyprus Tax resident is taxed on his local and international income under the Cyprus tax regime.





Tax Incentives

INCOME TAX EXEMPTIONS FROM EMPLOYMENT INCOME

Cyprus offers a number of tax incentives for attracting talented individuals from abroad, such as:

- 50% of the remuneration of employees, whose first employment in Cyprus began after 1 January 2022 is exempt from income tax for 17 years, provided this amount exceeds €55,000 per annum and that the employees were not residents of the Republic for at least 10 consecutive years immediately before the start date of their employment in Cyprus
- Employees who are not eligible for the above exemption and earn below €55,000 per annum are nevertheless allowed an exemption of 20% of their remuneration or €8,550 per annum (the lower of the two options).
- This applies to individuals commencing first employment in Cyprus after 26 July 2022 who have not been tax residents for at least three consecutive years before first employment in Cyprus, and who have been employed outside of Cyprus by a non-resident employer. Individuals will not be granted this exemption if they are granted the 50% exemption mentioned above.



Tax Incentives

TAX INCENTIVES FOR NON - DOMICILED TAX RESIDENTS

Tax residents with non-domiciled status are exempt from Special Defense Contribution (SDC), levied on dividend, interest, and rental income received in Cyprus, for up to 17 years Invoicing services.

A minimum General Healthcare System (GESY) contribution of 2.65% is however applied, (restricted to a maximum of €180,000 income annually).

Furthermore, tax residents with non domiciled status can benefit from other noteworthy income tax advantages.

- Exemption from tax on gains arising from investment disposal
- Exemption from Capital Gains Tax on the sale of real estate
- No tax on retirement gratuity and the special tax regime for foreign pension income
- No estate duty, wealth tax, gift tax, or inheritance tax
- Beneficiaries of a Trust are exempt from tax on interest or dividends
- received.



Connect With Us



82 Akropoleos Avenue, Akropoli, 2021, Nicosia, Cyprus



Tel: +357 22 252 774

Fax: +357 22 450 775



Email: info@altuscitadel.com or
marketing@altuscitadel.com



www.altuscitadel.com

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