



**ALTUS
CITADEL**
Corporate Services Ltd.



**OBTAINING CYPRUS TAX RESIDENCY
IN 60 DAYS**



LEGAL BASIS

According to the Income Tax Law of 2002, under the “183-day rule”, an individual who spends at least 183 days a year in Cyprus is considered a Cyprus tax resident. **On 14 July 2017**, the Cyprus parliament voted for a Cyprus tax law amendment adding a second test – the “60-day rule” – for the purposes of determining Cyprus tax residency for individuals.

DEFINITION OF A TAX YEAR

The term “tax year,” when used in reference to personal income taxes, means the calendar year for which income taxes were withheld for earnings or the year for which an income tax return is being filed.

For personal income taxes, a tax year begins on January 1 and goes through December 31, which makes sense because the government needs to know what you earned between those dates for your tax return. This means the tax year you are filing for is usually the year prior to the year taxes are actually filed. For example, taxes prepared in March of 2019 would be for the tax year 2018.



HOW TO BECOME A CYPRUS TAX RESIDENT UNDER 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

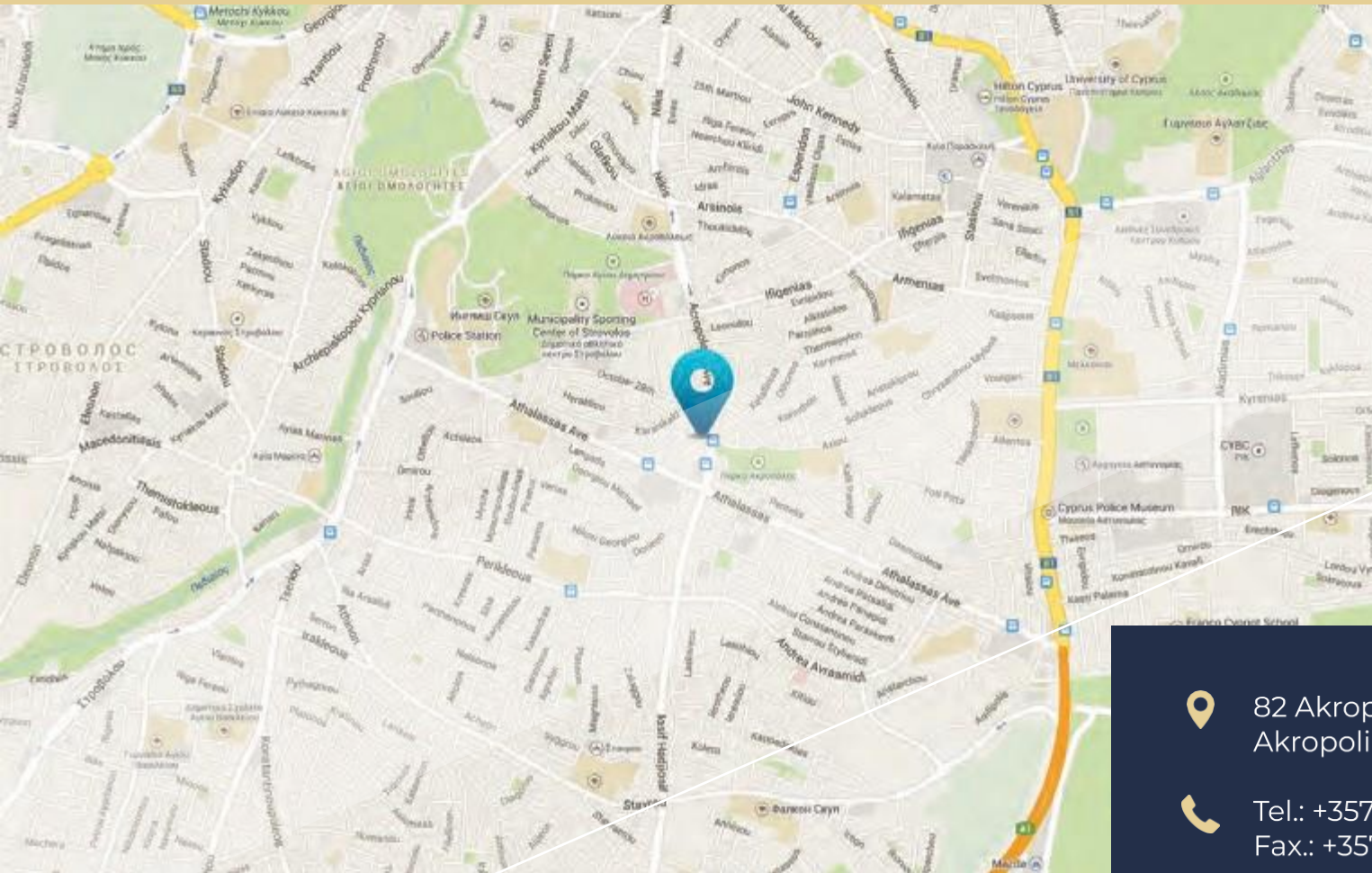
at any time in the tax year, provided that such is not terminated during the tax year, **and**

(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)** above.
- Alternatively Altus Citadel may assist with employment by a Cyprus company, which is authorised to employ foreign nationals.

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