



# CYPRUS

Immigration

EU Citizenship

Permanent Residence Permit

MICHAEL KYPRIANOU & CO. LLC  
ADVOCATES LEGAL CONSULTANTS

INTEGRITY | EFFICIENCY | PROFESSIONALISM



## Cyprus

Cyprus is the third largest island in the Mediterranean Sea. Cyprus is a modern country that enjoys a strategic geographical location. It lies at the crossroads of three continents, Europe, Africa and Asia, thus providing unrivalled access and travel opportunities and excellent flight connections.

The island through its rich history going back more than 10,000 years, has developed from a Stone Age settlement to a modern and thriving European Union State.

Cyprus is a full member of the European Union since 2004 and a member of the Commonwealth.

The country offers an excellent healthcare system and education. Many private English schools, as well as public and private Universities and Colleges are operating in the country.

Cyprus offers a multicultural environment as 20% of Cyprus' population is foreign nationals. As an ex-British colony, Cyprus enjoys an efficient and transparent British-based legal system.

Key factors that make Cyprus an attractive destination for investment are the highly specialized human capital, the reliable legislative and regulatory framework, the stable tax system and the safety and stability conditions prevailing in the country. Cyprus has developed a robust, market-driven economy supported by an excellent system of infrastructures and telecommunications.



## Cyprus EU Citizenship

Cyprus is one of the most popular European destinations for non-EU nationals. Over the last few years, Cyprus has attracted many third country nationals from around the world who applied and successfully obtained the Cyprus citizenship.

Cyprus is currently one of the very few countries within the European Union which by law offers the Cypriot and subsequently the European Union citizenship and passport in a short period of time. The Cyprus naturalization by investment scheme is considered the most straightforward route to becoming a European citizen.

### Cyprus Citizenship combines the following benefits:

- Free movement, residency and work within the EU;
  - Favourable tax regime;
  - Fast track application and efficient procedure to obtain the citizenship;
  - No requirement to live in Cyprus before or after obtaining the passport;
  - No language competence requirements;
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- Ease of travel to more than 150 countries in Europe, Asia, Middle East, Africa and internationally with no visa required or visa on arrival;
  - Dual citizenship is allowed;
  - Citizenship can be passed on to the next generation;



- No restriction on nationalities;
- High standards of international schooling and universities;
- Access to modern medical facilities and healthcare systems;
- A renowned international business and commercial centre operating as the bridge between East and West and the gateway to the European Union;
- An efficient and transparent British-based legal system and business infrastructure;
- English is widely spoken.

### **Cyprus offers a favourable tax regime:**

- No wealth, gift, inheritance or foreign income tax;
- No capital gains tax (exemption: gains from the disposal of immovable property situated in Cyprus and gains from the disposal of shares in companies owning such immovable property are taxed at the rate of 20%)
- No personal income tax as there is no requirement to become a Cyprus tax resident;
- Low personal income tax in cases where the individual wishes to become a Cyprus tax resident;
- No restriction on the repatriation of profits and imported capital;
- Transfer fees are reduced to 50%. No transfer fees are imposed for the transfer of property that is subject to VAT.





## The Revised Criteria

On the 13/09/2016 the Council of Ministers has introduced a Decision amending the criteria for acquiring the Cyprus Citizenship by Investment. The main amendments relate with the reduction of the minimum investment amount to €2 million and the inclusion of the investors' parents. On the basis of the new conditions a non-Cypriot citizen who meets one of the below financial conditions can apply for the Cyprus Citizenship:

- A. Invest at least €2 million for the purchase or construction of immovable property or development creation such as residential or commercial developments, developments in the tourism sector or other infrastructure projects; or
- B. Invest €2 million in order to purchase, create or participate in businesses or companies based and operating in the Republic of Cyprus. These businesses or companies must have a physical presence in Cyprus, substantial activity and a significant turnover and must also employ at least 5 Cypriot citizens or European Union citizens who during the five years preceding the filing of the application were residing in the Republic of Cyprus; or
- C. Invest at least €2 million in Alternative Investment Funds established in Cyprus, licensed and supervised by the Cyprus Securities and Exchange Commission and exclusively making their investments in the Republic of Cyprus.
- D. The applicant may proceed with a combination of the above, provided that the total investment will amount to a minimum of €2 million.
- E. In the context of combining investments the applicant may also purchase special government bonds of the Republic of Cyprus of up to €500,000.



In all the cases listed above (A-E) the applicant must hold a permanent private residence in the Republic of Cyprus, with a market value of at least €500.000 plus VAT. If the market value of the residence exceeds €500,000, part of the additional amount can be used to complete the amount of the investment. In cases where the applicant invests at least €2 million in one or more residential properties then the applicant is not required to further purchase another residence.

Moreover, the applicant must have a clean criminal record, and his name must not be included in the list of persons whose assets, within the boundaries of the European Union, have been frozen as the result of sanctions.

Prior to the naturalization as a Cypriot citizen, the applicant must hold a residence permit in Cyprus for a period of 6 months. If the applicant does not hold a residence permit already, he may submit an application for the residence permit simultaneously with the application for the Citizenship.

## **Family Members**

The Decision of the Council of Ministers dated 13.9.2016 provides for the grant of the Cypriot citizenship to:

- A. The spouse or partner of the investor;
- B. To the parents of the investor;
- C. To the financially dependent adult children of the investor up to the age of 28; and
- D. The minor children of the investor (under 18).



## Permanent Residency in Cyprus

The Residence Permit (Fast Track) under the Regulation 6 (2) of the Aliens and Immigration Regulations combines an extremely straightforward process and simple criteria with no language competency or nationality restrictions. The program is unique in that once the permits are obtained they are valid forever, with no requirements for renewal.

The Permanent Residence Permit applies to:

- The applicant;
- The spouse;
- Unmarried dependent children up to the age of 25;
- The applicant's parents and parents-in-law.

The holders of the residence permit are not required to reside in Cyprus; a visit once every two years is sufficient. With the permanent residency status the holders can live freely in Cyprus or continue to live in their home countries and use the permit whenever they need it. The residence permit can act as a safe plan for the future. It also gives the opportunity to apply for Cyprus (EU) citizenship after 7 years.





### **Legal requirements to obtain the Fast Track Permanent Residence Permit:**

- a) Purchase of new immovable property/properties with a value of at least €300,000 (excluding VAT) out of which €200,000 must be paid before applying for the Residence Permit.
- b) Fixed deposit of €30,000 in a Cyprus bank account pledged for 3 years.
- c) Secured annual income deriving from abroad (salaries, pension, rentals, dividends) of €30,000 plus €5,000 per dependent, plus €8,000 per parent and parent-in-law.
- d) Declaration that the applicant and the dependents shall not work or engage in any business in Cyprus, other than owning a company.
- e) Clear criminal record certificate for the applicant and the dependents over 16 years old.

The application will be examined by the Civil Registry and Migration Department and shall be submitted to the Minister of the Interior for a decision. The examination period takes around 2 months.







## Long-term residency

“Long-term residency” status enables applicants to enjoy similar rights to EU citizens, including the ability to work, study, and operate a business. “Long-term residency status” is permanent and available to all non-EU nationals that have resided in Cyprus for over 5 years as long as they have not been absent for over than 6 consecutive months or more than 10 cumulative months within the 5-year period.

## Family Reunification

Ascendants and second line relatives of permit holders can visit or reside in Cyprus according to the Cyprus legislation. Family members wishing to visit for holidays will be granted with a three-month visa while those wishing to reside in Cyprus can apply for a one-year temporary permit (pink slip) which is annually renewable.



## Business

Any individual, Cypriot or non-Cypriot, including Passport or Residence Permit holders, may set up a company in Cyprus and benefit from the low corporation tax of 12.5% on net profits; or use a Cyprus company as an intermediary for export and trading activities from their home countries and take advantage of the zero (0%) tax on dividends for non-tax residents.

## Income Tax

Anyone spending less than 183 days in Cyprus within one calendar year is considered non-tax-resident and is tax liable only on income derived from Cyprus, excluding dividends.

## Banking

An individual or corporate bank account can be opened without visiting the Country. E-banking and credit and debit cards are provided. Many foreign banks from the Middle East, Europe and Asia operate subsidiaries, branches or representative offices in Cyprus. Cyprus banks offer an array of services ranging from asset management, private banking, international, corporate and investment banking, retail banking, syndicated loans, custodian services and more.

Cyprus is firmly established as a reputable international business and commerce centre, the ideal bridge between East and West. It offers a tax efficient gateway for channelling foreign investments anywhere in the world. The Cyprus tax system is in full compliance with EU and OECD requirements.



## **Our legal team offers a full package of legal services to assist non-Cypriots to apply for the obtaining of the Cyprus Citizenship or the Residence Permit which include:**

- Legal services and advice for the required investment;
- Opening of a bank account;
- Gathering all the required documents and preparing the Citizenship or Residency application;
- Liaising with the Cyprus Ministry of Interior and applying for the Citizenship or/and the Residence Permit for the main applicant, spouse, children and parents;
- Liaising with the Cyprus Migration Department so as to issue Citizenship Certification or the Residence Permit once the application has been approved by the Ministry of Interior; and

### **Legal services related to the purchase of the property:**

1. Search at the land registry for the relevant property to be provided with information regarding encumbrances, mortgages etc.;
2. Obtain the required bank declarations/waivers if the property is mortgaged;
3. Draft or review and amend the Contract of Sale to ensure that the Contract protects the client;
4. Attend to the relevant Tax authorities and settle the taxes, and the stamp duties;
5. Attend to the Land Registry and lodge the Contract of Sale for Specific Performance Purposes, and the Power of Attorney if needed;
6. Apply for the Reduced Rate of VAT (if applicable);
7. Apply for the permit by the Council of Ministers for the purchase of property by foreigners.

## Why us?

As one of the leading law firms in Cyprus we provide our services with efficiency, integrity and professionalism and our concern is to protect our clients' legal interests in whatever kind of investment they may choose to make and to secure the acquisition of their Cyprus Passport.

Our qualified lawyers have an in depth knowledge and specialize in the field of Cyprus Immigration law. We have successfully assisted many non-European nationals to obtain a permanent residency and citizenship in Cyprus and **we always meet our clients' expectations!**

## The Law Firm

Michael Kyprianou & Co LLC is a leading law firm headquartered in Cyprus since 1991 . Over the years the firm has established an enviable reputation as a broad based legal practice.

Having as our guiding principle to always exceed our clients' expectations we have grown to become one of the largest law firms in Cyprus with a team of more than 80 people and with 3 offices in the island of Cyprus: in Nicosia, Limassol and Paphos. The firm's international presence has expanded with the fully fledged offices in Greece, in Athens and Thessaloniki, in Malta, in Birkirkara, in the Ukraine, in Kiev and in the United Arab Emirates, in Dubai.

The calibre of our lawyers and our dedication to providing clients with the most practical and cost effective services is the cornerstone of the success of our firm. Our most significant attribute is the ever increasing international clientele which includes some of the world's pre-eminent organisations.

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## The Founder

Michael Kyprianou, the Founder of the firm, is a reputable and well-known litigator. In 1991 Michael Kyprianou was elected as a member of the Cyprus Parliament and chaired the House Committee of Commerce, Industry and Tourism for 5 years.

Until 1991 Michael Kyprianou held the post of Senior Counsel of the Republic of Cyprus and from that position he advised various ministries and departments of the Cyprus Government on significant legal issues, particularly the Ministries of Finance, Commerce and Industry, Interior, Communications and Works. He also regularly appeared in Court representing the Government of Cyprus and its various ministries and departments.

## Awards

We are consistently recommended by reputable international directories such as the Legal 500 and Chambers & Partners which recommend us for the quality of our services and our international expertise. In the field of Immigration Law the firm has been awarded with the Corporate Live Wire's 2016 Global Award.

Michael Kyprianou & Co LLC has been awarded the 2014 Cyprus Export Award by the Cyprus Chamber of Commerce and Industry and the Ministry of Energy, Commerce, Industry and Tourism, for services provided to international clients.



## Legal Services

Our specialised lawyers acting in a strict context of professionalism and integrity provide assistance in a variety of legal areas:

### **Immigration Law:**

- Citizenship by investment criteria
- Residence Permit (temporary & permanent)
- Work Permits

### **Banking & Finance:**

- Reviewing and/or drafting of facility agreements and security documents
- Creation, perfection and registration of security documentation
- Refinancing and restructuring
- Aviation and shipping finance
- issuing of legal opinions and legal due diligence services

### **Corporate and Financial Law:**

- Investment Firms Regulation
- Information Technology and E-Commerce
- Corporate & Commercial Services

### **International Tax Planning:**

- Taxation Law
- Legal opinions and Tax Rulings

### **Dispute Resolution:**

- Litigation
- Corporate and commercial cross border disputes
- Arbitration
- European and Competition Law
- Immovable Property Law
- Debt Collection

### **Incorporation of:**

- Companies
- Partnerships
- Trusts
- Foundations
- Investment companies
- Brokerage & FOREX companies
- Gaming companies
- Banks

### **Admiralty and Shipping:**

- Admiralty Law
- Vessel/Ship registration
- Ship finance

### **Administration Services:**

- Corporate secretarial services
- Bank account opening
- Virtual office in Cyprus
- Set-up of a permanent establishment in Cyprus
- Accounting Services
- Incorporation of Companies in various jurisdictions, including Cyprus, BVI, Seychelles, Belize, Dubai, RAK, MALTA, Greece and others.

### **Intellectual Property:**

- Trademarks
- Patents
- Industrial Designs
- Copyrights

### **Oil & Gas and Energy Law:**

- Legal support on licensing and regulatory issues
- Public procurement procedures
- Commercial transactions in upstream, midstream and downstream markets
- Renewable energy licensing and regulatory compliance

### **Sports Law:**

- Advertising sponsorship and marketing
- Players' contracts, Agency representation
- Disciplinary hearings, Anti-doping hearings
- Sports governance and Regulatory matters
- Sport Law Disputes and Infringement issues
- Ticketing, betting and gaming
- Sport TV rights and Libel proceedings
- Registration on New Sporting Entities

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