



## CYPRUS TAX SYSTEM FOR HIGH-NET WORTH IMMIGRANTS - 2023

Now in 2023, there are numerous benefits and advantages of Cyprus low Personal Income and Corporate Tax system compared to other Western countries, such as Australia, USA and UK.

Cyprus has a simple and transparent tax system with one of the lowest corporate tax rates in the EU and multiple exemptions for both corporates and individuals.

The main characteristics of the Cyprus tax system are outlined below:

- Low corporate income tax rate of 12.5%. EU and OECD Compliant
- Access to EU directives (e.g. Parent-Subsidiary)
- Extensive double tax treaty network with over 65 countries
- Dividend participation exemption (subject to conditions)
- Exemption from tax on gains from the disposal of securities (e.g. shares, bonds)
- Notional interest deduction on equity applies to all taxpayers and all business activities
- No withholding taxes on interest and dividends payable to non-Cyprus tax residents
- No taxation of capital gains (except for disposal of real estate in Cyprus or shares of company holding real estate in Cyprus)
- No succession taxes
- No Controlled Foreign Company (CFC) rules
- Tax neutrality on foreign exchange differences unless they arise from trading in currencies or currency derivatives
- Foreign tax relief on income subject to both Cypriot and overseas tax
- Exemption on profits of foreign permanent establishments (subject to conditions)
- Company reorganization rules based on the EU Mergers Directive allow for tax-neutral group restructuring
- Attractive Intellectual Property regime in line with “modified nexus approach” (OECD Action 5)
- No exit tax rules
- 50% exemption on employment income exceeding €100,000 per annum for non-residents taking up employment in Cyprus

To take advantage of the above Tax benefits, apply now for Cyprus Residency by Investment (Cyprus Golden Visa) and obtain a Cyprus Residence Permit. See our website page for the eligibility criteria:

[Cyprus Permanent Residence | Golden Visa Advice \(visaconnect.com\)](https://visaconnect.com)

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