

Cyprus a sovereign flag

An International Maritime Centre

WHY CYPRUS

A significant centre for Shipping Operations

- Strategic location and time zone
- Member of the European Union and of the European Monetary Union ensuring safety and stability for investors
- Political stability and well developed ties with ME, Central & Eastern Europe
- Thriving business hub, with a vast array of investment opportunities
- Robust Legal and Regulatory Framework
- Advanced infrastructure – reliable telecommunication system, two international airports (Larnaca & Paphos) and two ports (Limassol & Larnaca)
- Top quality accounting, auditing, tax, business and legal services
- One of the safest countries worldwide, with low stress levels and crime rates
- Low corporate tax rate of 12.5%
- Extensive double tax treaty network with over 60 countries
- Exemption from tax on gains from the disposal of securities (e.g. shares, bonds)
- No withholding taxes on interest and dividends
- No taxation of capital gains (except for disposal of real estate in Cyprus or shares of a company holding real estate in Cyprus)
- No tax on dividends, interest and rental income of non-domiciled individuals
- 50% exemption on employment income exceeding €100,000 per annum for non-residents taking up employment in Cyprus
- Tax free band of €19,500

Leading Maritime Centre

- The largest third party ship management centre in Europe and among the top 5 in the world
- Leading maritime cluster encompassing the full range of shipping and shipping related activities
- Comprehensive and favourable Tonnage Tax System approved by the European Union, applicable to Ship Owners, Charterers and Ship managers
- Expertise in Shipmanagement, Chartering and Shipowning activities
- Provision of quality and professional services to the shipping industry
- Excellent cooperation and relationship between private and public sector
- Member of the IMO Council since 1987
- Well structured, organised and represented shipping community
- Low cost of doing business
- High skilled and multilingual shipping workforce
- Autonomous Shipping Deputy Ministry

CYPRUS FLAG

Among the top ship registries in the world

Third ship registry in Europe

- European Flag with long tradition
- Simplified Registration Procedures
- NO Registration and Mortgage Fees
- Competitive fees and dues
- EU approved favourable Tonnage Tax System
- White list of Paris and Tokyo MOUs
- USCG QUALSHIP 21 Status
- Signatory to all international maritime conventions on safety and pollution prevention
- NO nationality restrictions for Seafarers
- 24/7 Quality Service
- Web based services
- Strong representation in important shipping centres
- More than 25 Bilateral Agreements on Merchant Shipping
- Full protection of financiers and mortgagees
- Strong involvement in international shipping fora (IMO, ILO and EU)

CYPRUS REGISTRY

Ownership Requirements

Citizens of Cyprus or Corporations established in Cyprus,

OR

Citizens of EU/EEA member states or Corporations registered within the EU/EEA and have appointed an authorised representative in Cyprus,

OR

Corporations registered outside the EU/EEA but controlled by EU citizens and have appointed an authorised representative in Cyprus

Whereby authorised representative is a:

- Cypriot or EU Citizen residing in Cyprus, or
- Corporation/ Partnership/ Branch established and having its business in Cyprus.

Whereby controlled means:

- more than 50% of the shares of the corporations, are owned by EU or EEA citizens, or
- the majority of the Directors of the corporations, are EU or EEA citizens.

Types of Registration

- Provisional Registration (for 6 months - extendable)
- Permanent Registration
- Parallel - In Registration (Bareboat Charter)
- Parallel - Out Registration (Bareboat Charter)

TAXATION

CYPRUS TONNAGE TAX SYSTEM (TTS)

- EU approved simplified Tonnage Tax System (i.e. no connection to corporate tax)
- Taxed on the Net Tonnage of the ships, instead on the actual profits
- Available to Owners of Cyprus ships, Owners of Foreign ships, Charterers and Ship managers
- Owners of Cyprus Ships fall automatically within the scope of the TTS (no need to exercise an option)

TAX EXEMPTIONS:

- **NO TAX** on income derived from the operation of qualifying ship(s) engaged in qualifying activity
- **NO TAX** on the income or profit made from the sale of a qualifying ship
- **NO TAX** on dividends paid to shareholders out of profits made from the operation or from the sale of qualifying ship(s)
- **NO TAX** on income derived from the management of a qualifying ship
- **NO TAX** on dividends paid to shareholders out of profits made from the management of a qualifying ship
- **NO TAX** on bank interest earned on working capital of a qualifying ship
- **NO TAX** on the salary or other benefits of eligible seafarers on board a qualifying EU ship

Excellence of Services

Reliability, Service and Problem Solving Capacity

- **Effective and flexible Maritime Administration**
- **Customer oriented approach and personal contact with customers**
- **Efficient & Reliable Service 365 days per year**
- **Competent officers & surveyors available 24/7**
- **Offices in: Limassol, Hamburg, New York, London, Piraeus, Rotterdam and Brussels**
- **ISO- Quality Certification for the Flag State activities**
- **Provision of online services:**
 - ⚓ E-Registration for ships (online applications)
 - ⚓ E-Verification of Cyprus Registry Certificates
 - ⚓ eSAS - Web services for the registration of seafarer and the recognition of certificates of competency
 - ⚓ “Seafarers Career Information System” (SCIS) - A career database to facilitate the employment of seafarers

SHIPPING DEPUTY MINISTRY

Republic of Cyprus

P.O. BOX 56193, 3305 Limassol, Cyprus
Tel: +357 25848100/ Fax: +357 25848200
Email: maritimeadmin@dms.gov.cy
Website: www.shipping.gov.cy

OVERSEAS MARITIME OFFICES

GREECE

**Maritime Office,
Embassy of the Republic of Cyprus**
96 Iroon Polytechniou Ave., 6th Floor,
GR 185-36 Piraeus,
GREECE
Tel: + 30 210 4536371 / 2
Fax: + 30 210 4536373
e-mail: dmspiraeus@dms.gov.cy

UNITED KINGDOM

**Maritime Office,
Cyprus High Commission**
13 St. James's Square, London, SW1Y 4LB,
UNITED KINGDOM
Tel: + 44 207 321 4100
Fax: + 44 207 321 4171
e-mail: dmslondon@dms.gov.cy

GERMANY

Consulate General of the Republic of Cyprus
Rothenbaumchaussee 3, 2nd Floor,
D- 20148 Hamburg,
GERMANY
Tel: + 49 40 410 7497
Fax: + 49 40 410 7246
e-mail: cyconsulate-hamburg@t-online.de

THE NETHERLANDS

Consulate of the Republic of Cyprus
Weena 248 (Tower C, 11th Floor)
NL- 3012 NJ Rotterdam,
THE NETHERLANDS
Tel: + 31 10 404 7901
Fax: + 31 10 404 7899
e-mail: dmsrotterdam@dms.gov.cy

BELGIUM

**Permanent Representation of the Republic of Cyprus
to the European Union**
Avenue de Cortenbergh 61
B - 1000 Brussels,
BELGIUM
Tel: + 32 2 739 5111/ 5184
Fax: + 32 2 735 4552
e-mail: cantoniou@dms.gov.cy

UNITED STATES OF AMERICA

**Maritime Office,
Consulate General of the Republic of Cyprus**
15 West 38th Street, 11th Floor,
New York,
N.Y. 10018
USA
Tel: + 1 212 686 6016 (ext. 42) Fax: + 1 212 447 1988
e-mail: tenusa@aol.com