



Focus Business Services (Cyprus) Ltd



# Why Cyprus?

## Advantageous Tax Regime

Access to EU Directives

**Excellent Infrastructure**

UK Legal System

Flexible & Modern Legislation

**Double Tax Treaties**

**Member of The European Union**

Low Operation Costs

**EU and OECD Compliance**

Investor Friendly Authorities

**Not a Tax Haven**

Investment Holding & Trading Structures

[www.fbscopyprus.com](http://www.fbscopyprus.com)

# Why Cyprus?

Cyprus, by virtue of its exceptionally advantageous tax system, is emerging as the most favoured jurisdiction in Europe to conduct international business from. This coupled with the added advantages of EU Membership rightly justify The World Bank's characterization of Cyprus as the region's "Miracle". Cyprus is now a premier holding, finance, royalty and trading company jurisdiction.

## Cyprus tax incentives

A standard uniform corporate tax rate of 12.5%, the lowest in Europe. With proper tax structuring much lower effective tax rates can be achieved.

A fully EU and OECD compliant tax system. Cyprus is a respectable EU, non-offshore, non-tax haven jurisdiction.

### Investor-friendly Tax Authorities

Most advantageous provisions (details are provided in separate leaflets) relating to holding companies, finance companies, royalty companies, permanent establishments outside Cyprus, companies trading in securities, Cypriot non-resident companies (companies registered in Cyprus with management & control exercised outside Cyprus).

Access to EU Directives enacted into Cyprus Law.

Access to a wide and in many cases particularly beneficial double tax treaty network.

Foreign dividend income exemption (participation exemption), in most cases.

No capital gains tax or net worth taxes except with respect to real estate situated in Cyprus.

No withholding taxes, in most cases.

No specific substance requirements and an absence of strict transfer pricing rules.

Foreign beneficiaries are not liable to pay additional tax on dividends or profits over and above the amount paid or payable by the respective legal entities.

Low personal tax rates and low social insurance contributions.

Mergers, Takeovers and other Re-Organizations can take place within groups without tax consequence.

Unilateral tax-relief for foreign tax suffered is granted to all Cypriot companies.

Tax losses can be carried forward indefinitely and can also be surrendered as group relief.

Interest deduction for borrowing costs provided.

Added commercial value and monetary benefits due to the ability to register for EU VAT in Cyprus.

## Non-tax Incentives

Cyprus has an excellent infrastructure allowing clients to create substance to their tax planning in the form of setting up fully-flexed offices and operations.

Very low expense level for financial and professional service provision and operational costs in general, compared to other EU Jurisdictions.

English is the most widely used business language. The Cyprus Legal System is based upon English Common Law.

Modern and efficient multilingual banking & financial services sector.

Professional, friendly and efficient Government services and Tax Authorities and a mature professional services sector.

Strategic location and time zone, excellent air and sea connections and telecommunications.

## Focus Business Services (Cyprus) Ltd

CYPRUS - NICOSIA

GREECE - ATHENS

GREECE - THESSALONIKI

• Severis House, 9 Arch. Makariou III Ave.

• 92 Vasilissis Sofias Avenue

• 31 Giannitson Street

Tel: +35722456363

Fax: +35722668180

e-mail: cyprus@fbscyprus.com

Contact: Aris Kotsomitis

www.fbscyprus.com