



# Cyprus Citizenship by Investment

## New Financial Criteria

### A. Grant of the Cypriot Citizenship to Foreign Investors

The Government of Cyprus in an effort to enhance the competitiveness of Cyprus and to provide even more attractive incentives to Foreign Investors / Entrepreneurs, implemented major changes in the “Scheme for Naturalization of Investors in Cyprus by exception” (on the basis of the Civil Registry Laws 2002-2015).

The new financial criteria introduced are even more favorable than before with the minimum necessary amount of investment having been reduced from €2.5 million to €2 million.

A non-Cypriot citizen who satisfies one of the following economic criteria, either personally or through company/companies where he/she participates as a shareholder, either through investment made by his/her spouse or they have made together, either as a senior executive of company/companies that meet one of the financial criteria, may apply for the acquisition of Cyprus Citizenship by Naturalization by exception.

### B. New Financial Criteria

A non-Cypriot citizen will be eligible to obtain Cypriot Citizenship if one of the following economic criteria is met:

- **INVESTING IN REAL ESTATE DEVELOPMENTS AND INFRASTRUCTURE**

The applicant should make an investment of at least €2 million for the purchase or construction of immovable property whether residential or commercial, and whether related to the tourism sector or to other infrastructure.

The investment should be made in a building land and there should be an investment plan for its development, while the purchase of land in zero growth zones is excluded.

- **PURCHASE OR INCORPORATION OR PARTICIPATION IN CYPRIOT BUSINESSES AND COMPANIES**

The applicant should purchase, incorporate or participate in companies established and operating in the Republic of Cyprus with investment costs of at least € 2 million. These invested funds will be channelled to finance the investment objectives of the Companies, according to their business plan.

Moreover, the companies must have physical presence in Cyprus, with significant activity and turnover, and must employ at least five (5) Cypriot or European citizens.

- **INVESTING IN CYPRUS ALTERNATIVE INVESTMENT FUNDS (AIF'S) OR FINANCIAL ASSETS OR CYPRIOT ORGANIZATIONS LICENSED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION, “CYSEC”**

The applicant should invest in units of at least € 2 million of AIF's established, licensed and supervised in Cyprus by “CYSEC”. Such investments should be made exclusively in Cyprus and should meet the criteria of this scheme and be approved by the Minister of Finance.

Acquisition of financial assets in Cypriot businesses or organizations of at least € 2 million, such as bonds, bills and securities issued by companies that have demonstrated physical presence and substantial economic activity in Cyprus, should be maintained for a period of three (3) years.

- **COMBINATION OF THE AFOREMENTIONED INVESTMENTS**

The applicant may make a combination of the above investments, provided that the total investment will amount to at least € 2 million.

Under this criterion, the investor may also invest in government bonds of Cyprus for the amount up to € 500.000, which will be issued for this purpose by the Public Debt Management Office of the Ministry of Finance, for a period of at least three (3) years.

## C. Terms and Conditions

- **CLEAN CRIMINAL RECORD**

The applicant should have clean criminal record.

- **RESIDENTIAL PROPERTY IN THE REPUBLIC OF CYPRUS**

The applicant must hold a permanent privately-owned residence in the Republic of Cyprus, the purchase price of which must be at least € 500.000 plus VAT.

It is noted that members of the same family, which apply separately as investors, can collectively acquire a residence, provided that the total value of this home-property covers the amount of € 500.000 per each applicant.

- **RESIDENCY IN CYPRUS**

The applicant, before the naturalization as Cypriot Citizen, must hold a residency permit in the Republic of Cyprus.

In case the applicant is not already a holder of a residency permit, may submit an application for an immigration permit at the same time while submitting an application for naturalization.

## D. Key highlights of the Cyprus Citizenship by Investment program

- A straightforward route to EU citizenship
- No requirement to make a donation to the local government
- No language requirement, medical test or interview
- All the privileges of an EU citizen. EU citizens enjoy the right to reside, work, do business, study and travel freely within the EU, while enjoying equal treatment with nationals in access to employment, working conditions and all other social and tax advantages
- Protection by EU legislation and regulations
- Visa-free travel to more than 150 countries in the world, including all the European Union countries, Canada and Australia amongst others
- Dual-citizenship is allowed
- Wide choice of investment means the ability to invest directly in real estate or other assets of one's choice or to combine allowable investments
- Combination of tax incentives for investors who were granted the citizenship
- By obtaining Cyprus citizenship and passport one does not automatically become tax resident of Cyprus, unless he spends more than 183 days in the country in one calendar year
- The Cypriot personal income tax regime, through the 2015 introduction of the "non-domicile" concept, is now widely considered as the most attractive onshore personal income tax regime in the world
- Comprehensive double tax treaties network that offers an effective tool for international tax planning
- Strategic geographical location, forming a bridge between the EU, the Middle East and North Africa with direct access to the Mediterranean Sea

## Baker Tilly can help you acquire the Cyprus Citizenship

- Cyprus offers a great place to live, offers excellent worldwide communications, has excellent infrastructure, and a pleasant climate
- Among Europe's top vacation destinations
- Relatively low cost of living
- High standard of professional and multilingual services
- Access to the first class EU healthcare institutes and excellent education systems
- Cyprus is among lowest crime rate in the world and it is also known as a safe and secure place to live

Baker Tilly's team of highly experienced professionals can assist newcomers to Cyprus in all aspects of immigration matters, including amongst others, in the following areas:

- Advise our clients on the required financial criteria and conditions to be met depending on the particular personal circumstances
- Provide guidance and help on the application process and on the required steps to be followed
- Examine the chosen investment option of the applicant in order to establish the most effective and efficient way to meet the required financial criteria
- Find the right property matching the criteria of the applicant via our network of reputable licensed real estate agents
- Drafting and assisting with the preparation and submission of all required documents (e.g. citizenship applications, applications for immigration permits, permanent residence permits, employment permits, visas etc.)
- Monitoring the status of the applications and continuous follow up
- Regular update of the applicant on the progress of the application



**Baker Tilly in South East Europe** is a leading firm of auditors, accountants, tax consultants and business advisors operating in Cyprus and the Balkans. 20 directors and more than 300 professionals offer services of the highest standards in an excess to 6.000 businesses operating both nationally and internationally across all industries. **Baker Tilly in South East Europe** is an independent member firm of **Baker Tilly International** and operates through offices in **Cyprus** (Nicosia, Limassol and Larnaca), **Bulgaria** (Sofia), **Romania** (Bucharest), **Moldova** (Chisinau) and **Greece** (Athens and Thessaloniki).

## What sets Baker Tilly apart from the rest?

- Our highly specialised staff in the areas of audit, tax consulting and compliance services, transfer pricing, VAT, corporate finance, technical training and other specialist offerings work together **under the same umbrella**, sharing their knowledge and expertise to offer outstanding service to clients
- Our **one-stop shop** approach. A complete range of services is offered through a single point of contact to ensure quick, proactive response in all areas of service
- Excellent links with our **strong international network**. We can help clients no matter where in the world they do business, offering seamless service all through a single point of contact



## Tax Services offered by Baker Tilly

- Cross border tax advisory
- Global corporate tax compliance and reporting for direct and indirect tax
- Transfer pricing
- Transaction tax
- Human Capital, including tax services for expatriates
- Private client services
- Tax policy and controversy



**If you wish to apply for a Cypriot Citizenship or Residence Permit, or you need more information on any of the above, please contact us for arranging a meeting.**

## Contact Persons

### **Senior Director**

Stelios Gregoriou

[s.gregoriou@bakertillyklitou.com](mailto:s.gregoriou@bakertillyklitou.com)

### **Senior**

Savvas Klitou

[s.klitou@bakertillyklitou.com](mailto:s.klitou@bakertillyklitou.com)

## Address

### **Nicosia**

Corner C Hatzopoulou &  
30 Griva Digheni Ave.

1060 Nicosia, Cyprus

T: +357 22 458500

F: +357 22 751648

[info@bakertillyklitou.com](mailto:info@bakertillyklitou.com)

### **Limassol**

163 Leontiou Street

Clerimos Building

3022 Limassol, Cyprus

T: +357 25 591515

F: +357 25 591545

[limassol@bakertillyklitou.com](mailto:limassol@bakertillyklitou.com)