

An aerial photograph showing a dark blue lake on the left and a dense forest of trees with vibrant orange and yellow autumn foliage on the right. A white curved line, resembling a stylized 'C' or a partial circle, is positioned to the left of the title text.

Alternative Investment Funds in Cyprus

Why Cyprus?

Guidance to multinational and local groups of companies can develop your organisation's tax strategies, maximise tax planning benefits and meet all compliance requirements of local legislation. Our experience and expert knowledge can provide professional assistance to businesses in international tax planning. Structuring international transactions in a tax efficient manner demands a degree of specialization, requires the expertise of a tax professional advisor, allowing you to meet their tax planning objectives.

Our goal is to deliver practical solutions in tax planning that help multinational businesses meet worldwide tax and statutory responsibilities. This ultimately achieves cost efficiencies in line with your organisation's risk profile.

Comprehensive and holistic solutions are tailored to your individual needs and expectations. Cyprus has seen exceptional economic growth in the last few years, making it one of the fastest growing economies in the eurozone.

Its corporate and commercial laws are based on English law and EU directives. It has adopted English common law, as a binding or persuasive principle in cases not governed by local legislation.

It has an established financial ecosystem with an extensive portfolio of reliable professional services.

Cyprus and providers offers qualified and experienced professionals coupled with a fully developed infrastructure promising a straightforward licensing procedure within a reasonable timeframe.

Framework

Following enhanced EU regulatory measures relevant to the investment fund industry, Cyprus adopted the Alternative Investment Funds Law of 2014 (the "AIF Law", July 2014), which aligns the Cypriot Investment Funds legal framework with all recent developments.

In July 2018, Cyprus upgraded its legislative framework with a new AIF regime, replacing 2014 law. The new legal framework offers a comprehensive tool box and new structuring options competitive to those of other established jurisdictions.

The Cyprus Securities and Exchange Commission (CySEC) is the regulatory authority responsible for the overseeing of Alternative Investment Funds.

Benefits of the Cyprus AIF

- Cost-efficient and simple to set-up, manage and operate;
- Modern regulatory framework;
- Increased flexibility as a number of asset classes can be included in an AIF investment strategy;
- Full transparency through annual audited and half yearly reports to Cyprus Securities and Exchange Commission (CySEC);
- Significant tax incentives;
- No subscription tax on net assets of a fund;
- Exemption from tax on profits from sales of shares and other instruments;
- No withholding tax on income repatriation or dividends paid to unit holders;
- No capital gains tax on disposal of shares/units by the holders;
- Tax exemption on capital gains from the sale of immovable property located outside Cyprus; and
- An extensive network of double tax treaties in place with more than 50 countries worldwide.

Can be used for:

- Shareholder Protection/Flexibility
- Family Office Planning
- Citizenships
- Boutique Fund Managers

How We Can Help

Our aim is to offer services of the highest standard, to our clients and add value to their business, through our specialized departments.

Our expertise covers the whole Fund Industry sector, as we can offer services to Alternative Investment Funds (AIF), Alternative Investment Fund Managers (AIFM) and Undertakings for Collective Investments in Transferable Securities (UCITS).

Project Management

We act as your single point of contact and ensure that all necessary actions are taken and followed throughout the establishment of the AIF/AIFM/UCITS.

Licensing

AIF - We assist you in choosing the correct structure and type of AIF. We take control of the process and support you in every step. This includes the preparation and submission of the application, for the fund registration, until the fund is approved by the Regulating Authority.

AIFM – We assist you in structuring the entity to serve your goals, by preparing and submitting the application, until the AIFM is approved by the Regulating Authority.

External/Internal Audit Services

We perform Annual Statutory Audit and Interim Review of the Financial Statements prepared under IFRS of the relevant entity. We offer Internal Audit Services, with necessary compliance and regulatory reporting, as well as periodic review of the entity's internal processes and procedures.

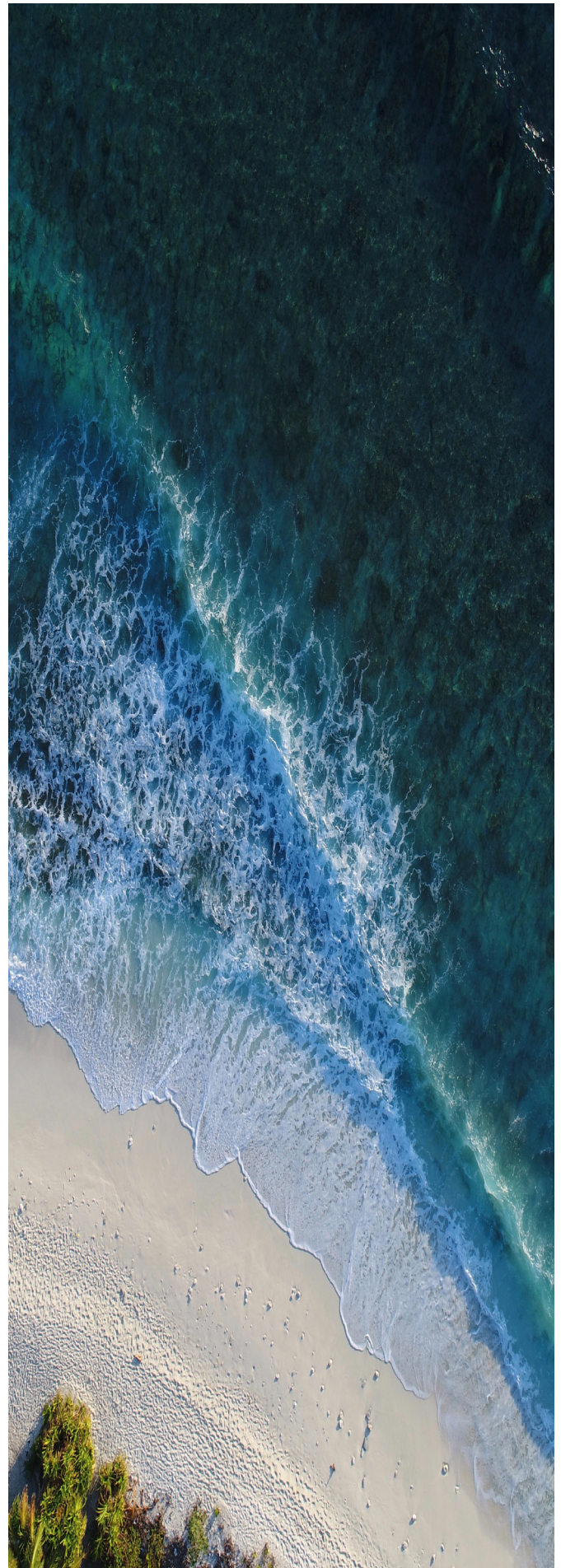
Tax Consulting

We consult on tax planning matters during the establishment and life of the relevant entity.

Business, Risk & Corporate Services

A range of trusted professional associates, can offer their expertise in structuring required functions of the relevant entity, as well as providing the necessary services where applicable:

- Fund Administration Services Regulatory & Reporting Compliance,
- Fund Accounting & Net-Asset Valuations.
- Secretarial & Register Office services
- AML Compliance & Risk Management Services



Contact us

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About Baker Tilly South East Europe

Baker Tilly South East Europe is an independent member of Baker Tilly International, operating under a unified structure directed by a single, central management team.

Offers services to more than 7 offices in 5 countries.
17 directors and more than 300 professionals.

