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Relocation to Cyprus

The Sun-Chasers Paradise

There are many reasons for moving to Cyprus. Expats and locals get to enjoy the Mediterranean climate on the island. Hot summers with temperatures reaching up to 33°C, contrasted by mild winters, sound like a Mediterranean dream come true. Even better, the sea temperature can be as high as 27°C at the height of summer, which makes a stay at the beach or a swim in the sea all the more enjoyable.

In fact, locals and expats enjoy the warmest climate in the entire European Union in one of the sunniest places around, with over 320 days of sunshine per year. Cyprus is also ranked among the regions with the healthiest climates worldwide. Unfortunately, the island suffers from a near-constant freshwater shortage.

Visa Information for Cyprus

Moving abroad is a giant step for anyone, and many a future expat would probably like to get to know their future home before relocating there permanently. Luckily, as Cyprus relies heavily on tourism from all over the world, acquiring the right to visit the island is rather straightforward and uncomplicated.

As the nation is a member state of the European Union, visitors to Cyprus who are holders of an EU passport can freely enter the island without having to apply for an additional visa. The maximum duration of their stay is limited to three months.

Even though Cyprus is legally bound to become a member to the Schengen area, the implementation has been delayed due to the ongoing dispute between the North and the South of the country. Note that there is one exception. Third-country citizens, i.e. nationals of non-EU member states, can apply for a Schengen visa which does not only facilitate travel to Cyprus, but also to every other country which is part of the Schengen area. However, it is important to note that it is not possible to travel to Cyprus with a Schengen visa from *outside* the Schengen area. If you enter another Schengen country before traveling to Cyprus, you should not run into any problems.

If this is not an option for you, you can always directly apply for a Cypriot visitor's visa. On the website CyprusVisa you can find detailed information on different visas and permissions and check whether you are a citizen of a country which is required to obtain a visa or not.

Residence and Work Permit

If you are relocating to Cyprus to take up gainful employment, your residence permit for Cyprus is inextricably linked with your work permit. As with entry visas, the process of obtaining a residence permit is considerably different for citizens of EU and non-EU countries.

Citizens of EU member states can expect things to go very smoothly, whereas there are several further requirements for nationals of so-called third countries. There are several criteria to be fulfilled and documents needed to obtain a residence permit and/or a work visa as well as the fact that the application cannot be made in Cyprus. More information can be found on the website of the Department of Labour.

Alien Registration

EU nationals as well as non-EU citizens who would like to live in Cyprus for more than three months and/or take up employment

need to officially register as residents. A registration certificate is needed to apply for a residence permit. The steps are as follows. First, you must apply for an Alien Registration Certificate (ARC) at the Immigration Office of the local police *within eight days* of arrival and pay the relevant fee. Secondly, you need to apply for a social insurance number to secure employment in Cyprus. Within the next three months, you must submit an application for a residence permit to the Civil Registry and Migration Department. A permanent residence permit should take 6–8 months to arrive. If you are already holding a temporary residence permit, you might even have to wait for 8–10 months.

Residence and Work in Cyprus in a Foreign Interest Company

A Foreign Interest Company is an international company, which, subject to meeting specific criteria, can employ non-EU national employees in Cyprus. This programme enables employees and their families to gain residence and work permits under favourable terms. The main objective of Cyprus Foreign Interest Companies is to attract foreign investment to Cyprus, and the main requirement enabling an International Company to qualify as a Foreign Interest Company is that **the third country shareholder(s) must own more than 50% of the total share capital of the company.**

Main Advantages of a Cyprus Foreign Interest Company

- ▶ Foreign interest companies can employ third country national employees.
- ▶ Third country national employees can obtain a residence and a work permit, the precise details of which will be dependent on the employment contract. Residence and work permits can be for up to 2 years with a right of renewal.
- ▶ Directors and middle-management employees can reside in Cyprus with NO time limit (subject to holding a valid residence and work permit).
- ▶ Employees can exercise their right for their family to join them and to also reside in Cyprus.
- ▶ International companies located in Cyprus enjoy one of the lowest corporation tax rates in Europe at 12.5% and also benefit from the double taxation treaties that are in force (currently just under 60).
- ▶ Dividend income is exempt from corporation tax.
- ▶ Dividend distributions to shareholders are not subject to withholding tax.

Types of Foreign Interest Companies :

- ▶ Public companies registered on any recognised stock exchange
- ▶ Companies of international activities (formerly offshore)
- ▶ Cypriot shipping companies
- ▶ Cypriot high-tech/innovation companies
- ▶ Cypriot pharmaceutical companies or Cypriot companies active in the fields of biogenetics and biotechnology
- ▶ Companies of whom the majority of the total share capital is owned by persons who have acquired Cypriot citizenship by naturalization based on economic criteria, provided that they prove that the conditions under which they were naturalized continue to be met.



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Locations

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