

Cyprus: Accelerated Process for Permanent Residence Permit



1 Introduction

There have been recent amendments to the regulations for the granting of a permanent residence permit in Cyprus (the “**Permit**”) to non-EU citizens in an expedited manner, which also includes minor children, financially dependent adult children and the parents and/or parents-in-law of the applicants. The current status of the regulations are outlined in this publication, along with a short analysis of the numerous advantages an individual can gain by moving to Cyprus.

2 Conditions

The applicant of permanent residence (the “**Applicant**”) should:

- have 3-year fixed term deposit in a bank in Cyprus a minimum amount of €30.000 (such amount to have originated from outside of Cyprus);
- have, together with his/her spouse secure annual income (deriving from outside of Cyprus) of at least €30.000 (such amount to be increased by €5.000 for every dependent person (spouse and children) and by €8.000 for a parent or parent-in-law). Such income may be comprised by salaries from employment, pensions, dividends from shares, fixed deposits, rents, and others;
- hold, together with his/her spouse (if applicable), or hold via a wholly-owned company, a house or other real estate, such as shops or office space, of a total market value of at least €300.000 (excluding VAT), and have paid towards the purchase price at least €200.000 (excluding VAT), such amounts to have originated from outside of Cyprus;
- have a clean criminal record;
- not intend to be employed in Cyprus;
- must acquire residence in Cyprus within one year from the date of the issuance of his/her Permit; and
- not to be absent from Cyprus for more than two years (otherwise the permit may be cancelled).

3 Spouse and minor children of the Applicant

The Permit issued to an Applicant covers his/her spouse and children under the age of 18. There is also no requirement for the spouse and children to satisfy the criteria relating to the purchase of property, the secure annual income and the deposit in a bank in Cyprus.

4 Financially dependent unmarried children between 18 and 25

- 4.1** Unmarried children aged between 18 and 25, who may prove that they are students at university abroad (with at least six months of remaining study period) and are financially dependent on the Applicant, may submit a separate application to obtain a Permit. In such a case, the father or mother and/or both parents together must present an additional annual income of €5.000 for every such dependent child.
- 4.2** If children wish to study at a university in Cyprus, they have to submit (through such institution) an application for acquisition of a temporary residence permit in Cyprus) without needing to fall under the application of their parents. Once their studies are completed, these children regardless of their age, will be able to submit their own application to obtain an Immigration Permit with only the condition that their parents present only an additional annual income of €5.000 for every such child.

5 Non-financially dependent children over the age of 18

- 5.1** A Permit may also be granted to children of the Applicant over the age of 18, who are not financially dependent on the Applicant, provided that the market value of the acquired property is increased by €300.000 (excluding VAT) for every such child. Each such child/children must submit the necessary documentation with the application of the Applicant (i.e. concerning the secured annual income of €30.000 and a 3-year fixed term deposit of at least €30.000).

6 Parents and parents-in-law

- 6.1** A Permit may also be granted to the parents and parents-in-law of the Applicant with the submission of a separate application with the condition that the Applicant presents only an additional annual income of €8.000 for every such dependent parent.

7 Procedure for the submission and examination of an application

- 7.1** Applications must be submitted directly to the Civil Registry and Migration Department (“**CRMD**”), personally or through an agent. A fee of €500 is payable with the submission of the application.
- 7.2** The Ministry of Interior shall notify the Applicant (or his agent) and the CRMD as to the decision of the Minister of Interior. Provided all the proper documentation is submitted, the examination of the application shall not exceed 2 months from the date of the submission of the application.

8 Numerous tax advantages with relocating to Cyprus

- 8.1** An individual who relocates to Cyprus can take advantage of an array of tax advantages and incentives that have become available through recent legislation in Cyprus, including:
- 8.1.1** being classed as non-domicile Cyprus resident (if that person was not a resident of Cyprus for 17 out of the last 20 years) which means that income from rent, dividends and interest is totally tax exempt;
 - 8.1.2** no estate duty, wealth tax, inheritance tax or gift taxes;
 - 8.1.3** 100% exemption on the entire amount gained from the disposal of titles such as shares, bonds, debentures, futures, options and others;
 - 8.1.4** no Capital Gains Tax on the sale of immovable property situated out of Cyprus; and
 - 8.1.5** no Capital Gains Tax from the sale of immovable property situated in Cyprus which was acquired between 16/07/2015 and 31/12/2016.

9 Conclusion

9.1 It is therefore clear that an individual relocating to Cyprus can gain residency very quickly and for himself and his family and therefore utilise an array of advantages. Aside from these, an individual relocating to Cyprus can enjoy:

9.1.1 world-class education system;

9.1.2 highly-skilled work force, including a competitive professional services and banking industry;

9.1.3 most people speak English;

9.1.4 over 325 days of sunshine per year;

9.1.5 unique history and culture;

9.1.6 easy connection and access to European destinations; and

9.1.7 among the lowest crime rates in the world.

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