



Cyprus tax resident at 60 days, under conditions

19 July 2017 - The House of Representatives voted into law last week, an amendment to the definition of “**Cyprus tax resident individual**” included in the Income Tax Law 118 (I)/2002.

More specifically, as of **1 January 2017**, an **individual** will be considered a **Cyprus tax resident** if he/she:

- does not spend more than a total of 183 days in any country within a tax year; **and**
- is not a tax resident of another country within the same tax year

and satisfies the following three conditions:

- (a) remains in Cyprus for at least 60 days during the tax year;
- (b) **carries on a business** in Cyprus or is **employed** in Cyprus or **holds an office** in a Cyprus tax resident company at any time during the tax year; and
- (c) maintains a permanent residence in Cyprus, which can be either owned or rented.

It is important to note that, if the employment/business or holding of an office as per (b) above is terminated, then the individual shall cease to be considered a Cyprus tax resident for that tax year under the 60 days tax residency scheme.

We note that for employment purposes in Cyprus there are additional incentives which a Cyprus tax resident individual can enjoy. Please refer to our publication [Living in Cyprus. A scrumpTAXious Proposition](#).

At the same time, an individual is granted exemption from special contribution for defence on dividends and interest received either in Cyprus or abroad, provided that such individual is considered as non – domiciled of Cyprus.

As always, The Taxation Department of Costas Tsielepis & Co Ltd is at your disposal should you require any further information or clarifications.