

With its entrance into the European Union and the implementation of new corporate legislation in 2003, Cyprus has become one of the most attractive holding jurisdictions in the world.

Cyprus has linked its Global network of over 40 double income taxation treaties (2006), with an outstanding holding regime. This very powerful combination provides the following major advantages:

- Full participation exception for resident companies for dividend income received from subsidiary companies.
- Application for EU Parent /Subsidiary Directive (providing a qualified tax exemption for the inter- EU cross border distribution).
- Freedom to distribute dividends, interest and royalties tax free from Cyprus to any country.

- No minimum holding period for shares prior to liquidation.
- No controlled foreign corporation (CFC) legislation.
- No substance requirements for Cyprus Holding Company or underlying subsidiaries.
- Minimum Holding of 1% of the stock of the underlying subsidiary company.
- Full tax exemption on the receipt of capital gains from the disposal of shares into a subsidiary.
- Freedom to distribute capital gains tax from the disposal (or liquidation) of the shares of the Cyprus holding Company tax free to any country.
- No capital taxation to capitalize Cyprus Companies.
- Net worth taxes during the life of a Cyprus Company.

Cyprus has concluded double taxation treaties covering the following countries:

Armenia
Austria
Belarus
Belgium
Bulgaria
Canada
China
Czech Republic
Denmark
Egypt
France
Germany
Greece

Hungary
India
Italy
Kuwait
Kyrgyzstan
Lebanon
Malta
Mauritius
Moldova
Montenegro
Norway
Poland
Qatar
Romania
Russia
San Marino
Seychelles
Singapore
Slovakia
Slovenia
South Africa
Sweden
Syria
Tajikistan
Thailand
Ukraine
United Kingdom
United States of America
Uzbekistan

Ireland

Serbia