

CYPRUS

TREATIES FOR THE AVOIDANCE OF DOUBLE TAXATION*

(SUMMARY TABLE ON TAX TREATMENT OF DIVIDENDS, INTEREST, AND ROYALTIES)

Country	Paid from countries shown below to residents of Cyprus			Paid from Cyprus to residents of the countries shown below		
	Dividends	Interest	Royalties	Dividends	Interest	Royalties
Austria	10%	nil	nil	10%	nil	nil
Bulgaria	nil	nil	nil	nil	nil	nil
Canada	15%	15%(7)	10%(12)	nil	15%(7)	10%(12)
China	10%	10%	10%	10%	10%	10%
CIS**	nil	nil	nil	nil	nil	nil
Czech Republic	10%	10%(7)	5%(8)	nil	10%(7)	5%(8)
Denmark	10%(1)	10%(7)	nil	10%(1)	10%(7)	nil
Egypt	15%	15%	10%	15%	15%	10%
France	10%(2)	10%(7)	nil(10)	nil	10%(7)	nil(10)
Germany	15%(3)	10%(7)	nil(10)	nil	10%(7)	nil(10)
Greece	25%	10%	nil(9)	25%	10%	nil(9)
Hungary	5%(4)	10%(7)	nil	nil	10%(7)	nil
India	10%(2)	10%(7)	15%	10%(2)	10%(7)	15%
Ireland	nil	nil	nil(9)	nil	nil	nil(9)
Italy	15%	10%	nil	nil	10%	nil
Kuwait	10%	10%(7)	5%(8)	nil	10%(7)	5%(8)
Malta	nil	10%(7)	10%	15%	10%(7)	10%
Norway	5%(5)	nil(15)	nil	nil	25%(14)	nil
Poland	10%	10%(7)	5%	10%	10%(7)	5%
Romania	10%	10%(7)	5%(8)	10%	10%(7)	5%(8)
Slovak Republic	10%	10%(7)	5%(8)	nil	10%(7)	5%(8)
South Africa	nil	nil	nil	nil	nil	nil
Sweden	5%(4)	10%(7)	nil	5%(4)	10%(7)	nil
Syria	15%(16)	10%(7)	10%(17)	15%(16)	10%(7)	10%(17)
UK	15%(6)	10%	nil(10)	nil	10%	nil(10)
USA	5%(13)	10%(7)	Nil	nil	10%(7)	nil
Yugoslavia	10%	10%	10%	nil	10%	10%
All other countries(15)(15)(15)	0-40%(14)	0-40%(14)	10%(11)			

* These treaties refer to those which have been ratified. The numbers in the brackets refer to the explanatory notes herebelow. ** Excludes Kazakhstan

Explanatory Notes

- (1) 10% if recipient is a company with at least 25% direct share interest; 15% in all other cases
(2) 10% if recipient is a company with at least 10% direct share interest; 15% in all other cases

- 3) 10% if recipient is a company with at least 25% direct share interest; 27% if recipient is a company with more than 25% direct or indirect share interest as long as the German corporate tax on distributed profits is lower than that on undistributed profits and the difference between the two rates is 15% or more; 15% in all other cases
- 4) 5% if recipient is a company with at least 25% direct share interest; 15% in all other cases
- 5) Nil if received by a company which controls, directly or indirectly, at least 50% of the voting power
- 6) A resident of Cyprus, other than a company which either alone or together with one or more associated companies controls directly or indirectly at least 10% of the voting power, is entitled to a tax credit in respect of the dividend. Where a resident of Cyprus is entitled to a tax credit, tax may also be charged on the aggregate of the cash dividend and the tax credit at a rate not exceeding 15%. In this case any excess tax credit is repayable. Where the recipient is not entitled to a tax credit, the cash dividend is exempt from any tax
- 7) Subject to certain exemptions
- 8) Nil if royalties are on literary, artistic or scientific work including cinematographic films and films or tapes for television or radio broadcasting
- 9) 5% on cinematographic films not including television films
- 10) 5% on cinematographic films including television films
- 11) 5% on cinematographic films
- 12) Nil if royalties are copyright and other literary, dramatic, musical or artistic work not including film or videotape royalties
- 13) 5% if recipient is a company with at least 10% direct share interest; 15% in all other cases
- 14) There is a withholding tax of 20% on dividends and 25% on interest. The final tax liability is determined as follows :
 - a) Companies : in respect of dividends, refundable on application. For interest, on application in accordance with corporate tax rates.
 - b) Individuals : on objection, in accordance with personal tax rates. In both cases any excess tax withheld is refunded. N.B. The agents or recipients of interest or dividends are liable for the payment of the due amount of tax on such income.
- 15) At the rate applicable in accordance with domestic law
- 16) Nil if shareholder is a company that holds directly at least 25% of the capital of the company paying the dividends; 15% in all other cases
- 17) 15% for any patent, trade mark, design or model, plan, secret formula or process or any industrial, commercial, or scientific equipment or for information concerning industrial, commercial or scientific experienc