

REVISED RULES FOR PERMANENT RESIDENCY STATUS IN CYPRUS BY WAY OF INVESTMENT

The Council of Ministers has recently approved the proposal of the Minister of Interior to introduce a set of revised criteria on the expedited process for granting permanent residency permit/immigration permit to non-EU nationals who invest in Cyprus. Pursuant to the provisions of the Regulation 6(2) of the Aliens and Immigration Regulations, a Permanent Residence Permit can be granted to a non-EU national provided that the below conditions are fulfilled. The new policy has come into force on May 2nd, 2023.

Revised financial criteria:

1. The investor must proceed with an investment of at least €300.000, in one of the following categories:
 - a) Purchase of one or two, new residential property/-ies in Cyprus with total purchase cost of at least €300.000 (excluding VAT). The entire amount of €300.000 must be paid at the time of submission. The investment must be paid by the investor and/or his/her spouse (provided that he/she also applies) with funds from abroad.
 - b) Purchase of new or used commercial real estate.
 - c) Purchase of shares of a Cyprus Company with activities and staff in Cyprus.
 - d) Purchase of units of a Cyprus Investment Organization of Collective investments (AIF, AIFLNP, RAIF), the investments of which must be in the Republic.

2. The investor must also have a secured annual income of at least €50.000. The amount of income will be increased for each dependent family member, as follows:
 - Spouse - €15.000,
 - Underage children - €10.000 per individual,
 - Adult, unmarried children who are financially dependent on the investor (between the ages of 18 and 25) - €10.000 per individual.
3. For the investors choosing to invest in residential property/-ies (point 1 (a) above), their annual secured income can **ONLY** be proven via their **Income Tax Return** from the country that they are tax residents.

Those electing to invest via any other investment option (points 1 (b), (c), (d) above) can also simply satisfy the income requirement by including income deriving from business activities in Cyprus, provided they are tax residents in the Republic.

Other requirements:

- The investor and his/her spouse are required to provide Clean Criminal Record Certificate from their country of origin and their country of residence (if different).
- Certificate of full medical insurance which covers both, in patient care and out-patient care is required to be provided for the investor and his family members.
- If the investment is made through the purchase of a residential property/-ies, and the number of bedrooms in the property cannot satisfy the needs of the investor's dependent family members, the investor is obliged to provide another property (which is owned or rented by him), which shall constitute the accommodation of his family members.
- If the investment in residential property/-ies is not an option, the potential investors must provide relevant documentation justifying their place of residence in Cyprus.
- Old and new investors (post approval) have annual reporting obligations to the competent authorities.
- Breach of any condition of the policy and the relevant Law, can lead to the revocation of the permanent residency permit for the investor and his family members.

HOW CAN BYBLOSERVE ASSIST YOU

- Consult on the eligibility requirements.
- Support on the incorporation and operation of a Cyprus Company, if required.
- Draft of all the necessary documentation.
- Assist with the real estate due diligence and examine tax implications (if any).
- Handle the legal reviewing of the Contract of Sale and/or any other relevant documents.
- Handle the conveyancing work pertaining to the Contract of Sale in the Department of Land and Surveys and in the Tax Department.
- Preparation of the necessary set of documents in line with the required quality standards and arranging submission to the competent Authority.
- Act as liaison with the Authorities during the examination process and monitor the progress of the application.
- Evaluate and support the potential of becoming Tax Resident in Cyprus.

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