

Tax Briefing



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Amendments on the Stamp Duty levied on contracts

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Until recently, it was obligatory that contracts with a consideration of up to CYP100000 were subject to a stamp duty of 0.15%, while any amount in excess of CYP100000 was subject to a stamp duty of 0.2%.

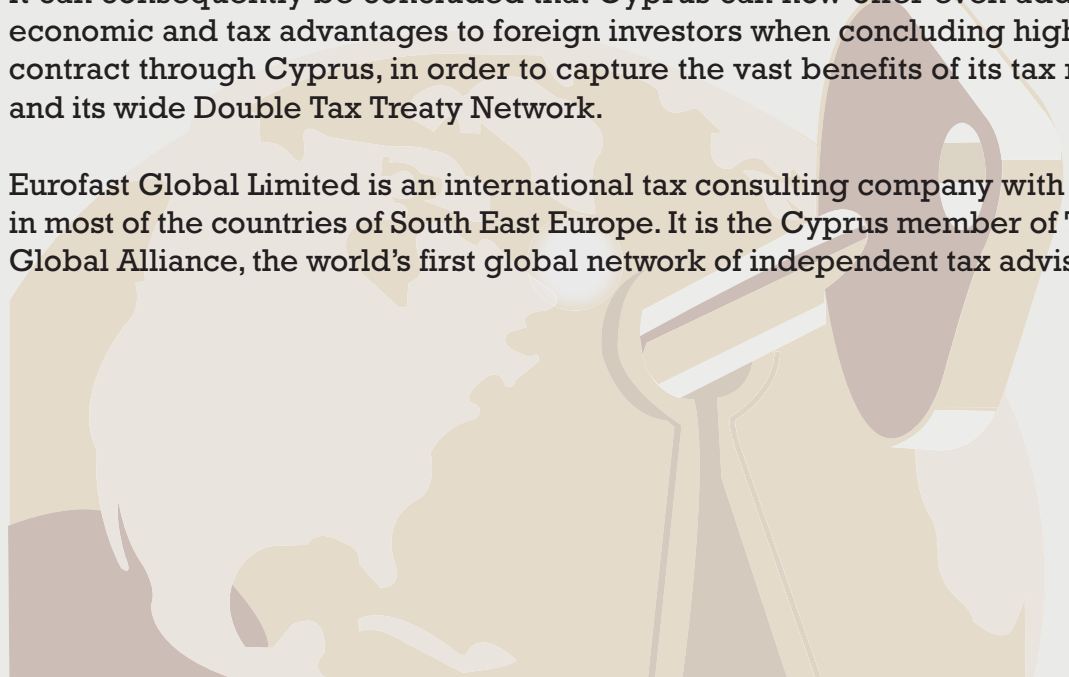
Now, contracts concluded in Cyprus with a consideration of over CYP5 million shall be subject to special treatment. The amended legislation was passed on 1 August 2007 and came into force on the 14th day of August, upon its publication to the official gazette of the Republic. Accordingly, contracts having a consideration amount exceeding CYP5 million will be subject to a maximum flat stamp duty of CYP10000.

Consequently the revised stamp duty rates as from 14 August 2007 have become as follows:

Contract value (CYP)	Stamp Duty
Up to 100,000	0.15%
From 100,000 to 5 million	0.2%
Over 5 million	CYP10000 fixed stamp duty

It can consequently be concluded that Cyprus can now offer even additional economic and tax advantages to foreign investors when concluding high-value contract through Cyprus, in order to capture the vast benefits of its tax regime and its wide Double Tax Treaty Network.

Eurofast Global Limited is an international tax consulting company with offices in most of the countries of South East Europe. It is the Cyprus member of Taxand Global Alliance, the world's first global network of independent tax advisers.



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