Moving to Cyprus and the Non-Domicile Regime

In this article we will summarise the routes to residency, as well as outline the key benefits of the Cyprus Non-Domicile (Non-Dom) Regime.

By **Jake Magell**, 28th January 2025

Introduction

With over 20% of the population being made up of expats it is clear that Cyprus has become a hotspot for those looking to relocate. There are several benefits drawing people to Cyprus, ranging from a high standard of living and excellent healthcare system to the wide array of taxation benefits and visa options. The 320 sunny days a year also helps convince some.

In this article we will briefly summarise the routes to residency through the two most popular immigration options, as well as outline the key benefits of the Cyprus Non-Domicile (Non-Dom) Regime.

Immigration Options

EU and EEA citizens

As a member of the European Union (EU), Cyprus offers the right to live and work in the country for all EU and European Economic Area (EEA) citizens, making relocation straightforward for those from these regions.

Non-EU and Non-EEA citizens

For non-EU and non-EEA citizens, commonly referred to as third-country nationals, there are several pathways to residency. The two most popular options are:

1. Establishing a Foreign Interest Company (FIC)

Rights: This route gives you (and your family members) the right to live and work in Cyprus.

Investment requirement: An investment of €200,000 of paid-up capital that can be later used to fund the expenses of the company or used for investments to generate income.

See our full detailed article here if this route to residency interests you.

2. Residency by Investment

Rights: This route gives you the right to live in Cyprus but not the right to work. This means you may not take up any employment in the republic but does not limit you from being the owner and a director on a Cyprus resident company, thus receiving dividends, or working for an overseas entity.

Investment requirement: A local investment of €300,000 is required. This is commonly done through the purchase of a residential property to live in.

See our full detailed article here if this route to residency interests you. Please note there have been some recent changes to the permanent residency regime, we have done a detailed article on these changes here.

3. Other residency options

A number of other options are available, though they tend to be less commonly used and may involve a more extended application process. If you are considering moving to Cyprus and feel that neither of the above options suits your circumstances, please feel free to contact our team. We would be happy to explore alternative solutions tailored to your situation.

Cyprus Non-Domicile Regime

When you become a tax resident in Cyprus you may qualify for the Cyprus Non-Dom regime, provided you or your father were not born in Cyprus. This tax regime lasts for 17 years with no buy-in cost.

If eligible and you complete your application, you can take advantage of the following benefits:

- 0% tax on dividends, capital gains, and most types of interest
- 50% income tax exemption on salaried income, provided you meet the criteria

For those with investment income or receiving dividends from an overseas business, this regime allows you to receive these amounts free from tax.

For more detailed information about the Non-Dom regime, please refer to our full article here.

How Can Dixcart Help

At Dixcart, we leverage over 50 years of experience to assist individuals worldwide in finding tailored solutions and executing their plans. For immigration clients, we provide comprehensive support, from gathering required documents for visa/residency permits to guiding you through tax structuring and even accompanying you to immigration offices.

If you are considering moving to Cyprus, reach out to us at advice.cyprus@dixcart.com to see how we can assist you.