

The Cyprus Non-Domicile Regime - A Step-by-Step Guide

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By **Jake Magell**, 3rd July 2025

An Introduction to Domiciliation

The Cyprus Non-Domicile regime (or non-dom) hinges on a person's domiciliation. It is important to note that there are two kinds of domicile:

- *Domicile of origin*: The domicile assigned to an individual at birth.
- *Domicile of choice*: The domicile acquired by an individual through establishing a physical presence in a particular place, combined with the intention of making it their permanent home.

Individuals who have been tax residents in Cyprus for at least 17 out of the last 20 years will be deemed domiciled in Cyprus. Meaning, once you meet the 17-year limit, you will be considered to have a Cyprus domicile of choice.

Tax Residency

It is also important to note that the Cyprus tax regime only applies to individuals who are tax residents. Anyone looking to take advantage of the benefits under the non-dom regime must first ensure that they are a tax resident of Cyprus. You can find full details in our article on [Cyprus Tax Residency](#).

Unlike other tax regimes around the world, the Cyprus non-dom regime has no participation cost and there is no minimum annual tax bill to be paid. In other words, there is no annual fee payable to the government in order to benefit from the advantages outlined below.

Applicants must complete the specified form and submit it along with evidence that they are tax residents of Cyprus and that their domicile of origin or choice is not Cyprus.

Once your application has been approved, you can request a certificate to confirm your tax residency and status as a non-domiciled individual. This certificate, issued by an EU member state government, can be used when required in other jurisdictions.

Benefits

Before diving into the benefits, it is worth remembering that Cyprus tax residents are taxed on their worldwide income. This means the following advantages apply to income sourced in Cyprus or remitted to Cyprus from abroad. Additionally, there are no wealth and no inheritance taxes in Cyprus, for both ordinary residents and non-doms.

Cyprus' non-domicile status provides access to a range of highly attractive tax benefits. Individuals who qualify under the regime are exempt from income tax on the following:

- Interest
- Dividends
- Capital gains (excluding immovable property in Cyprus, which may still benefit from partial exemption on newly acquired property)

Non-doms in Cyprus also enjoy significant relief on their salaried income. Those who take up residency in Cyprus for the first time may be eligible for a 50% exemption on their salary from income tax. This is in addition to the standard 0% tax band.

To qualify for this exemption, individuals must meet the following criteria:

- Be a non-domiciled individual
- Be employed in their first job in Cyprus
- Earn an annual salary of €55,000 or more
- Be a “new resident” in Cyprus (meaning they must not have been a resident of Cyprus for a period of at least 15 consecutive tax years immediately prior to the commencement of their employment in Cyprus)

National Health Contribution

It is worth noting that both dividends and salaried income are subject to a General Health System (GHS) contribution of 2.65%, capped on income up to €180,000 per year. This means the maximum contribution is €4,770 annually. This contribution provides access to Cyprus’ excellent and comprehensive public healthcare system.

How Can We Help?

If you would like to know more about the Cyprus Non-Domicle Regime or if you have any questions about how we can help you, please contact us at the [Dixcart office in Cyprus](#) for further information: advice.cyprus@dixcart.com.

Our expert team can support you through every step, from immigration matters to tax residency and non-domicile applications. We can assist with compiling your supporting documentation, interpreting the governments forms. We will even attend the immigration office with you and can handle your annual tax return.

If you are planning to take advantage of the corporate benefits here in Cyprus as well by incorporating a company, we also offer a full range of corporate services including, but not limited to, company formation, secretarial support, and accounting services.

We provide end-to-end support at every stage, helping you successfully navigate Cyprus’ tax residency and compliance requirements, so you can make the most of Cyprus’ excellent tax benefits.