MINISTRY OF FINANCE - TAX DEPARTMENT

DECLARATION FOR EXEMPTION OF A COMPANY FROM THE DEDUCTION OF SPECIAL DEFENCE CONTRIBUTION

(Section 3(2)(b) of the Special Contribution for the Defence of the Republic Law No.117(I) / 2002)

Before completing this Declaration, please read the notes on page 2.

1. Name of Institution: .....

2. Tax Identification Code / Company Registration Number: .....

A. LEGAL PERSONS' (COMPANY) DETAILS

1. Name .....

2. Description of Economic Activity: ……,

……

3. Company's Registration No.: ……. | 4. Taxpayer Identification Code: ……

5. ☐ There is/are / ☐ There aren't any joint beneficiaries/ owners of the asset producing the income.

B. QUESTIONNAIRE FOR ASCERTAINING RESIDENCY

1. Address at which Central Offices are situated: ……..,

……..

2. Country in which the Company is registered: ……

…… | 3. Address at which the Company's Registered Offices are situated: ……

4. Country in which Meetings of the Board of Directors are held:……,

……..

5. Address of Tax Administration to which the Legal person belongs: ……,

……

6. Does the Company have a permanent establishment in Cyprus e.g. Is there a fixed place of business through which the business of the enterprise is wholly or partly carried out?; Yes ☐ No ☐

7. Is the Company's management and control exercised in Cyprus? Yes ☐ No ☐

8. Was the Company a tax resident of Cyprus in the Previous Tax year; Yes ☐ No ☐

9. Names and Addresses of Directors:
……
……
……
……
……

10. Names and Addresses of Authorized Representatives of Directors
……
……
……
……
……

C. DECLARATION AND UNDERTAKING (It is a criminal offence to submit an incorrect or false declaration)

(tick where applicable only)

I, the aforesaid person beneficially entitled to interest / dividends/ rents, declare that :

☐ (a) I was non-tax resident of Cyprus during the current tax year and I also intend to remain so during the current year and following years and/or

☐ (b) the above income arises from approved activities as a ship-owner / charter / ship management or from working capital of such activities.

As from year ……., I, the holder of the aforesaid asset/s and the person beneficially entitled to the income therefrom hereby declare that I am entitled to be exempt from Special Contribution for Defence. If I am no longer entitled to this exemption I shall inform the above organisation, in writing, within one month from the date of the change in circumstances, and shall authorise them to deduct any Special Contribution for defence on the income, with interest from the date specified in the law, from the income I am entitled to.

Signature/s :

Directors and/or Secretary

....

Date : .....

Company Stamp

NOTES

If you cease to have your tax residency outside Cyprus you must IMMEDIATELY inform the Institution paying you the income.

1. Definition

Institutions are in the case of:-

- Interest – Individuals and Legal persons that pay or credit interest,
- Dividends – Legal persons (companies) that pay dividends and
- Rents – Companies, partnerships, the republic and local authorities that pay or credit rent

2. Who and for what reason is responsible for the completion of this Declaration

This declaration must be completed by Companies as defined by Income Tax Law 118(I)/2002, as amended, (Legal Persons)

- who are entitled to interest / dividends / rents and are not tax residents of Cyprus
- who have approved activities as a ship-owner / charter / ship management as these are defined in the Merchant Shipping (Fees and Taxing Provisions) Law of 2010 (Law 44(I)/2010), as amended, and who are entitled to interest / dividends / rents

with which they will inform the institutions about the respective case accordingly, so as no Special Contribution for defence is deducted from the income.

Institution who pay or credit interest / dividends / rents are obliged by the Special Contribution for the Defence of the Republic Law N.117(1) of 2002, as amended, to deduct special contribution for the defence at the rate applicable on the date that the income is paid or credited to Cyprus residents.

3. Where to submit the Declaration

This Declaration, once completed and signed, must be submitted to the Institution from which you receive / are credited with interest / dividends / rents. The Institution undertakes to permit the Commissioner or his/her authorised representative to examine the present Declaration at its premises or upon the Commissioners request, to submit to the Commissioner the afore-mentioned or a true copy of them.

4. Who are considered to be Cyprus Tax Residents?

Companies whose control and management are exercised in Cyprus.

5.Other information

The rates for special contribution for the defence are available on the Tax Department website, www.mof.gov.cy/tax in both the "Legislation / laws" section and "Tax Rates" section. Please note that some pages on the site are only available in Greek.

6. An incorrect or false declaration is a criminal offence

In accordance with the provisions of the Assessment and Collection of Taxes Law 4/78, as amended, a false declaration is a criminal offence and upon conviction is subject to a fine of €10 000 and/or to imprisonment of up to 5 years.

7. An incorrect or false declaration is a criminal offence

In accordance with the provisions of the Assessment and Collection of Taxes Law 4/78, as amended, a false declaration is a criminal offence and upon conviction is subject to a fine of €10 000 and/or to imprisonment of up to 5 years.

8. KEEP A COPY OF THIS DECLARATION FOR YOUR RECORDS