

Date: 19th April 2021

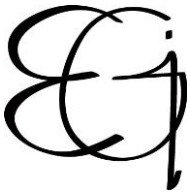
AMENDMENTS TO THE CYPRUS PERMANENT RESIDENCE SCHEME

As the Investor citizenship schemes ended last November 2020, that allowed third-country nationals, under certain conditions, to obtain a residence permit to live in Cyprus by acquiring the Cypriot Citizenship based on payment or investment alone, a new amendment to the provision of Regulation 6(2) of the Aliens and Immigration Regulations, was announced and became effective as of the 24th March 2021.

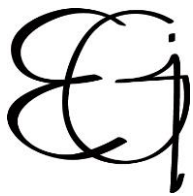
WHAT ARE THE NEW AMENDMENTS?

The criteria for granting an Immigration Permit within the scope of the expedited procedure to applicants who are third country nationals and invest in Cyprus has been amended and are read as follows:

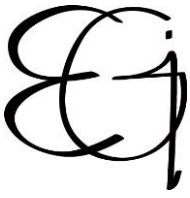
1. Any person, who is a third country national and wishes to invest in Cyprus to be eligible for the residence permit is able to invest in one of the following:
 - (a) Investment in a house or an apartment by a development company, as a first sale of at least €300,000 (plus VAT).
 - (b) Investment in real estate such as offices, shops, hotels, or any other combination with a total value of €300,000. Under this investment, resales are accepted.
 - (c) Investment in the share capital of a Cyprus Company with activities and employees in Cyprus of €300,000 in the share capital of a company registered in the Republic of Cyprus, which is based and operates in the Republic of Cyprus and has a proven physical presence in Cyprus and employs at least five (5) persons.
 - (d) Investment in Cyprus Collective Investment Organization Units, such as AIF, AIFLNP, RAIF of €300,000.
2. The Applicant is no longer obliged to deposit the amount of €30,000 in a fixed deposit account that is blocked for three years.



3. The Applicant should have at least a secure annual income of €30,000 and should be able to evidence that. Moreover, the requirements of such annual income are increased by €5,000 for each dependent family member and of €8,000 for each dependent parent of the Applicant or his/her spouse.
4. Applicants that wish to **invest and purchase residential real estate**, should evidence that their income derived from abroad. At least €200,000 plus VAT must be paid before applying and should show that the funds come from abroad and deposited in Cyprus. The same amount applies for the purchase of a commercial estate. Any of the purchases can be made by a legal entity where the applicants are sole shareholders/UBOs in a Cyprus Company, or another EU Member State or the EEA. The criteria to purchase a residential estate are (a) the real estate must be new and sold for the first time by a development company, or the purchase took place before the 7th May 2013, and (b) the applicant may purchase up to 2 residential estates, either a house or an apartment, provided that the total market value meets the requirement of €300.000 plus VAT. Any contracts that relate to the resale of a residential real estate and deposited with the Lands and Surveys Department before the 7th May 2013 shall be accepted for the purpose of implementing the application.
5. Applicants who wish to invest in any of the above, **excluding residential real estate**, the Applicant's income may arise from activities in Cyprus, and must show proof of residency in Cyprus, either by showing a rental agreement, a sales agreement, or the title deed of the purchased estate.
6. The Applicants must show no intention of working in Cyprus, HOWEVER, applicants shall be allowed to obtain a permanent residency, even if an investment does not relate to the share capital of a Cyprus Company but the applicant or his/her spouse are shareholders/UBOs in the latter company and receive dividends. This shall apply to the position of Directorship as well, though no salary should be received.
7. The Immigration Permit is issued to the Applicant and it can include his/her spouse and dependent children up to the age of 18. An Immigration Permit can be granted to unmarried children of the Applicant between the ages of 18 and 25, only when it is proven that, at the date of the application, they are attending a higher educational institution abroad and provided they are financially dependent on the Applicant. Such dependents shall submit their own separate applications for an Immigration Permit upon payment of the appropriate fee.



8. **Children of the Applicant** between the ages of 18- 25 are registered as students in a higher institution in Cyprus, they will have to apply for a temporary residence permit in Cyprus in their capacity as students under the relevant legislation. Upon completion, they will be entitled to apply for a Permanent Residence Permit, regardless of their age by showing evidence of an additional annual income of €5.000 per year. Such permit will continue to apply after the age of 25, even if the children marry by then, and they are no longer students or financially dependent on the Applicant. Their spouse and minors may not be included as dependents in such a Permit.
9. **Parents and Parents-in-law** of the applicants can also apply on the basis of the main Applicant's investment, and an additional annual income of €8.000 must be shown, for each parent or parent-in-law.
10. The applicant can make an investment make an investment of a higher value for his children to obtain a Permanent Residence even though they are not financially dependent on the main Applicant any longer. In such cases, the market value of the investment of €300,000 should be multiplied according to the number of children who will rely on such investment for the purpose of obtaining the Permit. Any investment in either a residential or commercial real estate, a receipt of payment of at least 66% of the market value of the properties should be submitted together with the application. Each child must be able to prove a secure annual income of at least €30,000, which will be increased by €5,000 for each dependent person. Such investment can be made jointly in the name of the Applicant and the child or exclusively in the name of the Applicant.
11. **All applicants** shall provide a clean criminal record from the country of residency.
12. **All applications** will be processed by the Civil Registry and Migration Department and forwarded for examination and decision made by the Minister of Interior, provided that all the criteria and requirements are met. The examination period will be approximately two months from the date of submission of the application.



Eojourian & Georgiou LLC
Advocates and Legal Consultants
t: +357 – 22101785
w: www.eojgeo.com

If you are an individual from a Non-EU country, make sure you are aware of your benefits and requirements for acquiring a Permanent Residency Permit before proceeding with any real estate investment or other related activities.



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Sincerely,

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