

CYPRUS DIGITAL NOMAD VISAS SCHEME

1. INTRODUCTION

Globally there is the shift to remote working. Due to this trend, the digital nomad visa has been introduced in Cyprus in order to attract people from third countries who will live in Cyprus but still work in companies operating abroad.

With its Decision of October 15, 2021, the Council of Ministers approved the introduction of the Digital Nomad Visa Scheme in Cyprus, with a ceiling of 100 residence permits to be issued. This ceiling was raised on March 3, 2022 to 500 residence permits.

2. WHAT IS THE "Cyprus DIGITAL NOMAD VISA"

The "Cyprus Digital Nomad Visa" Scheme allows nationals from non-EU and non-EEA countries, who can perform their work location-independently using telecommunications technology, to reside temporarily in Cyprus and work for an employer registered abroad or perform work through telecommunications technology for companies or clients located abroad.

The Scheme's goal is to strengthen Cyprus as a center for the provision of electronic services, where in combination with the other advantages offered by Cyprus, the attraction of digital nomads will contribute to the development of the business ecosystem and consequently to the economic development of the country.

3. WHO CAN BENEFIT

- Non-EU or non-EEA nationals who:
 - Can perform/work remotely through telecommunications technology;
 - Are employed in a company registered abroad, for which they can work location-independently, or are self-employed offering services remotely for clients located abroad;

- Can prove that they have stable and sufficient monthly net income of at least €3500 (after the deduction of contributions and taxes).

4. WHAT ARE THE BENEFITS

- Individuals that are granted with a Digital Nomad residence permit will benefit from the following:
 - Right of residence for a year in Cyprus, with a possibility of renewal for further two years.
 - Right of residence for their family members, for the same period as the Digital Nomad, without the right to be employed or perform economic activity in Cyprus.
 - If they reside in the Republic for one of more periods that in total exceed 183 days within the same tax year, then they are considered tax residents of Cyprus, provided they are not tax residents in any other country. Then benefits of a Cyprus tax resident are taken into account.

5. PROCEDURE TO BE FOLLOWED

- Individuals who meet the above requirements should follow the steps below:
 - (A) Step 1: Entry in the Republic of Cyprus**
 - (i) The applicant enters Cyprus with a tourist visa (where necessary).
 - (B) Step 2: Submit an application for a residence permit**
 - (i) Within 3 months of arrival, the applicant should submit the relevant application at the Civil Registry and Migration Department in Nicosia, to be granted a residence permit, by paying the corresponding fees.
 - (ii) In case the applicant legally resides in Cyprus under a different status, he/she has the right to submit the relevant application to

be granted a residence permit as a Digital Nomad, at the Civil Registry and Migration Department in Nicosia.

- (iii) The applicant must state in the application the type of his/her employment, i.e., self-employed or employed for an employer registered abroad, and prove his/her monthly net income.
- (iv) The application must be accompanied with all necessary documents, and, during its submission, the biometric data (photograph and fingerprints) will be taken as well as the signature of the applicant.
- (v) In case of approval, a residence permit is issued valid for one year and the applicant is notified accordingly.

(C) Step 3: Submit an Application for the Renewal of a Residence Permit in Republic

- (i) At least one (1) month before the residence permit's expiration date, the applicant should apply to the Civil Registry and Migration Department in Nicosia for renewal and pay the corresponding fees.
- (ii) The application must be accompanied by all necessary documents and during the application's submission the biometric data (photograph and fingerprints) will be taken as well as the applicant's signature.
- (iii) In case of approval, a residence permit is issued valid for a maximum of two (2) years and the applicant is notified accordingly.

6. BENEFITS AND INCENTIVES (Amongst Others)

- **Broadening Tax Incentives (Amongst others)**
 - Tax exemption of 50% to new non domicile employees with employment remuneration of €55,000 and above – period 10 years

- Tax exemption of 50% for existing non domicile employees with employment remuneration of €100,000 and above – extended period 17 years.
- Tax exemption of 50% for existing non domicile employees with employment remuneration between €55,000 & 100,000 - period 10 years.

- **Naturalization**
 - Right to apply for Cyprus citizenship after 5 years of residence and work in the Republic of Cyprus, instead of 7 years.

*For more information, please send us an email to info@yiallourosllc.com