



N. XENOFONTOS LLC

REDOMICILIATION OF FOREIGN COMPANIES TO CYPRUS



What is Redomiciliation?

Redomiciliation is a process where a company **transfers its seat of registration from one jurisdiction (country) to another jurisdiction**. This is different from the company setting up an overseas branch or incorporating a subsidiary in the foreign country.

Why Redomicile?

Companies redomicile for multiple reasons – whether commercial, practical, or legal. Some reasons could be to:

- benefit from a favourable tax environment
- take advantage of less strict regulation and scrutiny
- align their place of registration with their shareholder base
- move to an international financial centre
- access specialist capital markets
- access a gateway to the Middle East, Europe, and Africa
- Simple and straightforward procedure

Where an existing company migrates or re domiciles to Cyprus, the company's existing legal status, goodwill and operational history is preserved. This process allows companies that currently operate in more costly, difficult regulatory, high tax and high-risk environments in other countries to migrate

to Cyprus without triggering a disposal of their assets or a diminution in their goodwill or operating history.

Advantages of redomiciling your business (company) to Cyprus

- One of the **lowest corporate tax rates** in Europe – 12,5%
- Tax-exempt dividend income (subject to non-stringent conditions)
- No withholding taxes on payments of dividends, interest, and royalties irrespective of recipient
- No taxation on profits from the sale of securities (no minimum holding period, percentage etc.)
- No taxation on profits of foreign permanent establishments
- No taxation on the liquidation of a Cypriot company
- Wide tax treaty network
- Unilateral tax credit relief irrespective of the existence of a tax treaty
- No substance, debt-equity, and thin capitalisation rules
- Full adoption of the EC Directives

How we can help

- Guide you through the whole redomiciliation process
- Prepare the requisite paperwork for the process
- Provide administrative support during and after the redomiciliation of the company
- Provide nominee directorships and shareholders
- Provide registered office and secretarial services
- Assistance with accounting & tax matters
- Legal advice and support

If you wish to redomicile your business to Cyprus and take advantage of the island's benefits, connect with us.

Connect with us

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