

SECTION 5

The Strategic Navigator's Guide to Cyprus Residency

A Framework for Residency, Permanent Settlement, and Non-Dom Status

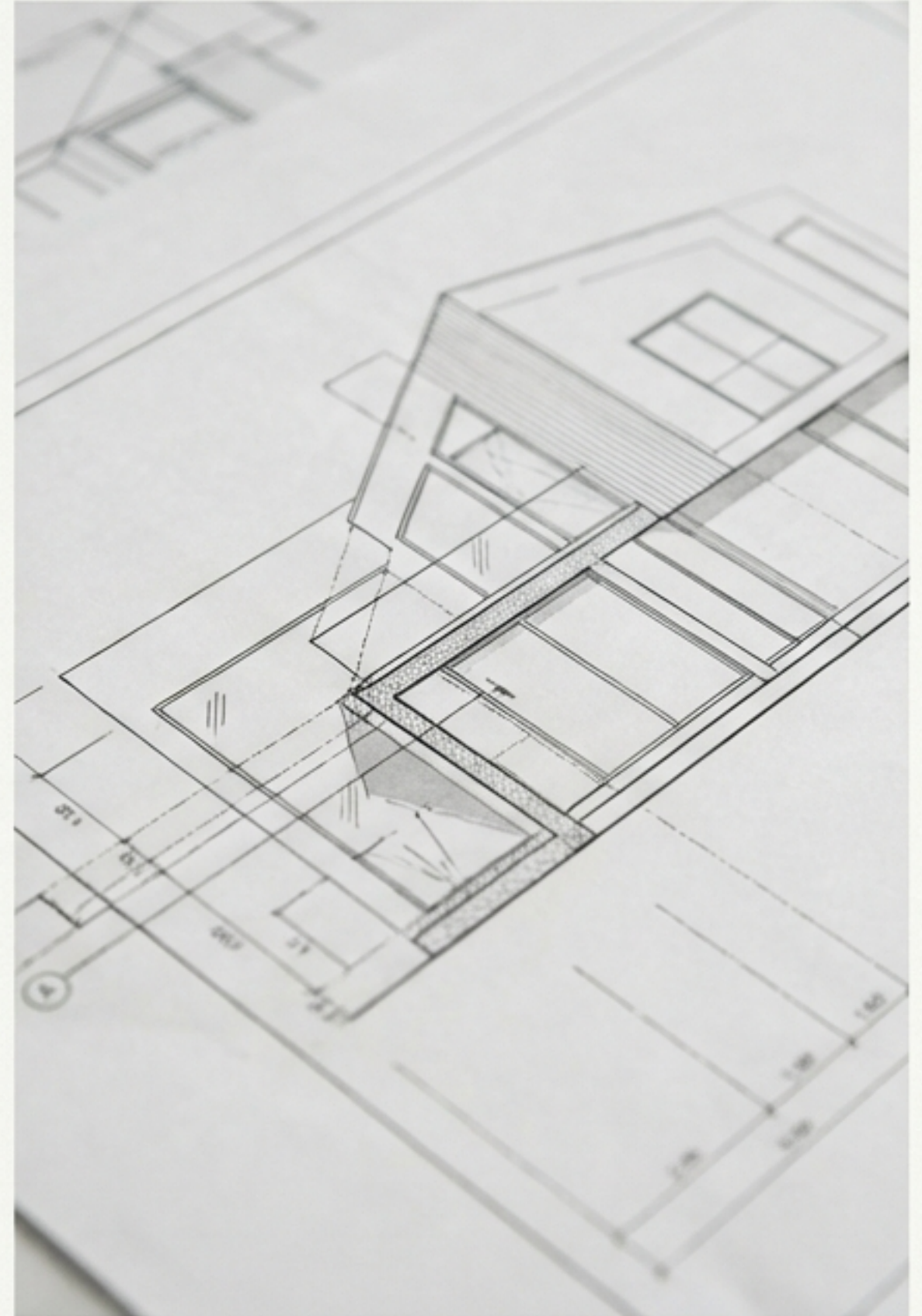


5.1 | Why Residency is a Strategic Decision in Cyprus

Key Insight: Cyprus offers **multiple legal pathways** for foreigners to live, invest, and structure their tax presence.

Supporting Point: Residency is **not automatically linked** to property ownership, but real estate often plays a **supporting or qualifying role**.

Directory Principle: Cyprus residency is an **immigration + tax planning decision**, not a real-estate product.



5.2 | A High-Level Map of Residency Categories

Status	Purpose	Property Required
Temporary Residence	Living in Cyprus	Sometimes
Permanent Residency	Long-term settlement	Often
EU Residency	EU citizens	No
Non-Dom Tax Status	Tax planning	No
Citizenship	Long-term naturalisation	No

This guide will navigate each of these pathways, clarifying their **requirements** and strategic applications.

5.3 | Pathway One: Temporary Residence (Pink Slip)

A **temporary residence permit** allowing non-EU nationals to live in Cyprus, typically renewed annually.

- **Proof Required:** Accommodation (owned or rented), Sufficient income, Health insurance.
- **Work Rights:** Does **not** grant work rights (unless separately approved).
- **Typical Users:** Retirees, Long-stay residents, Family dependents.

Property ownership strengthens the application but is **not mandatory**.



5.4 | Pathway Two: Permanent Residency (PR)

Permanent Residency is a key goal for long-term settlement. Cyprus offers two distinct routes: a traditional, slower process and a modern, investment-led fast track.



Category F (Traditional PR)

Granted to individuals who can prove secure income from abroad and the ability to support themselves without working in Cyprus.



Permanent Residency via Property Investment (Fast Track)

A streamlined process for individuals making a qualifying investment in new residential property.

5.4 | Deep Dive: PR via Property Investment (Fast Track)

Typical Structure

- 1 Purchase**
Acquisition of new residential property.
- 2 Investment**
Minimum of **€300,000** (plus VAT if applicable) in qualifying real estate.
- 3 Proof of Payment**
Payment receipts must total at least €300,000 excluding VAT.
- 4 Income**
Proof of sufficient income from abroad is required.
- 5 Vetting**
Comprehensive background and compliance checks are performed.



5.4 | The Scope of Permanent Residency: Rights & Limitations

✓ What PR Gives

- Indefinite right to reside
- No renewal requirement (subject to compliance)
- Family inclusion (spouse & dependents)

✗ What PR Does NOT Give

- Automatic citizenship
- Automatic right to work locally

PR rules may change. Always verify thresholds and criteria at the time of application.

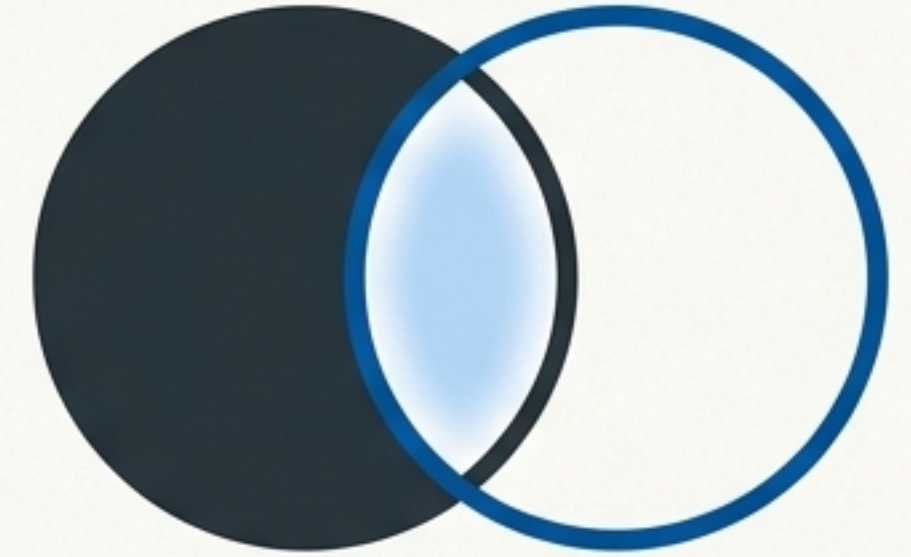
5.5 | The EU Citizen Pathway: Residency Rights

- EU nationals have the inherent right to **live and reside** in Cyprus.
- Must register for a **Registration Certificate (Yellow Slip)** for stays beyond a defined period.
- No property ownership restrictions.

“ EU buyers dominate the **end-user and retirement** segments in cities like Paphos and Larnaca.



5.6 | Advanced Strategy: Cyprus Non-Dom Tax Status



What does "Non-Dom" mean?

Cyprus offers a **non-domiciled tax regime** to individuals who meet two conditions:

- Are tax residents of Cyprus.
- Are not considered domiciled in Cyprus.

This status is a powerful tool for tax optimization and is valid for a maximum of 17 years, subject to conditions.

5.6 | Non-Dom: Key Benefits & Critical Rules

Key Benefits

- **Exemption from Special Defence Contribution** (SDC) on dividends.
- **Exemption from Special Defence Contribution** (SDC) on interest.

Important Clarifications

- Non-Dom is a **tax status**, not a visa.
- Property ownership is **not required**.
- **Residency days** and **professional tax planning** are **critical**.



Non-Dom planning must be handled by a **licensed tax advisor**, not a real-estate agent.

5.7 | The Critical Distinction: Immigration vs. Tax Residency

Concept	Meaning
Immigration Residency	The right to live in Cyprus
Tax Residency	The jurisdiction where income is taxed
Non-Dom Status	A specific tax treatment layer

Illustrative Example

A person may:

- Own property in Cyprus
- Hold Permanent Residency
- **But not be a tax resident**
- Or, be a tax resident **and also have Non-Dom status**

Each layer is separate and requires individual assessment.

5.8 | Directory Risk Alerts: Common Misconceptions

Myth	Reality
Buying property = citizenship	✗ Not true
PR allows free work	✗ Restricted
Non-Dom avoids all tax	✗ Partial
Residency equals tax residency	✗ Separate tests

Navigating these complexities requires expert guidance.

5.9 | A Strategic Comparison: Cyprus vs. UAE Residency Logic

Aspect	Cyprus	UAE
Residency via property	Yes	Yes
Permanent residency	Yes	Limited
Citizenship by investment	✗ (closed)	✗
Non-Dom tax regime	Yes	N/A
Income tax	Yes	No (personal)

Each jurisdiction offers a different strategic value proposition based on an individual's long-term goals.

5.10 | Section 5 Summary: Final Decision Guidance

1. Cyprus offers **structured, legal residency pathways**.
2. Property can support a PR application but is **not always mandatory**.
3. Non-Dom status is a **tax optimisation tool**, not an immigration visa.
4. Maintain a clear separation between these three distinct pillars:
 - Immigration
 - Tax Residency
 - Real Estate Ownership





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