Globalserve Consultants LTD Offers Tax Advisory Help With Amendments to Article 8(23A) of the Income Tax Law in Cyprus

July 24, 2023

Limassol, CY - July 24, 2023 -
Limassol, Cyprus: Globalserve Consultants LTD, a leading licensed accounting and corporate provider firm in Cyprus, is pleased to announce its comprehensive tax advisory services to assist individuals and businesses with the recent amendments to Article 8(23A) of Cyprus's Income Tax Law (ITL).

The Cyprus Parliament recently voted to introduce significant amendments to Article 8(23A) of the Income Tax Law, and these changes were officially published in the Cyprus Gazette on 30 June 2023. The amendments are applicable retroactively from 1 January 2022 and encompass the following key provisions:

Extended Residency Requirement: The 50% exemption on income tax is now granted to individuals who were not residents of Cyprus for 15 consecutive years (instead of 10 years as previously the case) before any employment in Cyprus. This means eligible individuals can enjoy the tax exemption after 15 years of non-residency in Cyprus before starting employment there.

Change of Employer Eligibility: The 50% exemption on income tax is now granted to individuals even if they change their employer. Previously, the exemption was only applicable to the first employment in Cyprus, and changing employers would result in the termination of the exemption.

Extended Exemption Period: The 50% exemption on income tax is now granted for 17 consecutive years starting from the tax year of employment in Cyprus. This exemption will remain in effect until Article 8(23A) 's provisions are abolished or the 17-year period is completed, whichever occurs earlier.

Transitional Provisions:

It is important to note that these amendments also apply to the transitional provisions introduced in Article 8(23A). Individuals whose employment commenced before 1 January 2022 and who were not Cyprus tax residents during any of the 15 years preceding their employment in Cyprus may be eligible to transition into the provisions of the new Article 8(23A) for the 50% exemption. This eligibility is applicable during any tax year in which their remuneration exceeds the amount of ?55,000, starting from the year 2022 until the completion of 17 consecutive years from the year of their employment. To qualify, individuals must meet one of the following conditions:

They were eligible for the 50% exemption under Article 8(23) of the Income Tax Law.They were first employed in Cyprus during 2016-2021, with remuneration exceeding ?55,000 annually.

They commenced their first employment in Cyprus during the period 2016-2021 with remuneration not exceeding the amount of ?55,000 per annum and within six months from the date of publication of the new Law in the Cyprus Government Gazette (26 July 2022), their remuneration exceeded the amount of ?55,000.

Contact Information:

For inquiries or assistance related to the amendments to Article 8(23A) of the Income Tax Law in Cyprus, please contact:

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About Globalserve Consultants LTD:

Globalserve Consultants LTD is a licensed accounting and corporate provider firm in Cyprus, regulated by ICPAC, with license number E495/F/2013. With over 25 years of experience, Globalserve offers a wide range of professional services, including tax and financial advisory, incorporation and administration of companies, banking services, M&A transactions, accounting, and more. The company is a member of prestigious organizations such as ICPAC, CCCI, STEP, and IFA, ensuring compliance with international regulations and providing expert solutions tailored to client's needs worldwide.

For more information about Globalserve Consultants LTD, please visit www.gstaxconsultants.com.

Please note that the information provided in this press release is based on the amendments to Article 8(23A) of the Income Tax Law in Cyprus up to publication date. Tax regulations may be subject to further changes, and individuals and businesses are advised to seek professional advice for their specific circumstances.

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