



Extension on the application of Article 8 (21) provisions of the Cypriot Income Tax Law

With this newsletter we would like to inform you on the extension of the application of the provisions of Article 8 (21) of the Income Tax Law.

As a recap Article 8 (21) provisions provide for a tax exemption of 20% or EUR 8.550 (the lower of the two) to persons who were resident outside the Republic before their first employment in Cyprus. This exemption applies for a period of five years commencing from 1st of January following the year of commencement of employment.

Before the amendment this exemption was applicable for years up to 2020. Under the new framework the tax exemption will be still available for employments that will start up until 2025. As an example, for an employment which started during 2025 this tax exemption will be applicable for the period from 2026 until 2030.

Please feel free to contact us for any further assistance and/or clarifications.