

# Auditing, Accounting and Tax

## Low Profile companies

A small auditing practice that we have an agreement to carry audits and provide Audited Financial Statements preferential rates to our clients based on the number of entries, and not based on time..

## High Profile companies

Whenever clients require any one of the big Audit firms we work very close with the top 5 audit firms and assisting in the negotiations for the best rates on behalf of the clients.

Whenever we act as Nominee Directors for the companies, we do not charge extra for the assistance provide to the auditors

## Cyprus Double Tax Treaty Network

Cyprus has developed an extensive network of double tax treaties with more than 40 countries. Those double tax treaties ensure that dividends, interest and royalties paid from foreign subsidiaries to their Cyprus Holding companies suffer minimum withholding taxation in the remitting country

In cases where withholding taxes on interest and royalty payments are levied by the remitting country, these charges can be credited against any Cyprus tax arising on that income.

## Cyprus and non-EU countries

Withholding taxes, by country, on Dividend, Interest and Royalty payments to Cyprus

Country	Dividends	Royalties	Interest
Bulgaria	5	10	7
Canada	15	10	15
China	10	10	10
India	15	10	15
Kuwait	Oct-15	15	10
Mauritius	10	5	10
Norway	Nil	Nil	Nil
Romania	-/5	Nil	Nil
Russia	10	5	10
Syria	05-Oct	Oct-15	Nil
Thailand	-715	10	10
USA	5	Nil	05/10/2015
South Africa	Nil	Nil	Nil

### **Payments from Cyprus**

- In accordance with Cypriot tax legislation, no withholding taxes are applied to the payments of dividends or interest from Cypriot companies to non-resident companies. Dividends from one Cypriot company to another Cypriot company are also exempt.
- Royalty payments are free of any withholding tax in Cyprus provided that the royalty rights are exploited outside Cyprus.

### **Cyprus and EU countries**

- The Parent/Subsidiary directive of the EU provides that, under certain circumstances, no withholding taxes are levied on dividend, Interest or royalty payments from subsidiaries located in one EU country to a parent company located in another EU country.

### **Other advantages of Cyprus include:**

- No CFC (Controlled Foreign Corporation) legislation
- Cypriot legislation does not have the concept of "CFC legislation" (controlled foreign corporation), by which it taxes profits realised by foreign subsidiaries of Cypriot resident companies engaged in "passive" activities (such as financing, licensing etc.) in the hands of the Cypriot entity. « Competitive fees for company formation and administration
- Low capital requirements
- Strong legal system based on English common law
- The strategic geographic location

For more information feel free to contact our offices.

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