

Information Sheet No. 25

Fees and Taxes for Registration of Vessels in Cyprus
A. Registration fees

The registration fees are calculated as follows:

For vessels other than passenger ships

	Gross Tons	Euro (€)
For each gross ton up to	5000	17,09
For each additional gross ton between	5001-10000	13,67
For each additional gross ton over	10000	6,83
For each additional gross ton over		€213.00
The minimum fee is		€5125,80

For passenger ships

	Euro (€)
For each gross ton	25,63
The minimum fee is	€427,15

B. Tonnage tax

The tonnage tax is calculated as follows:

For vessels other than passenger ships
(Basic charge + gross tonnage increment) x age multiplier

	Basic charge
The Basic Charge is	€170.86

Gross Tonnage Increment	Gross Tons	Euro (€)
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For each gross ton	up to 1600	44,42
For each additional gross ton between	1601-10000	27.34
For each additional gross ton between	10001-50000	10,25
For each additional gross ton	over 50000	6,83

Age Multiplier

The resulting figure from the above calculation is then multiplied by the corresponding rate shown below:

Age of the Ship	Rate
up to 10 years	0.75
11-20 years	1.00
over 25 years	1.30

For the purpose of determining the age of a ship the year in which the ship was built is deducted from the year in respect of which the tonnage tax is to be calculated.

For passenger ships

For passenger ships the tonnage tax payable is double that calculated in accordance with paragraph "For vessels other than passenger ships"

Terms of Payment

The Tonnage Tax is payable on 31st March each year.

Late payment results in the imposition of a 10 percent surcharge on the leviable amount of tonnage tax for every year or part thereof following the date on which it becomes due.

Fees and Taxes

In case of a deletion of the ship from the Register of Cyprus Ships before the expiration of the year for which tonnage tax has been paid for, the amount paid in excess shall be reimbursed to the shipowner or shall be credited against any other amounts due by the ship upon his application.



Refund and Reduction of Tonnage Tax

Section 8 of the Merchant Shipping (Fees and taxing Provisions) Law, 1992-2007 provides for the reduction and for the refund of tonnage tax in case the tax has been paid, in the following cases:

(1) Technical Management and Crewing by Cypriot Companies

In case the vessel's technical management and crewing is carried out entirely by a Cyprus shipmanagement company or a Community shipmanagement company, operating in Cyprus (has an office in the Republic) and staffed with a sufficient in number and qualifications personnel, a 30 percent reduction of the tonnage tax is allowed on the application of the Owner, provided the relevant documentary evidence is submitted to the Department of Merchant Shipping in advance of the period for which the reduction is claimed;

(2) Cypriot Crew Members

In case members of the crew of the vessel are Cypriot citizens, for each month they are employed on board the vessel, a percentage of the tonnage tax paid by that vessel may be refunded as follows:

- a. for vessels other than passenger ships
- b. for officers and cadet officers, 2.3 per cent for each month of actual employment on board
- c. for each rating, 1.4 per cent for each month of actual employment on board

for passenger ships:

- The above rates are reduced by 50 per cent.
- The Cypriot seafarers employed must be duly qualified for the post they hold on board.
- The tonnage tax may be refunded on the application of the owner of the vessel who should submit relevant documentary evidence stipulated in the aforesaid law, attesting the employment of Cypriot citizens of board his vessel.

(3) Tonnage Tax payable by Laid up Ships

If the ship is laid up for a period of more than three consecutive months the tonnage tax payable is reduced by 75 per cent for the period during which the vessel is laid up, provided that the

Department of Merchant Shipping is duly notified not later than three months from the commencement of the layup period.

(4) Maximum Reduction or Refund of Tonnage Tax

The maximum reduction or refund of tonnage tax cannot exceed 50 per cent of the tonnage tax due.



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C. Fees for the registration, transfer or discharge mortgages

For registration or transfer of a mortgage with the Registrar of Ships, the fees payable are calculated as follows:

	Gross Tons	Euro (€)
For each gross ton	up to 10000	3,42
For each additional gross ton	over 10000	1,71
Fees for transmission of a mortgage		85,43
The minimum fee is		51,26

D. Fees for the transfer of ships

For the transfer of a ship to the ownership of another Cypriot company, the fees payable are calculated as follows:

	Gross Tons	Euro (€)
For each gross ton	up to 10000	3,42
For each additional gross ton	over 10000	1,71
The minimum fee is		51,26

E. Fees for the deletion of a ship from the register of Cyprus ships

No specific fee is payable for deletion of ships. All other statutory fees and taxes due or in arrears at the time of the vessel's deletion should be paid.

F. Radio stations fees

License to Install and Work a Wireless Telegraphy and/or Telephony station on Board	Euro (€)	17.09
Renewal of the Wireless Telegraphy/Telephony Station License	Euro (€)	17.09

The initial license is valid for one year from the date of the provisional registration of the vessel under the Cyprus flag.

The renewal fee becomes due on the date of expiry of the initial license.



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G. Other fees	
a) For the examination of an application for registration of a vessel in the Register of Cyprus Ships	Euro (€) 34,17
b) For the examination of an application for alternation of the vessel's name	Euro (€) 34,17
c) For the approval of the alteration of the vessel's name	Euro (€) 136,69
d) For the issue of a provisional certificate of registry or a certificate of registry	Euro (€) 17,09
e) For granting ship's carving and marking note	Euro (€) 17,09
f) For the issue of Transcript of Registry	Euro (€) 17,09
g) For the issue of Continuous Synopsis Record	Euro (€) 17,09
	Euro (€) 34,17

H. Fees and taxes payable on provisional registration
The following fees and taxes are payable at the time of the provisional registration of a vessel under the Cyprus flag:
(a) Registration Fees
(b) Tonnage Tax for 6 months
(c) Fees for obtaining License to Install and Work a Wireless Telegraphy and/or Telephony System
(d) Fee for the issue of the Provisional Certificate of Cyprus Registry
These should be paid not later than the date on which the provisional registration of the vessel will be effected.

I. Fees and taxes payable for the extension of the period of provisional registration
For extending the period of the provisional registration of a vessel under the Cyprus flag, for a maximum period of three months, the following fees and taxes are payable:
(a) One half of the Registration Fees
(b) Tonnage Tax for 3 months
These should be paid prior to the expiration date of the period of provisional registration.

J. Fees and taxes payable on permanent registration

No specific fees and taxes are levied for the permanent registration of a vessel, if the relevant registration fees have been paid at the time of the provisional registration of the vessel and the period of provisional registration has not expired, aside payment of:

- (a) Fee for the issue of the Certificate of Cyprus Registry
- (b) Payment of any other statutory fees and taxes due or in arrears at the time of the permanent registration of the vessel

No other fee is payable if the permanent registration takes place before the expiration of the provisional registration period. Otherwise the fees payable on provisional registration are payable anew.

K. Fees and taxes payable annually

The following fees and taxes are payable each year:

- (a) Tonnage Tax
Fees for the Renewal of the License to Install and Work a Wireless Telegraphy and/or Telephony Station.

L. Fees and taxes payable on parallel (bareboat) registration

The registration fees for the parallel registration of a foreign vessel under the Cyprus flag (parallel-in registration) are 20 per cent higher than those applicable to the provisional or permanent registration of the vessel. If the foreign vessel under the Cyprus flag is deleted and thereafter re-registered and the chartering is effected to the benefit of the same charterer prior to the deletion, the re-registration fees are reduced by 50 percent. There is no increase in the tonnage tax or other dues payable and the vessel is subject to the same financial obligations as other Cypriot vessels.

A Cypriot vessel registered in parallel in a foreign register (parallel-out registration) has the same financial obligations as all other Cypriots vessels, with the exception of the fee for the issue or renewal of the radio license. If the vessel is deleted from the Cyprus Registry prior to the termination of her status of parallel-out registration, that part of the tonnage tax which is proportional to the period from her deletion until the termination of her status of parallel registration is reimbursed upon application.

The financial obligations of vessels (Cypriot and foreign) registered in parallel are payable in advance for the entire period of the parallel (bareboat) registration.

NOTES:

The above is intended to provide a brief guide only. It is essential that appropriate professional advice is obtained. P.G. Economides & Co Ltd will be glad to assist you in this respect. Please do not hesitate to contact us.

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