
Cyprus – Barbados double tax treaty effective as from 1 January 2018

Issue N-1-2018, 7 February 2018

The first-time double tax treaty (DTT) between Cyprus and Barbados signed in May 2017 is effective as from 1 January 2018 as per a recent update of the Cyprus Ministry of Finance.

The DTT provides for a 0% withholding tax (WHT) rate on payments of dividends, interest and royalties.

Further, under the DTT, Cyprus retains the exclusive taxing rights on disposals by Cyprus tax residents of shares in companies (including companies holding Barbados located immovable property) except in cases where the value of the shares relates directly or indirectly to certain offshore rights/property relating to exploration or exploitation of the seabed or subsoil or their natural resources located in Barbados.

The takeaway

This treaty further expands the Cyprus DTT network, and opens the way for new investment opportunities and trade relations between the two Countries.

Let's talk

For a deeper discussion of how this development might affect you or your business, please contact:

Theo C Parperis

Partner
Head of Tax & Legal

theo.parperis@cy.pwc.com

Marios S Andreou

Partner
In charge of Tax Advisory

marios.andreou@cy.pwc.com

Nicos P Chimarides

Partner
Tax Advisory & In charge of
International Private Clients

nicos.chimarides@cy.pwc.com

Eftychios G Eftychiou

Partner
Head of Tax Technical Committee

eftychios.eftychiou@cy.pwc.com

Or your usual PwC contact

PwC Cyprus

PwC Central
43 Demostheni Severi Avenue
CY-1080 Nicosia, Cyprus
P O Box 21612
CY-1591 Nicosia, Cyprus
www.pwc.com.cy