



REPUBLIC OF CYPRUS

SHIPPING DEPUTY MINISTRY
Office of the Permanent Secretary

Circular No. 3/2024

01 February 2024

SDM 12.03.001.032.003
SDM 05.13.002

Tonnage Tax Companies

Owners of Ships under Foreign Flag,
Charterers and Ship Managers
operating in the Republic of Cyprus

Members of the Cyprus Shipping Chamber c/o CSC
Members of the Cyprus Union of Shipowners c/o CUS

**Subject: Cyprus Tonnage Tax System (Law 44(I)/2010 as amended): Non- Community
Flags which appear on the Grey List and Black List of the Paris MOU
for the Fiscal Year 2023**

In accordance with the provisions of sections 17, 27 and 40 of Law 44(I)/2010 as amended, qualifying non-Community ships shall have their annual tonnage tax increased:

- (a) by thirty per cent (30%) if the flag they are entitled to fly appears in the Grey List of the Paris MOU (Annex I);
- (b) by sixty per cent (60%) if the flag they are entitled to fly appears in the Black List of the Paris MOU (Annex II).

It is also noted that ships (Community and non-Community) under management, flying a flag which appears in the Black List of the Paris MOU and do not fulfil the requirements of section 34(4) of the Law (i.e., the technical and crew management of such ships is not entirely performed from the territory of any EU/EEA Member State), shall be subject to additional administrative penalty, in accordance with section 54 and PI 559/2020.

Dr. Stelios D. Himonas
Permanent Secretary

Cc:

- Permanent Secretary, Ministry of Finance
- Permanent Secretary, Ministry of Foreign Affairs
- Maritime Offices of the Shipping Deputy Ministry abroad
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Commissioner for State Aid Control
- Commissioner of Taxation, Tax Department
- Director General, Cyprus Investment Promotion Agency (CIPA)
- Cyprus Bar Association
- Institute of Certified Public Accountants of Cyprus

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ANNEX I

**Non-Community flags appearing in the Grey List
of the Paris MOU for the fiscal year 2023**

1. Saudi Arabia
2. Korea, Republic of
3. Morocco
4. Saint Vincent and the Grenadines
5. India
6. Panama
7. Iran, Islamic Republic of
8. Lebanon
9. Switzerland
10. Philippines
11. Belize
12. Egypt
13. Cook Islands
14. Palau
15. Azerbaijan
16. Saint Kitts and Nevis
17. Ukraine

ANNEX II

Non-Community flags appearing in the Black List of the Paris MOU for the fiscal year 2023

1. Tanzania, United Republic of
2. Comoros
3. Sierra Leone
4. Vanuatu
5. Albania
6. Togo
7. Algeria
8. Moldova, Republic of
9. Cameroon