

THE MERCHANT SHIPPING (FEES AND TAXING PROVISIONS) LAW OF  
2010 (LAW NO. 44(I)/2010)

**The Taxation of Owners of Cyprus Ships Notification of 2010**<sup>1</sup>

(Notification by virtue of sections 4(2), 5(2), 9(2) and 12 of Law No. 44(I)/2010)

44(I) of 2010. The Director of the Department of Merchant Shipping of the Ministry of Communications and Works, exercising the powers vested upon him under sections 4(2), 5(2), 9(2) and 12 of the Merchant Shipping (Fees and Taxing Provisions) Law of 2010, issues the following Notification:

*Short title.* **1.** This Notification shall be cited as the Taxation of Owners of Cyprus Ships Notification of 2010.

*Interpretation.* **2.—(1)** In this Notification —  
“Department” means the Department of Merchant Shipping of the Ministry of Communication and Works;

“Law” means the Merchant Shipping (Fees and Taxing Provisions) Law of 2010;

“qualifying owner or qualifying owner of a Cyprus ship” means the owner of a Cyprus ship being a qualifying ship engaged in a qualifying shipping activity;

“Registry Maintenance Annual Fee” or “Annual Fee” means the annual fee payable by the registered owners of Cyprus ships pursuant to section 4(2) of the Law;

“tonnage tax” means the annual tax imposed on owners of qualifying Cyprus ships;

(2) Terms contained in this Notification and not otherwise defined herein shall have the meaning attributed to such terms in the Law.

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<sup>1</sup> Editorial Note: Published in the Official Gazette of the Republic of Cyprus No.4444, Supplement III (I), dated 30.7.2010. This is an “unofficial” translation into English prepared by the Department of Merchant Shipping and does not intend to replace any translation prepared by the Law Commissioner’s Office.

According to Article 3 of the Constitution of the Republic of Cyprus, the official languages of the Republic of Cyprus are Greek and Turkish and therefore the present translation into English is **not the authentic version**.

**The authentic and therefore legally binding version, is the Greek version of this Notification.**

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*Method of assessment, levying and collection of tonnage tax.*

3. —(1) The tonnage tax of Cyprus ships pursuant to section 9 of the Law, shall be confirmed by and be payable annually in advance to the Department.

(2) The tonnage tax is due on the 31<sup>st</sup> March of each year. In case of deletion of a ship before this date, the tonnage tax is payable on the date of deletion.

(3) Provided that qualifying owners of Cyprus ships must always remain in the tonnage tax system and pay relevant tonnage tax unless all their ships are sold, lost or broken up.

*Annual Fee.*

4. —The annual fee pursuant to section 4(2) of the Law shall be payable to the Department in advance on registration of the ship in the Cyprus Register and for subsequent years shall be payable together with the tonnage tax of the ship. The annual fee is not refundable in case the ship is deleted from the Cyprus Register before the lapse of the year for which the annual fee was paid.

*Documentation Required in the case of inoperative owned Cyprus ships due to judicial arrest, piracy etc.*

5. —(1) For the purposes of section 12 of the Law, the following documentation is required, as the case may be:

(a) Judicial Arrest

(i) Copy of Order of the competent Court which evidences the judicial arrest of the ship.

(ii) Copy of Order of the competent Court which evidences the release of the ship from the judicial arrest.

(b) Piracy

Declaration from the Qualifying Owner stating that the ship has been taken by pirates including particulars of such act.

(c) Armed Robbery

Declaration from the Qualifying Owner that there has been an abduction of the ship as a consequence of an armed robbery on the ship as well as the particulars of such armed robbery.

(d) Force Majeure

Declaration from the Qualifying Owner that his ship is no longer operative due to force majeure as well as the particulars of such force majeure.

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