



REPUBLIC OF CYPRUS
MINISTRY OF
COMMUNICATIONS AND WORKS



DEPARTMENT
OF MERCHANT SHIPPING
LEMESOS

4 January 2011

Circular No. 1/2011

TEN 5.13.09
TEN 12.3.01.36.02

To all Owners, Managers
and Representatives of Ships
under the Cyprus Flag

To all Members of the Cyprus Shipping Chamber c/o CSC

To all Members of the Cyprus Union of Shipowners c/o CUS

Subject: New Cyprus Tonnage Tax Legislation: *The Merchant Shipping (Fees and Taxing Provisions) Law of 2010 (Law 44(I)/2010) - The Tonnage Tax (Special Provisions for the Calculation of the Community Flagged Share) Notification of 2010 (P.I. 536/2010)*

I refer to the above subject and further to my Circulars No. 14/2010, 28/2010, 32/2010, 39/2010 and 42/2010 respectively, I wish to inform you that the following implementing sixth Notification provided under the above Law, has been issued and published in the Official Gazette on 31 December 2010, namely:

The Tonnage Tax (Special Provisions for the Calculation of the Community Flagged Share) Notification of 2010 (P.I. 536/2010), issued by virtue of sections 15(2), 15(3)(b), 25(2)(c), 25(3)(b), 35(1)(b) and 35 (2)(b) of Law No. 44(I)/2010.

The said new Notification applies to any qualifying owner of a fleet of ships comprising Community and non-Community ships, or any qualifying charterer of a fleet of ships comprising Community and non-Community ships, or any qualifying ship manager.

The text of the above mentioned Notification translated in the English language is available in the Department's web site (www.shipping.gov.cy) under the icon "New Cyprus Tonnage Tax System".



Under the same icon, you may also find an updated INDEX of all the Notifications already issued, or to be issued under Law 44(I)/2010 (seven Notifications in total have to be adopted).

Further details as to the issuance and publication in the Official Gazette of the remaining seventh Notification on ring-fencing matters provided under the said Law, will be given in a new Circular in the coming weeks.

Serghios S. Serghiou
Director
Department of Merchant Shipping

Cc:- Permanent Secretary, Ministry of Communications and Works
- Permanent Secretary, Ministry of Finance
- Permanent Secretary, Ministry of Foreign Affairs
- Maritime Offices of the Department of Merchant Shipping abroad
- Diplomatic Missions and Honorary Consular Officers of the Republic
- Commissioner for State Aid Control
- Director, Department of Inland Revenue
- Cyprus Bar Association
- Institute of Certified Public Accountants of Cyprus
- PEO
- SEK

SSS/AC