



REPUBLIC OF CYPRUS

SHIPPING DEPUTY MINISTRY TO THE PRESIDENT

Circular No. 18/2018

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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): Flags which appear on the Grey List and Black List of the Paris MOU for the Fiscal Year 2018

As provided by sections 17(2), 27(2) and 40(2) of Law 44(I)/2010 and on the basis of the relevant tables contained in the Annual Report of the Paris MOU for the year 2017, the Permanent Secretary of the Shipping Deputy Ministry has decided that the flags appearing in Annex I are included in the Grey List of the Paris MOU and flags appearing in Annex II are included in the Black List of the Paris MOU.

It is recalled that, as provided by sections 17(1), 27(1) and 40(1) of the said Law, 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;
- (b) by sixty per cent (60%) if the flag they are entitled to fly appears in the Black List of the Paris MOU.

As provided by section 34(4) of the Law, ships under management (Community and non-Community ships), flying a flag which appears in the Black List of the Paris MOU, shall be deemed to fulfil the requirements of section 34(1), i.e. to comply with international and Community standards, only if the technical and crew management of every such ship is entirely performed from the territory of any EU/EEA Member State. In case of non-compliance with the above, the provisions of section 54 of the Law shall apply.

Costas Iacovou
Permanent Secretary
Shipping Deputy Ministry



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

Grey List of the Paris MOU to be used for the fiscal year 2018

1. Albania
2. Algeria
3. Azerbaijan
4. Bulgaria
5. Curacao
6. Egypt
7. Georgia
8. India
9. Iran, Islamic Republic of
10. Jamaica
11. Kazakhstan
12. Kuwait
13. Lebanon
14. Libya
15. Lithuania
16. Malaysia
17. Mongolia
18. Morocco
19. Russian Federation
20. Saint Vincent and the Grenadines
21. Slovakia
22. Switzerland
23. Syrian Arab Republic
24. Thailand
25. Tunisia
26. Tuvalu
27. United States of America
28. Viet Nam

ANNEX II

Black List of the Paris MOU to be used for the fiscal year 2018

1. Belize
2. Bolivia
3. Cambodia
4. Comoros
5. Congo, Republic of the
6. Dominica
7. Honduras
8. Moldova, Republic of
9. Montenegro
10. Saint Kitts and Nevis
11. Sierra Leone
12. Tanzania, United Republic of
13. Togo
14. Ukraine
15. Vanuatu