

Law passed in Cyprus for
the imposition of 0.4%
levy on all immovable
property sales



February 2021

The Cyprus House of Representatives passed the *Law on the Central Body of Equal Distribution of Burdens (Recommendation, Purposes, Responsibilities and Other Related Issues) (Amending) Law of 2021 (Law 12(I) / 2021)* which imposes a 0.4% tax on all sales of immovable property in Cyprus, in order to assist Greek-Cypriot refugees.

The relevant bill passed into Law by a unanimous vote in the plenum and it was published in the official Governmental Portal earlier this week.

The Law aims to support and compensate the refugees who owns immovable property in the northern part of Cyprus and it is practically and/or legally impossible for them to possess, have access to or exploit their property, as a result of the Turkish invasion in 1974.

The Law provides for the imposition of a levy on any sale or transfer of real estate in Cyprus, as well as on the transfer of shares of a company in case that company owns immovable property or where the transfer of the shares will have as a result the obtainment of control of the corporation or the exploitation of the immovable property by the Purchaser of the shares.

The levy is imposed on the selling price of the immovable property and it is payable by the Seller to the Cyprus Inland Revenue Department.

The collected funds from the imposition of the 0.4% levy, will be managed by the Central Body for the Equal Distribution of Burdens which is the authority in Cyprus created after the Turkish invasion in 1974 in order to support the Greek-Cypriot refugees.



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