



REPUBLIC OF CYPRUS

**A GUIDE TO
CUSTOMS
PROCEDURES**

TRANSFER OF NORMAL RESIDENCE

**MINISTRY OF FINANCE
CUSTOMS AND EXCISE DEPARTMENT
NICOSIA**

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A. INTRODUCTION

1. Legal basis

Community legislation: Regulation (EEC) 918/83

Directive 83/183 (EEC)

National legislation: The Excise Duties (Tax Exemptions Applicable to Imports from a Member State of the Personal Property of Individuals) Regulations of 2004, no. 378/04

The Customs Duties (Customs Reliefs) Regulations of 2004, no. 377/04

The Customs and Excise Duties (Reliefs on Import of Goods) Regulations of 2004, no. 380/04

2. In general

(i) **Normal residence** means the place where a person usually lives, that is for at least 185 days in each calendar year, because of personal and occupational ties.

In the case of a person with no occupational ties, normal residence means the place of personal ties which show close links between that person and the place where he is living.

The normal residence of a person whose occupational ties are in a different place from his personal ties shall be regarded as being the place of his personal ties, provided that such person returns there regularly.

Attendance at a university or school shall not imply that this person has his normal residence in this country.

(ii) **Personal property** means property for the personal use of the persons concerned or the needs of their household. Such property must not, by reason of its nature or quantity, reflect any commercial interest. The following, in particular, shall constitute 'personal property':

- (a) Household effects, i.e. personal effects, household linen, furnishings and equipment intended for the personal use of the persons concerned or for meeting their household needs;
- (b) cycles and motorcycles, private motor vehicles and their trailers, camping caravans, pleasure craft and private aeroplanes.
- (c) household provisions appropriate to normal family requirements, household pets and saddle animals;
- (d) the portable instruments of the applied or liberal arts, required by the person concerned for the pursuit of his trade or profession.

B. TRANSFER OF NORMAL RESIDENCE FROM ANOTHER MEMBER STATE OF THE EUROPEAN UNION

Exemption from excise duties is granted for personal property, including a vehicle, imported permanently from another member state by private individuals transferring their normal residence in the Republic.

Exemption is granted for one vehicle only per person, who must be holder of a valid driving licence.

(i) Prerequisites in respect of the vehicle

- Possession and use of the vehicle by the person concerned at his former normal place of residence for a minimum of six months before the date of transfer of his normal residence in the Republic.

- Acquisition of the vehicle under the general conditions of taxation in force in the member state from which it is transferred and which is not the subject, on the grounds of exportation, of any exemption or any refund of import or excise duty or VAT.
- The vehicle must be transferred to the Republic not later than 12 months from the date of transfer of the normal residence.

(ii) Restrictions

The vehicle may not be sold, disposed of, hired out, lent, or transferred without the prior approval of the Director of Customs.

(iii) Proof of normal residence

The person concerned must prove that he had his normal place of residence outside the Republic for a continuous period of 12 months from the date of transfer of his normal residence. He must also give proof of his intention to settle permanently in the Republic.

Such proof may be:

- (a) contracts of sale or rent of their residence abroad;
- (b) particulars of employment abroad (tax returns, social insurance records, payroll slips etc.)
- (c) certificates of children's attendance at schools abroad;
- (d) particulars of employment in Cyprus;
- (e) particulars of acquisition of residence in the Republic (contract of sale or rent);
- (f) utility bills, e.g. telephone/electricity/ water supply bills;
- (g) other documents.

(iv) Proof for the vehicle

Such proof may be:

- (a) Motor vehicle registration document;
- (b) certificate of insurance;
- (c) sales invoice/receipt of purchase;
- (d) particulars of the vehicle's arrival (Bill of lading/Delivery order/Freight receipt/Sailing ticket);
- (e) other evidence.

C. TRANSFER OF NORMAL RESIDENCE FROM A COUNTRY OUTSIDE THE EUROPEAN UNION

Relief from import and excise duties and VAT is granted for personal property of private individuals who transfer their normal residence in the Republic (i.e. the European Union) from a country which is not a member of the European Union.

Relief is granted for one vehicle per person only who must be a holder of a valid driving licence.

(i) Terms and conditions

Relief shall be granted -

- (a) If the personal property-
 - has been in the possession and used by the person concerned at his former normal place of residence for a minimum of six months before the date on which he ceases to have his normal place of residence in the third country of departure;
 - is intended to be used for the same purpose at his new normal place of residence;

- has been acquired according to the general conditions of taxation in force in the domestic market of the country or origin;
- (b) the person concerned had his normal place of residence outside the European Union for a continuous period of at least 12 months prior to the transfer of residence;
- (c) the personal property must be imported within a period of 6 months before or 12 months after the transfer of the normal residence in the European Union. In case the personal property is transferred prior to the transfer of the normal residence, the person concerned shall undertake to transfer it within a period of 6 months and shall give security, the kind and amount of which shall be specified by the Director of Customs.

(ii) Restrictions

The personal property for which relief is granted shall not be lent, pledged, hired out or transferred during the period of 12 months following its importation unless the import duties are paid on permission by the Director of Customs.

(iii) Exceptions

No relief shall be granted for:

- alcoholic products;
- tobacco or tobacco products;
- commercial means of transport;
- articles for use in the exercise of a trade or profession, other than portable instruments of the applied or liberal arts.

(iv) Proof of normal residence

The person concerned must prove that he had his normal place of residence outside the European Union for a continuous period of 12 months from the date of transfer of his normal residence. He must also give proof of his intention to settle permanently in the European Union.

Such proof may be:

- (a) contracts of sale or rent of their residence abroad;
- (b) particulars of employment abroad (tax returns, social insurance records, payroll slips etc.)
- (c) certificates of children's attendance at schools abroad;
- (d) particulars of employment in the Republic;
- (e) particulars of acquisition of residence in the Republic (contract of sale or rent);
- (f) utility bills, e.g. telephone/electricity/ water supply bills;
- (g) attendance of his children at a school in the Republic
- (h) other documents.

(v) Proof for the vehicle

Motor vehicle registration document;

- certificate of insurance;
- sales invoice/receipt of purchase;
- particulars of the vehicle's arrival (Bill of lading/Delivery order/Freight receipt/Sailing ticket);
- other evidence.

D. DOCUMENTS TO BE COMPLETED AND PROCEDURE

- Form ΑΠ. 1 for the transfer of normal residence from another member state of the European Union.
- Form ΑΠ. 2 for the transfer of normal residence from a country outside the European Union.

After completing your form, present it to any Customs Station or to Customs Headquarters together with any proof to support your claim for relief. You may have to answer to some questions to clarify your application. If the form is completed correctly and the proof you have produced is satisfactory, you will receive an answer in writing.

E. ADDITIONAL INFORMATION

For additional information, you may apply to Customs Headquarters, Ministry of Finance, at the following address:

*Corner M. Karaoli and Gr. Afxentiou
1096, Nicosia*

The postal address is:

*Director of Customs,
Customs Headquarters,
1440, Nicosia.*

E-mail address: *headquarters@customs.mof.gov.cy*