



# Tax Alert

## Cyprus - Jersey Double Tax Treaty enters into force

The double tax treaty with Jersey has now entered into force and will come into effect as from 1<sup>st</sup> January 2018. The new double tax treaty with Jersey is expected to strengthen further the Cypriot treaty network.

Below is a summary of the main provisions included in the treaty:

### Withholding Taxes

There is no withholding tax on dividend, interest and royalty payments.

### Capital Gains

Capital gains arising from the alienation of the shares of a company will be taxable only in the state where the alienator is a resident. This provision also covers the tax treatment of alienations relating to shares of property-rich companies.

We trust the above are sufficient for your purposes; in the event of further information required, please do not hesitate to contact your trusted KPMG advisor.

▲ [Back to top](#)

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