

COMMERCIAL • PRIVATE CLIENT • PENSIONS & BENEFITS

# Supporting structures

Cyprus International Trust

Carey Group is renowned for its long standing experience and expertise in the implementation and maintenance of corporate and trust services. Our client's tax advisers spend considerable effort in devising complex international tax structures. We specialise in ensuring that any such planning is implemented effectively and efficiently and regularly tested over time.

W: [www.careygroup.gg](http://www.careygroup.gg)



CAREY GROUP

ALDERNEY • CYPRUS • GENEVA • GUERNSEY • LUXEMBOURG • MONACO • UK • ZURICH

## International Trust

A trust is a formal transfer of assets (e.g. property, shares or cash) to a small group of people (trustees) or to a trust company with instructions that they hold the assets for the benefit of others.

For centuries trusts have been used to avoid or address a vast array of problems. There are a myriad of situations where a trust may play a useful part in resolving or deferring problems. By no means exhaustive, some examples are:

- Possible exposure to inheritance tax and/or capital gains tax on surplus assets that are no longer needed;
- The need to protect and preserve assets against any potential risk of bankruptcy or legal proceedings;
- The requirement to keep the ownership of a company anonymous and confidential;
- Retaining income arising overseas which need not be remitted to one's country of residence;
- Segregation of assets acquired by an expatriate while working abroad who wants to protect them from the tax net of his/her home country.



***„A trust is a formal transfer of assets (e.g. property, shares or cash) to a small group of people (trustees) or to a trust company with instructions that they hold the assets for the benefit of others.”***

## Setting up a Cyprus International Trust



Cyprus International Trusts ('CIT's) are governed by the International Trusts Law 1992 ('the Law'), which expressly adopts common law and equitable principles of English law. A trust formed in accordance with the Law is known as a Cyprus International Trust ('CIT'). The only requirements of setting up a CIT are as follows:

- The settler (the person that creates the trust who in Cyprus can also be a trustee or beneficiary) must not be a permanent resident of Cyprus;
  - The trust property does not include immovable property in Cyprus;
  - At least one trustee is resident in Cyprus;
  - None of the beneficiaries, other than a charitable institution, are resident in Cyprus.
- Cyprus as a jurisdiction and the CIT offer significant tax-planning, asset protection, and other possibilities including:
- Dividends, interest or other income received by a trust from a Cyprus company are neither taxable nor subject to withholding tax;
  - All income, whether trading or otherwise, of a CIT is not taxable in Cyprus;
  - Gains on the disposal of the assets of a CIT are not subject to capital gains tax in Cyprus;
  - Trust capital received in Cyprus by a foreigner resident or retired in Cyprus from trusts not resident in Cyprus is not taxable on the trustee;
  - A trust created for estate planning purposes would not be subject to estate duty or inheritance tax in Cyprus;
  - Cyprus has no exchange control regulations;
  - The presence of highly reputable and competent fund and trust management companies;
  - No registration or reporting requirements. The trust is not a public document, and no tax filing is required in Cyprus.
  - Confidentiality and non-disclosure, (save by order of a Cypriot court where disclosure is considered of paramount importance to the outcome of the proceedings).

SUPPORTING STRUCTURES *for*  
*Commercial • Private Clients • Pensions & Benefits*

## International Trust

---

A trust is usually evidenced by a trust deed. For maximum flexibility it is usual to give the trustees wide management powers so that they are better able to respond to any changes in taxation matters. It is vital therefore for the trustees to be chosen diligently.

The Law allows the removal of a Trust from its jurisdiction and vice versa. This could be important in cases where a change in circumstances may render such a transfer advantageous for fiscal or other reasons.

There are many variations of a trust and specialist help should be sought to create a trust that matches the client's specific circumstances, needs and requirements.



**For further information about how Carey Group Cyprus can help, please visit our website [www.careygroup.com.cy](http://www.careygroup.com.cy) or contact our Cyprus office direct. Please find our Cyprus office details on the following Group Contact page.**

SUPPORTING STRUCTURES *for*  
*Commercial • Private Clients • Pensions & Benefits*



## GROUP CONTACTS

**Guernsey**

Carey Group  
PO Box 285  
1st and 2nd Floors  
Elizabeth House  
Les Ruettes Brayes  
St Peter Port  
Guernsey  
GY1 4LX

T: +44 (0)1481 700300  
F: +44 (0)1481 711220  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**Alderney**

Carey Administration  
Limited  
Millennium House  
Ollivier Street  
St Anne  
Alderney  
GY9 3TD

T: +44 (0)1481 824727  
F: +44 (0)1481 823963  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**UK**

Carey Pensions UK LLP  
43 Shenley Pavilions  
Chalkdell Drive  
Shenley Wood  
Milton Keynes  
MK5 6L  
United Kingdom

T: +44 (0)1908 336010  
enquiries@careypension.co.uk

**Luxembourg**

Carey S.A.  
19, rue Eugène Ruppert  
L-2453 Luxembourg  
Luxembourg

T: + 352 266 448 1  
F: + 352 266 448 48  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**Zurich**

Carey AG  
PO Box  
Alderstrasse 49  
CH 8034 Zurich  
Switzerland

T: +41 (0) 43 499 1144  
F: +41 (0) 43 499 1155  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**Geneva**

Carey Nova S.A.  
Rue Pierre Fatio 15  
PO Box 3475  
CH-1211 Geneva 3  
Switzerland

T: +41 22 718 75 80  
F: +41 22 718 75 89  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**Monaco**

Carey S.A.M.  
24 Boulevard Princesse  
Charlotte  
MC 98000  
Monaco

T: +377 (0) 97 77 28 60  
F: +377 (0) 97 77 34 53  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**Cyprus**

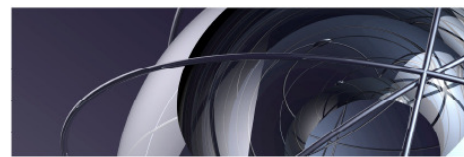
Carey Group  
(Cyprus) Limited  
Themistokli Dervi 48  
Centennial Building  
Office 703  
CY-1066 Nicosia  
Cyprus

T: + 357 22 45 25 25  
F: + 357 22 37 49 25  
E: [info@careygroup.gg](mailto:info@careygroup.gg)

**For initial group enquiries please contact Patrick Bos on +41 79 359 13 53 or our general number +44 (0) 1481 700300.**

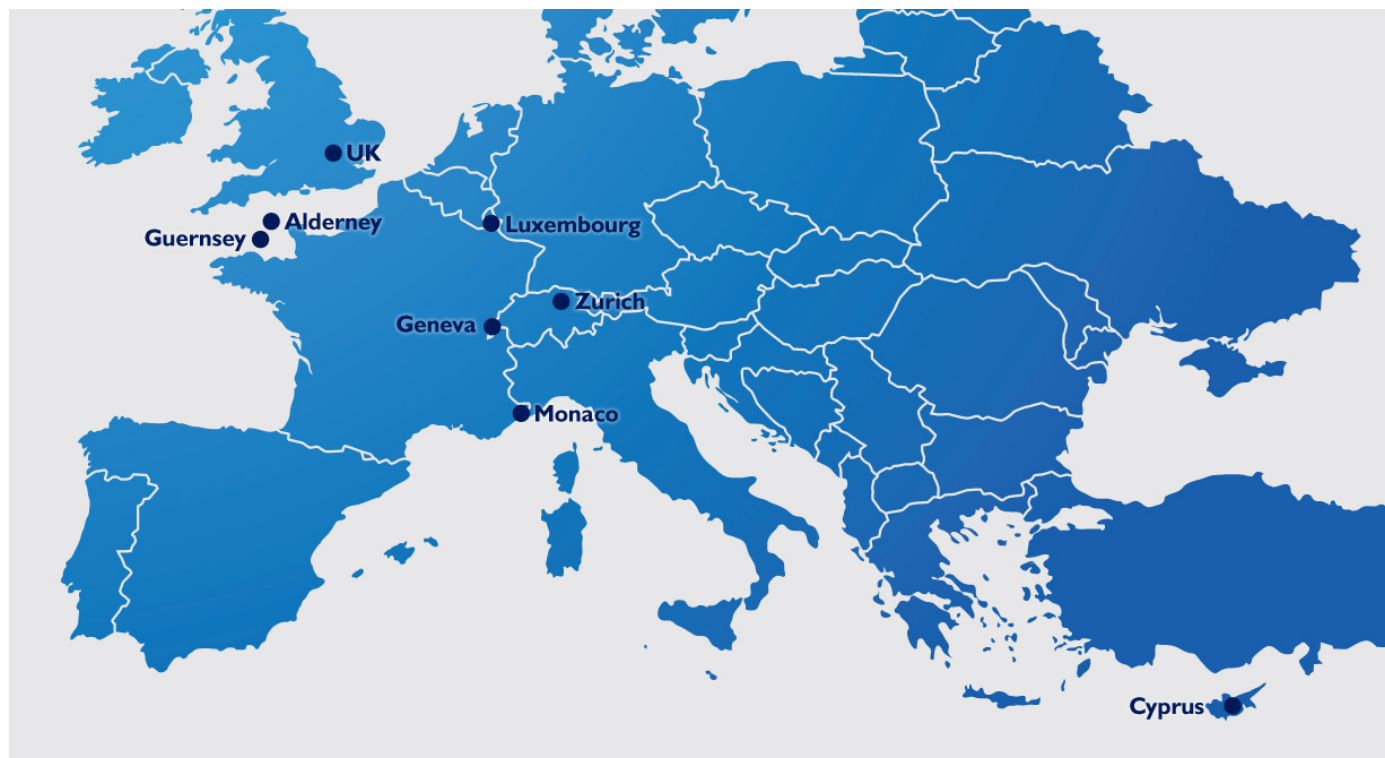
SUPPORTING STRUCTURES for  
*Commercial • Private Clients • Pensions & Benefits*

**W: [www.careygroup.gg](http://www.careygroup.gg)**



## LOCATIONS

- Alderney
- Cyprus
- Geneva
- Guernsey
- Luxembourg
- Monaco
- UK
- Zurich



### Carey Group (Cyprus) Limited:

Themistokli Dervi 48 Centennial Building Office 703 CY-1066 Nicosia Cyprus

T: +357 22 45 25 25 F: +357 22 37 49 25 E: [info@careygroup.gg](mailto:info@careygroup.gg) W: [www.careygroup.gg](http://www.careygroup.gg)

Mailing address: PO Box 22202 CY-1518 Nicosia Cyprus

Registered number: HE222385.

The information contained herein is a general summary and does not constitute professional tax, investment or legal advice and should not be relied upon. No responsibility is accepted for any errors contained in this information sheet which should not be circulated where such circulation would be an infringement of local laws or regulation.

The Carey Group does not provide tax, legal or investment advice which should be sought in the country of domicile/residence of every client.

**To find out about our other service offerings please visit our website [www.careygroup.gg](http://www.careygroup.gg) or for initial group enquiries please contact Patrick Bos on +41 79 359 13 53 (or our general number +44 (0) 1481 700300).**

SUPPORTING STRUCTURES for  
Commercial • Private Clients • Pensions & Benefits