

Protocol to the UK/Cyprus Double Taxation Agreement

Signed on 19 December 2018

This Protocol has not yet entered into force

**This will happen when both countries have completed their Parliamentary procedures
and exchanged diplomatic notes**

An announcement will be made when these procedures have been completed

HM Revenue & Customs

December 2018

PROTOCOL

BETWEEN

**THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND**

AND

THE GOVERNMENT OF THE REPUBLIC OF CYPRUS

**TO AMEND THE CONVENTION FOR THE ELIMINATION OF DOUBLE TAXATION WITH
RESPECT TO TAXES ON INCOME AND ON CAPITAL GAINS AND THE PREVENTION
OF TAX EVASION AND AVOIDANCE,
SIGNED AT NICOSIA ON 22 MARCH 2018**

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Cyprus;

Desiring to conclude a Protocol to amend the Convention between the Government of the Republic of Cyprus and the Government of the United Kingdom of Great Britain and Northern Ireland for the elimination of double taxation with respect to taxes on income and on capital gains and the prevention of tax evasion and avoidance signed at Nicosia on 22 March 2018 (hereinafter referred to as “the Convention”);

Have agreed as follows:

ARTICLE I

The following new paragraph shall be inserted immediately following paragraph 4 of Article 29 (Entry into force) of the Convention:

“5. Notwithstanding the entry into force of the Convention signed 22 March 2018, where an individual was entitled to the benefits of paragraph 1 of Article 19 (Pensions) of the prior Convention signed 20 June 1974, as amended on 2 April 1980, at the time of entry into force of this Convention, that individual may make an election that the provisions of that Article, and not the provisions of paragraph 2 of Article 18 of this Convention, shall continue to apply for calendar years ending on or before 31 December 2024. Unless revoked by the individual, that election shall have effect for the calendar year in which it is made and for subsequent years ending on or before 31 December 2024. Elections and revocations under this Article should be made in writing to the Competent Authority of the Contracting State from which the pension or similar remuneration is paid. The Contracting State that receives the election shall notify the other State. Where an election has been revoked, no further election under this paragraph may be made.”

ARTICLE II

Each of the Contracting States shall notify the other, in writing, through diplomatic channels, of the completion of the procedures required by its laws for the bringing into force of this Protocol. This Protocol shall enter into force on the date of the later of these notifications and shall thereupon have effect:

- a) in Cyprus:
 - (i) in respect of taxes withheld at source, for amounts paid or credited on or after the 1st January 2019; and
 - (ii) in respect of other taxes, for taxable years beginning on or after 1st January 2019.

- b) in the United Kingdom:
 - (i) in respect of taxes withheld at source, for amounts paid or credited on or after 1st January 2019;
 - (ii) in respect of income tax, for any year of assessment beginning on or after 6th April 2019;

DONE in duplicate at Nicosia on the 19th day of December 2018, in duplicate, in the English and Greek languages, both texts being equally authoritative. In case of any divergence of interpretation the English text shall prevail.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

For the Government of the Republic of Cyprus:

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Stephen Lillie
British High Commissioner to the Republic of Cyprus

Harris Georgiades
Minister of Finance