The Business Owner's Cyprus Playbook

Everything I wish I knew before moving my business

Charlie · @offshorecharlie

> **Please read:** this is not tax, legal or financial advice. It's my own experience and general information only. Every situation is different, and the rules change. Speak to a qualified UK and Cyprus tax adviser before you make any decisions.

1 Who this is for

I'm Charlie. I run an online marketing company with clients in the UK, Australia and the US, and I moved to Paphos, Cyprus in August 2026.

This is for business owners thinking about moving abroad who want the honest version: what I did, what it cost, how long it took and what I'd do differently.

> **Not advice.** I'm not a tax adviser, lawyer or accountant. Use this to work out which questions to ask, then get proper advice for your own situation.

2 Is it right for your business?

It makes most sense if you can say yes to most of these:

☐ Your business can genuinely be run from anywhere.

☐ You're happy to actually spend time there. Technically it can be as little as a couple of months a year, but you need real ties, not just an address.

☐ Your profits are high enough that the savings beat the setup and running costs.

☐ You can be patient with slow paperwork.

Honest downside: if your clients need you in person in the UK every week, or you want to keep one foot properly in the UK, this probably isn't for you.

3 Leaving the UK properly

Moving abroad doesn't automatically stop you being UK tax resident. Here's what I had to deal with. Topics to get advice on, not instructions.

- **Statutory Residence Test (SRT).** HMRC's test for whether you're UK resident in a tax year. It looks at your UK days and "ties" (home, work, family).
- **Split-year treatment.** If you leave part-way through a tax year, this can split the year into a UK part and an overseas part. I used it.
- **Dividend timing.** When you take dividends, before or after you leave, can make a big difference. I had to time mine. Ask too about rules that can catch you if you return to the UK within a few years.
- **Telling HMRC.** I submitted a notification to HMRC that I'd left.

Honest downside: this is the easiest part to get wrong. Get advice before you move, not after.

4 Your company: what are the options?

Roughly three ways people do it. Each has its own rules, so get advice:

- **Keep your UK Ltd.** Simple, but risky if it's really managed from Cyprus.
- **Open a Cyprus company.** What I did.
- **A company elsewhere** (e.g. Dubai), with just your personal tax residence in Cyprus.

Why I went Cyprus: management and control

- A company is generally taxed where it's really managed and controlled: where the key decisions are made.
- In my case the strategic decisions are made from Cyprus, so a Cyprus company made sense. That's my setup, not a rule.
- **Substance** matters too: a real presence where the company is, not just an address.

My company setup	Roughly
Registration time	~4 weeks
Registration cost	~€2,500
Running costs (accounting, admin)	€2,000–€4,000 / year

Honest downside: it's another company with its own costs and filings, and the cost depends a lot on your accountant.

5 Residency

I did the Pink Slip. It took me about 4 months to get to submitting it, and lawyers typically charge €4,000–€6,000 to put an application together. The main routes for non-EU nationals (Brits included):

Route	Roughly what it needs	Suits
Pink Slip (visitor permit, the one I did)	€2,000/month (€24k/year) of income from abroad into a Cyprus bank account, +20% spouse, +15% per child. 1 year, renewable. No economic activity in Cyprus (see below).	People with steady income from abroad
Business route (a "foreign interest" company, now the Business Support Center register)	Company invests €200,000+ in Cyprus and has its own office. You're employed on €2,500+/month gross, 2-year contract. Heavy due diligence, but the permit is usually decided within about a month. From 1 Dec 2026, only nine approved sectors qualify.	People building a real team or office here
Permanent residency by investment	€300,000 (+VAT) in new property or another qualifying investment, plus €50k/year secured income (+€15k spouse, +€10k per child).	People who want permanent status and plan to buy
Digital Nomad Visa	€3,500/month net income from employers or clients abroad. 1 year, renewable for 2 more. Capped numbers.	Remote employees and freelancers

EU, EEA and Swiss citizens have it much simpler: an MEU1 registration (the "yellow slip") within 4 months of arriving.

Owner, not operator. The Pink Slip doesn't allow economic activity in Cyprus. My lawyers' view for my setup: I'm the owner, not the operator. I only make strategic decisions as shareholder and director, and I'm not employed in day-to-day operations here. How you structure your role matters, so get your own lawyer's view.

> **Check with a lawyer.** This is a summary, not advice. Rules change (some change on 1 December 2026).

Honest downside: paperwork runs on "siga siga" (slowly, slowly). I've made 5-hour round trips more than once for a few documents.

6 Banking and getting paid

- I have a business account with a local Cyprus bank.
- I also use fintech accounts like Revolut, which make taking international payments easy.
- A lot of international transfers get flagged. 99% of the time they still go through. It's just slower.

Honest downside: sometimes they don't go through first time. A £10k transfer from Revolut wasn't accepted at first and I had to send it twice. Build in time.

7 Tax examples

> **Not tax advice.** Simplified, illustrative numbers to show the difference in principle. Yours will differ.

One example structure (mine), not the only option.
A: UK company, UK resident, all post-tax profit taken as dividends (2026/27 rates).
B: Cyprus company managed and controlled from Cyprus, Cyprus tax-resident non-dom, all post-tax profit taken as dividends (2026 rates).

Annual profit	£100k	£300k	£500k	£1m
A: UK				
Corporation tax	£22,800	£75,000	£125,000	£250,000
Dividend tax	£13,600	£74,600	£133,600	£281,100
Take-home	**£63,600**	**£150,400**	**£241,400**	**£468,900**
B: Cyprus				
Corporation tax	£15,000	£45,000	£75,000	£150,000
GESY (health) contribution	£2,300	£4,000	£4,000	£4,000
Take-home	**£82,700**	**£251,000**	**£421,000**	**£846,000**
Difference (B – A)	**£19,100**	**£100,600**	**£179,600**	**£377,200**

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How these were worked out

- **UK:** corporation tax 19% up to £50k, 25% over £250k, with marginal relief in between. Dividend tax 10.75% / 35.75% / 39.35% above a £500 allowance. Personal allowance £12,570, reduced above £100k of income. England, Wales and NI bands.
- **Cyprus:** corporation tax 15%. Non-doms pay 0% special defence contribution on dividends. GESY (health) contribution of 2.65% on dividends, on income up to €180,000 (max about €4,770 a year).
- Single person, no salary, no other income, all profit paid out in the same year, no associated companies.
- £1 = €1.20. No UK residence issues, no return to the UK, and the Cyprus company is genuinely managed and controlled from Cyprus.
- Ignores setup, accountancy, residency and living costs. Rounded to the nearest £100.

Honest downside: the savings only hold if you've genuinely left the UK and the company is genuinely managed and controlled from Cyprus.

8 What it costs to live here

My numbers, for a 2-bed apartment, living on my own:

Cost	Roughly
Rent	€1,200 / month
Electricity	Varies; a few hundred / month at worst (air con)
Water	€20–€30 / month
Garbage fee	€100–€200 / year

Honest downside: villas and families cost more, and summer air con pushes electricity up.

9 The time difference

- Cyprus is 2 hours ahead of the UK, so calls don't start until 11am here (9am UK).
- I start work around 8:30, so I get about 2.5 hours of focused time before the calls begin.

Honest downside: with clients across time zones, days can run late. Plan your calls.

10 My biggest mistakes

1. Not getting local advice

I used an international relocation firm. It took longer and cost more than it needed to because they lacked local expertise.

2. Not knowing anyone who understood the rental market

I could have got a nicer place for not much more, or the same place for less. I'm planning to fix that when my lease renews next year.

3. Moving in August

Peak summer means sky-high prices, including rent, and the heat is a lot. I'd move in autumn or spring instead.

11 A simple timeline

Roughly how it went for me. Yours will vary.

Step	What happens
1. Decide	Run the numbers and check the filter in section 2.
2. Get advice	UK and Cyprus, ideally someone local. Plan your exit, dividends and residency route.
3. Pick your timing	Aim for autumn or spring, not August.
4. Company	About 4 weeks to register (if you're opening one).
5. Move and bank	Find a place, open a local account, keep a fintech one too.
6. Residency	About 4 months for me to get to submitting the application.
7. Tell HMRC	Whatever your adviser says you need to file.

12 Final thoughts

Honestly, I'd live here even if the tax were the same. The lifestyle matters to me as much as the tax does.

My one regret is not doing it sooner. I ran the business remotely from the UK for 3 years when I could have been doing it from anywhere.

The UK's a great place to build a business. Cyprus just suits how I want to live right now. If you're thinking about it, get proper advice and go in with your eyes open.

If you've got questions, my DMs on Instagram @offshorecharlie are open.

Charlie

> General information based on my own experience, not tax, legal or financial advice. Rates and rules checked November 2026; they can change.