



REPUBLIC OF CYPRUS  
**SHIPPING DEPUTY MINISTRY**

Circular No. 9/2022

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2 March 2022

Tonnage Tax Companies  
Owners of Ships under Foreign Flag,  
Charterers, and Ship Managers operating in the Republic of Cyprus

Members of the Cyprus Shipping Chamber  
Members of the Cyprus Union of Shipowners

**Subject: Calculation of the Global Share for the Owners of Foreign Ships, Charterers and Ship Managers for the fiscal year 2022**

For the purposes of implementing sections 15(3)(a), 25(3)(a) and 35(2)(a) of the Merchant Shipping (Fees and Taxing Provisions) Law 44(I) of 2010 as amended, the Shipping Deputy Ministry (SDM) has calculated the Community-flagged Share (**Global Share**) on a sectoral basis.

2. The Acting Permanent Secretary of the SDM notifies qualifying companies under the Tonnage Tax System of the following results:

- The Global Share for *Owners of foreign ships* for the year 2020 has **increased** to 28.76%,
- The Global Share for *Charterers* for the year 2020 has **decreased** to 20.25%,
- The Global Share for *Ship Managers* for the year 2020 has **decreased** to 34.84%.

3. Therefore, **Owners of foreign ships** whose Community-flagged Share is below their Reference Share (unless this is over 60%), may, for the fiscal year 2022, include additional non-Community ships in the tonnage tax system. In that case an increase of 10% on the tonnage tax on all non-Community ships will apply.

4. However, **Charterers** and **Ship Managers** whose Community-flagged Share is below their Reference Share (unless this is over 60%) shall not include additional non-Community ships in the TTS until they raise their Community-flagged Share back to their Reference Share as minimum. The said ships cannot be considered as qualifying ships and will be taxed with corporate-income tax by the Department of Taxation and the company shall maintain separate books, records and accounts for those ships as provided by section 44 of the above mentioned Law

Liana Charalambous Tanos  
Acting Permanent Secretary



**Cc:**

- Permanent Secretary, Ministry of Finance
- Commissioner for State Aid Control
- Commissioner of Taxation, Tax Department
- Maritime Offices of the Shipping Deputy Ministry abroad
- Cyprus Bar Association
- Institute of Certified Public Accountants of Cyprus