



Cyprus: A Natural Film Studio

<http://film.investcyprus.org.cy/>



## Cyprus at a glance

Cyprus is the third largest island in the Mediterranean Sea, located at the Eastern end of Europe, at the crux of the busy shipping and air routes linking three (3) continents, Europe, Africa and Asia and in close proximity to diversified civilizations and settings. The island, through its rich and fascinating history, going back more than 10,000 years, has developed from a Stone Age settlement to a modern and thriving European Union state, harmoniously blending influences from different civilisations. This small but dynamic island has a long-established reputation as a “centre of excellence” for international business activities, retaining unique clusters of expertise and service capability to support key growth sectors of the economy. Cosmopolitan, buzzing and culturally rich, Cyprus offers a variety of lifestyle options in a beautiful, safe environment, providing the perfect combination between business and pleasure.

If you are looking for an idyllic filming destination, then Cyprus should definitely be at the top of your shopping list. The island is a unique natural film studio in itself. Cyprus has a pleasant Mediterranean climate with year-round sunshine, which offers clear distinctions between the four seasons. The sun shines virtually almost every single day. A polymorphic landscape comprising of deep blue seas and sandy beaches, captivating forests and breath-taking mountains, picturesque villages and modern cities, combines in the most authentic way the pure essence of nature with an urban landscape. The rich historical and cultural landscape is reflected in the hundreds of archaeological sites scattered throughout the country, representing various historical periods in the island's evolution.

In such a small island with relevantly short distances, one can literally jump from the one tip of the island to the other, from the coast to the mountains in just a 30-minute drive. This scenery transition is one of a kind offering a wide range of filming attributes like natural light, surroundings, visual perspectives and angles, and so much more.

Apart from the natural beauty aspect, Cyprus also represents an attractive investment for any producer looking for a filming destination that also has the right formula of incentives in place. Specifically, production companies that opt to film in Cyprus will be able to choose between cash rebate or tax credit and can also benefit from tax discounts on investments made on equipment and infrastructure, and VAT returns on expenditure in scope. Qualifying production categories include, amongst others, feature Films (including animation), television Series or mini-series, documentaries for Theatrical or Television release, animation (digital or analogue), television research programmes and natural history.

Our country's competitive advantages are significantly enriched by a robust and transparent legal and regulatory framework and an attractive tax regime, which offers a wide range of incentives and advantages both for legal and natural persons. As a dynamic business centre, Cyprus offers an abundance of highly educated and skilled individuals, multilingual in their majority, ready to serve the needs of any business. Anyone that decides to visit Cyprus either for business or pleasure does not need to worry about difficulties in communication. The official language of the island is Greek, but English is widely spoken, while 95% of the international audio-visual production output is in English.

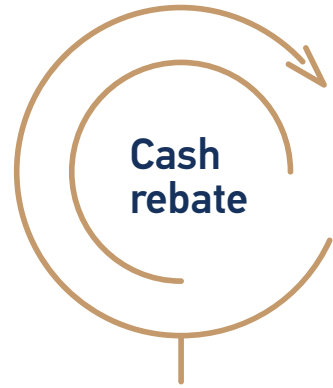
Cyprus offers an advanced infrastructure & telecommunications network, while no city lies more than 100km from any of the two international airports in Larnaka and Paphos.



## Why Cyprus



## The Cyprus Filming Scheme



Rebate of up to 25%-35% on eligible expenditures incurred in Cyprus.

The amount granted will depend on the score of the production at the cultural test.

The rebate will be given once filming is completed, on receipt of the audit report and its review by the committee.



The maximum aid, as a reduction of applicable corporate tax for the Applicant, shall represent 35% of the eligible expenditure made in the Republic of Cyprus.

The sum of the tax credit against the taxable income shall not exceed 50% of the Applicants' taxable income for the tax year within which the production is made.

The tax credit, to the extent that it is not granted due to the above percentage restriction, shall be carried forward and be given within the next five years, subject to the above percentage restriction.



Any small and medium-sized enterprise subject to a tax liability in Cyprus investing in film production infrastructure and technological equipment shall be entitled to deduct the amount of its investment from its taxable income.

The aid may not exceed 20% of the qualifying production expenditures in the case of small enterprises and 10% of the qualifying production expenditures in the case of medium-sized enterprises.

Investment in the case of equipment should remain in the territory of Cyprus for a period of at least 5 years.



For qualifying production expenditures incurred in Cyprus by natural or legal persons from third countries and which are related to the implementation of productions, the company is entitled to a refund of VAT.

VAT returns arise within 6 months with respect to the legal person which carries out the foreign filming in Cyprus from the end of the last deadline for submitting the VAT declaration for the specific VAT period during which the expense occurred or from the date on which the application for VAT return is filed.





#### Qualifying production categories

- Feature Films – Long Films
- Television film or Television series or mini series
- Digital or analogue Animation
- Creative documentaries
- Transmedia and Crossmedia productions
- Reality programmes which directly or indirectly promote the Republic of Cyprus and its culture

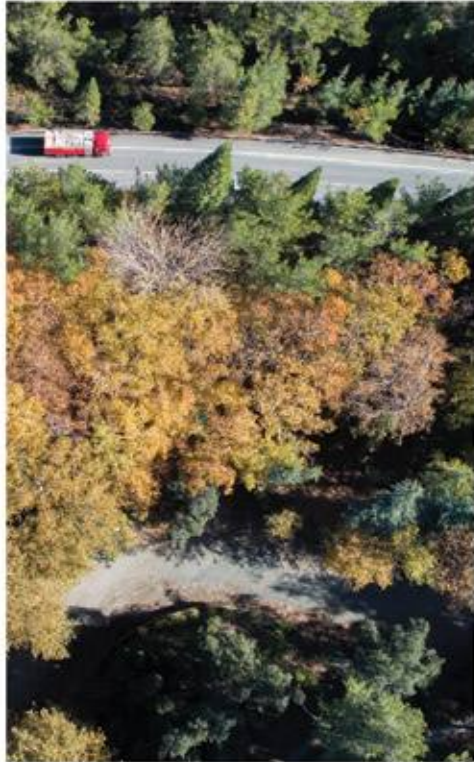
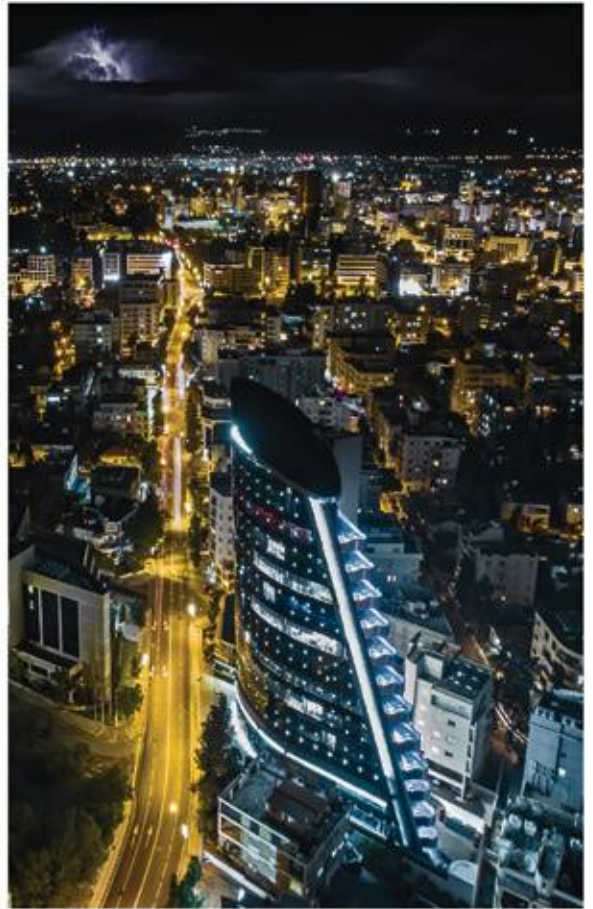
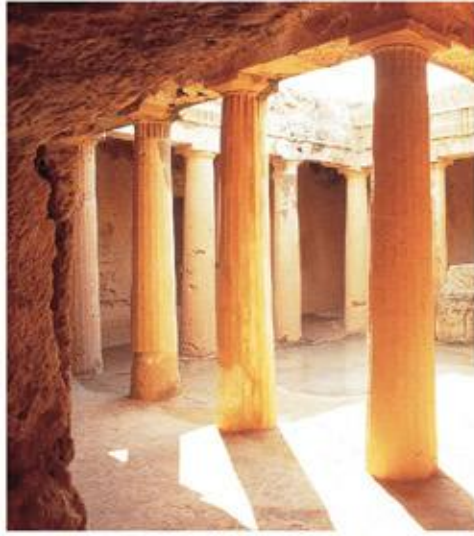
#### Application process





## Locations

Deep blue seas and sandy beaches, captivating forests and breath-taking mountains, diversified cultural sites, modern cities and traditional villages all form Cyprus' uniqueness as an ideal filming location.





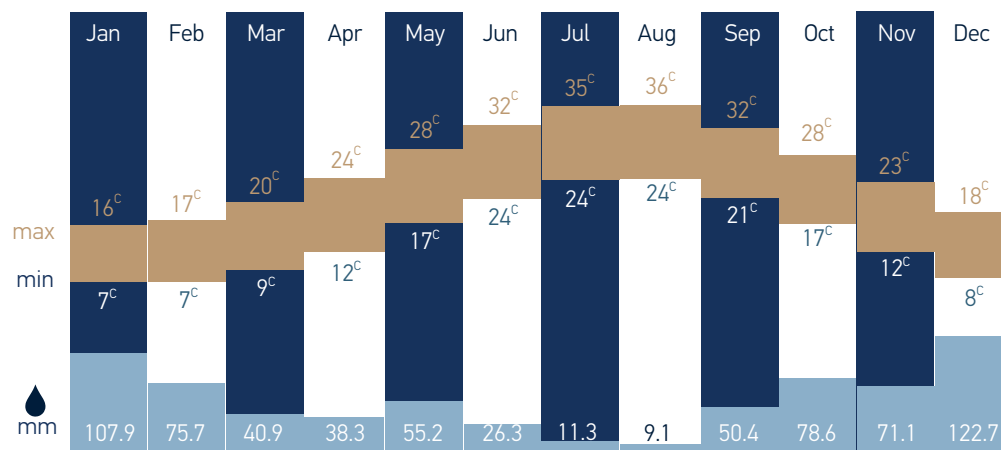
## Weather

Enjoying a pleasant Mediterranean climate that offers more than 300 days of sunshine and good weather per year, Cyprus has one of the best climates worldwide, making it an ideal year-round Filming destination. The sun shines on the island virtually every single day, with warm and dry summers starting from May all the way through October, with an average temperature of 34°C.

Mild winters with occasional rain last from December to February with an average temperature of 13°C, making it possible for someone to visit the snow-tipped forests in the Troodos Mountains and still enjoy a sunny cloudless sky.

With clear distinctions between the seasons, the long summers and mild winters are separated by short autumn and spring seasons which allow one to appreciate the unique beauty of nature.

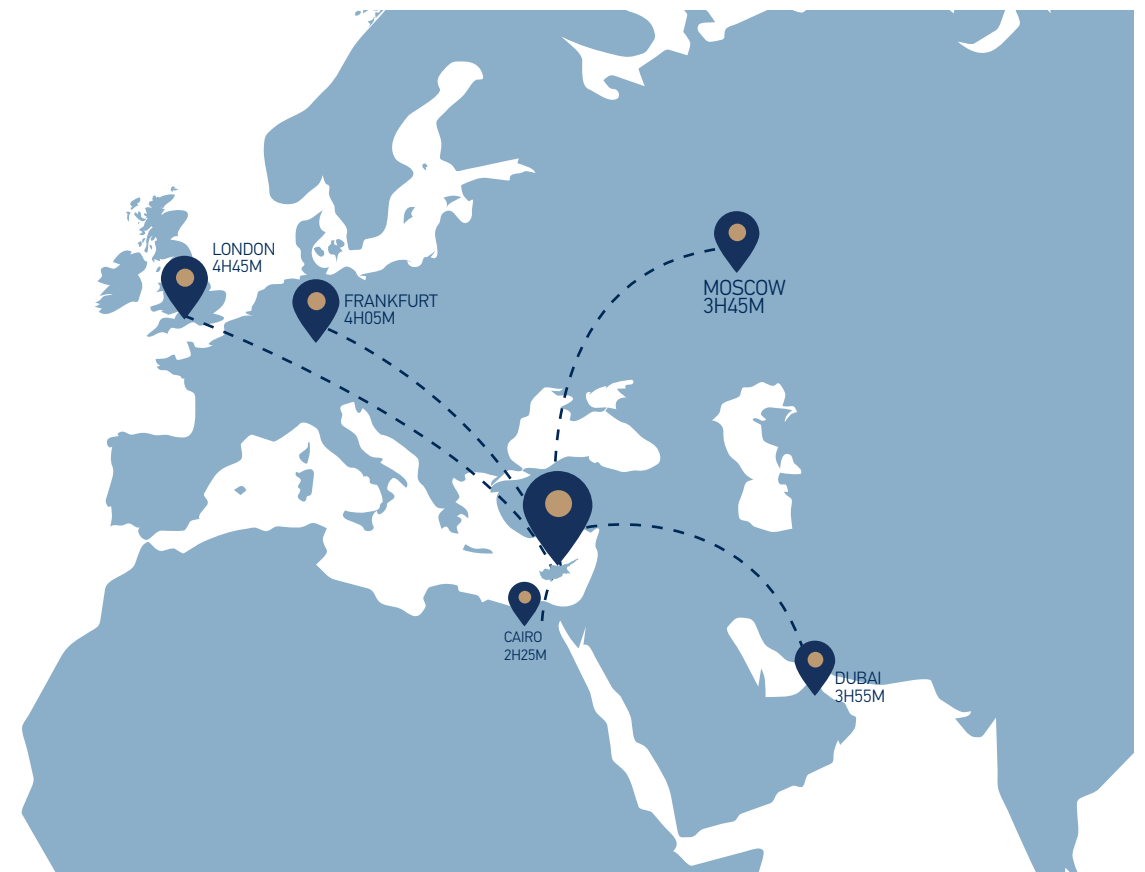
ANNUAL TEMPERATURE AVERAGES



## Connectivity and Internal Distances

With a constantly evolving system of advanced and modern infrastructure, Cyprus offers sophisticated road, air and sea transport solutions and services. The island offers two multipurpose deep-sea ports and two modern international airports in the cities of Larnaka and Paphos that connect the island to the most popular transit hubs throughout the world.

Being at the crossroads of three continents, Cyprus is at a maximum of 2 hours flight from other major neighbouring countries. Direct flights are available to Cyprus from all the major cities of Western and Eastern Europe, as well as the Middle East and Gulf countries.





## About Invest Cyprus

Businesses and individuals considering investment into Cyprus have a partner on the ground at all stages of the investment cycle. **Invest Cyprus** is the government's dedicated partner responsible for attracting and facilitating Foreign Direct Investment (FDI) in key economic sectors.

Being the lead agent in establishing Cyprus as a world-class investment destination, **Invest Cyprus** proactively promotes the enhancement of the country's competitive environment, advocating reform and maximising FDI, for the economic and social benefit of Cyprus. In close collaboration with all government authorities, public institutions and the private sector, **Invest Cyprus** is the investor's first point of contact.

**Invest Cyprus** chairs the Cyprus Film Commission, the committee set to assess and approve the applications which satisfy the requirements of the Cyprus Filming Scheme. **Invest Cyprus** is a member of the World Association of Investment Promotion Agencies (WAIPA) and the Mediterranean Investment Network, ANIMA.

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