Cyprus Company Formation Requirements 2026

The Complete Legal, Tax and Compliance Checklist for International Founders

Verified 21 September 2026

A practical reference for international founders, investors and advisers establishing or operating a Cyprus private company limited by shares.

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1. How to use this guide

This guide separates the requirements for legally incorporating a Cyprus company from the additional steps that may be needed to make it operational, tax compliant and appropriately managed. It is a planning reference, not a substitute for advice based on the company's activities, ownership and countries of operation.

Three distinctions matter. Incorporation does not itself open a bank account, create VAT registration or determine the appropriate level of corporate substance. Those questions require separate assessment.

STATUS	MEANING
Required to incorporate	Must be in place for the company to be registered.
Required after incorporation	Applies once the company exists or begins operating.
Conditional	Depends on activities, turnover, ownership, employment or cross-border arrangements.

Contents

Suggested citation

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2. What changed in 2026 – this section (title, text and the table) was suggested by ChatGPT

This edition reflects significant changes to the Cyprus corporate tax framework from 1 January 2026. The practical effect of each change depends on the company's facts and any applicable double tax treaty.

2026 DEVELOPMENT	GENERAL POSITION	WHY IT MATTERS
Corporate tax rate	The standard corporate tax rate increased from 12.5% to 15%.	Forecasts, provisional tax calculations and group models should use the current rate.
Tax residence	A Cyprus-incorporated company is, by default, considered Cyprus tax resident unless an applicable double tax treaty provides otherwise.	Incorporation, management and treaty position must be considered together.
Planning documents	Budgets, tax illustrations and older formation materials may contain pre-2026 assumptions.	Founders should ensure that advice and financial models have been updated.

Executive summary

The following table provides a concise overview of the main legal, ownership, management and tax requirements for establishing a private limited company in Cyprus.

REQUIREMENT	POSITION
Legal form	Private company limited by shares (Ltd)
Foreign ownership	100% foreign ownership is generally permitted
Shareholders	At least one shareholder; individual or corporate
Directors	At least one director
Company secretary	Required
Registered office	A registered office in Cyprus is required
Share capital	Set in the constitutional documents; no general high statutory minimum for an ordinary private Ltd
Incorporation	Can normally be completed remotely, subject to KYC and signing requirements
Corporate tax	15% standard rate from 1 January 2026
VAT	Separate registration; not automatic on incorporation

Sources for the 2026 tax points appear in section 9.

3. Formation requirements

Before the incorporation application can be submitted, the company's proposed structure, ownership and key corporate details must be agreed. The table below outlines the principal requirements.

ITEM	STATUS	PRACTICAL POSITION
Company name	Required	Name approval must be obtained before incorporation. A pre-approved name can shorten the preliminary stage.
Shareholder	Required	At least one shareholder. It may be an individual or legal entity and need not be Cyprus resident.
Director	Required	At least one director. Cyprus residence is not a condition merely for incorporation, but management and tax residency must be assessed separately.
Secretary	Required	Every Cyprus company must appoint a company secretary and keep the appointment current.
Registered office	Required	An official registered address in Cyprus is required for statutory notices and company records.
Share capital	Required	Authorised and issued share capital and the allocation of shares must be agreed before filing.
Constitution	Required	A Memorandum and Articles of Association must be prepared for the company.
Business activities	Required	The proposed activities must be described for incorporation, KYC, tax and banking purposes.

Ownership and control checklist

The company's ownership and control structure should be clearly established before incorporation. Use the checklist below to confirm that the relevant individuals, corporate shareholders and special rights have been properly identified and documented.

DONE	ITEM	ACTION OR EVIDENCE
☐	**Shareholders confirmed**	Record full legal names, addresses, nationality or jurisdiction, and share allocation.
☐	**Ultimate beneficial owners identified**	Trace ownership and control to the relevant natural persons.
☐	**Corporate shareholders reviewed**	Collect constitutional documents, registers, certificates and ownership evidence.
☐	**Special rights documented**	Record voting, dividend, transfer, veto or class rights in the appropriate documents.
☐	**Regulatory status checked**	Confirm whether any proposed activity requires a licence or prior approval.

4. Client due diligence and supporting documents

The exact evidence depends on the people involved, the ownership chain, the activities and the risk profile. Electronic copies may begin the review, but certified, apostilled or translated documents may be requested.

Client due diligence

DOCUMENT OR INFORMATION	WHY IT IS NEEDED
Individual owner or UBO	Passport or national identity document; recent proof of residential address; professional background or CV where requested.
Source of funds	Evidence explaining the origin of the money used to establish or fund the company.
Source of wealth	Information supporting how the beneficial owner accumulated overall wealth, where required.
Corporate shareholder	Certificate of incorporation, constitutional documents, registered office, directors, shareholders and good-standing evidence, as applicable.
Business profile	Products or services, expected customers, countries, projected turnover, counterparties and transaction flows.
Banking profile	Expected currencies, transaction values, payment corridors and supporting commercial rationale.

Before filing

- Agree the complete ownership and management structure.
- Check the proposed name and alternatives.
- Confirm whether the business is regulated or needs specialised approval.
- Complete KYC and AML onboarding for shareholders, UBOs and other relevant persons.
- Consider tax residency, management and substance in the context of actual operations.

5. Registration and immediate post-incorporation actions

Registration with the Cyprus Registrar of Companies is only the first stage. Once the company has been incorporated, several corporate, tax and administrative actions must be completed, while other steps will depend on how the company intends to operate.

ACTION	WHEN	WHAT IT MEANS
Registrar filing	On incorporation	File the constitutional and prescribed company information with the Cyprus Registrar of Companies.
Corporate certificates	On registration	Obtain the Certificate of Incorporation and certificates recording the registered office, directors, secretary and shareholders.
Statutory registers	Immediately	Create and maintain the company's statutory and corporate records.
Beneficial ownership	After incorporation	Register and maintain beneficial-owner information within the applicable statutory timetable.
Tax identification	After incorporation	Register the company with the Cyprus Tax Department through the applicable electronic process.
VAT	Conditional	Register when compulsory or when voluntary registration is justified and accepted.
Employer registration	Conditional	Required before employing staff in Cyprus, including a founder employed by the company.
Bank or payment account	Commercial step	Separate onboarding and approval by the selected bank or regulated payment institution.

Remote incorporation

A Cyprus company can normally be incorporated without the founder travelling to Cyprus. Remote formation does not remove identity verification, certification, signing or bank onboarding requirements. A bank or payment institution may impose its own video identification, document certification or meeting requirements.

Typical timing

Meridian Trust typically estimates 5-7 working days for express registration or approximately 3-4 weeks for normal registration, calculated from submission of complete incorporation documents to the Registrar. Name approval, KYC, signing and Registrar processing may affect the overall timetable.

6. Tax residency, substance and operation

The minimum legal requirements for incorporation should not be confused with the management and operational arrangements appropriate for the company.

ISSUE	GENERAL POSITION	WHAT TO ASSESS
Cyprus-resident director	Not automatically required	Residence is not a condition simply to incorporate. Board composition should reflect management, tax and commercial requirements.
Dedicated office	Not automatically required	A registered office is mandatory. A separate operational office depends on the activities and substance required.
Employees	Not automatically required	Employment needs depend on the functions carried out, regulatory position and operating model.
Tax residency	Separate analysis	From 2026, Cyprus applies an incorporation-based default rule alongside management-and-control considerations, subject to applicable treaty rules.
VAT registration	Separate analysis	Incorporation alone does not create an automatic VAT registration requirement.
Transfer pricing	Conditional	Controlled transactions must be identified and the applicable reporting or documentation rules assessed.

Operational readiness checklist

Before the company begins operating, its tax, accounting, banking, contractual and management arrangements should be considered. The checklist below highlights the principal areas that may need to be addressed.

DONE	ITEM	ACTION OR EVIDENCE
☐	**Tax registration**	TIN obtained and portal access established.
☐	**VAT position**	Compulsory, voluntary or non-registration position documented.
☐	**Accounting system**	Bookkeeping process, document collection and reporting responsibilities agreed.
☐	**Banking**	Account application supported by contracts, forecasts and business rationale.
☐	**Contracts**	Customer, supplier, employment and intellectual-property arrangements reviewed.
☐	**Management**	Board decision-making, signing authorities and recordkeeping procedures established.

7. Ongoing obligations overview

A Cyprus company has continuing corporate, accounting and tax obligations after incorporation. The requirements that apply will depend on factors such as whether the company is operating, VAT registered or employing staff.

OBLIGATION	APPLIES TO	CORE ACTION
Accounting records	All operating companies	Maintain complete records and supporting documentation.
Financial statements	Generally applicable	Directors are responsible for financial statements prepared under the applicable legal and reporting framework.
Annual return	Every company	File the applicable annual return with the Registrar by the company-specific deadline.
Corporate tax return	Tax-registered company	File electronically by the deadline applicable to the relevant tax year.
Provisional tax	Where taxable profit is expected	Estimate current-year taxable income and pay the prescribed instalments.
VAT returns	VAT-registered company	File for each assigned VAT period and pay any liability.
Payroll	Employer	Submit payroll information and pay PAYE and social contributions within the applicable timetable.
UBO information	Applicable legal entities	Keep beneficial-owner information accurate and make required updates or confirmations.
Corporate changes	When an event occurs	File changes to officers, address, capital, ownership and other registrable particulars promptly.

9. Sources, Scope and Verification

This edition was checked against the sources below on 21 September 2026. Rules, administrative practice, filing systems and deadlines may change. Readers should confirm the current position before acting.

1. Cyprus Registrar of Companies - Applying to incorporate a company
2. Cyprus Registrar of Companies - Directors and secretary
3. Cyprus Registrar of Companies - Registered office
4. Cyprus Registrar of Companies - Memorandum and Articles of Association
5. Cyprus Registrar of Companies - Running a company
6. Cyprus Registrar of Companies - Main criteria for review of company registration
7. PwC Cyprus - The Cyprus Tax Reform
8. PwC Cyprus - Tax Facts and Figures 2026

What this guide does not decide

- Whether a particular activity is regulated.
- Whether a specific director or substance arrangement is appropriate.
- Whether VAT registration is compulsory or beneficial.
- How another country will classify or tax the company or its shareholders.
- Whether a bank or payment institution will approve an application.

10. How Meridian Trust Limited Can Help

Meridian Trust Limited supports international entrepreneurs, investors and businesses with Cyprus company formation, corporate administration, accounting, tax, banking coordination and legal matters through one dedicated team.

Planning to establish a company in Cyprus?

Speak with our team about the legal, tax, accounting and operational requirements relevant to your business.

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BOOK A FREE CONSULTATION WITH OUR TEAM

Important notice