

No. 45762

**South Africa
and
Cyprus**

Agreement between the Government of the Republic of South Africa and the Government of the Republic of Cyprus for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital (with protocol). Nicosia, 26 November 1997

Entry into force: *8 December 1998 by notification, in accordance with article 28*

Authentic text: *English*

Registration with the Secretariat of the United Nations: *South Africa, 2 February 2009*

**Afrique du Sud
et
Chypre**

Accord entre le Gouvernement de la République sud-africaine et le Gouvernement de la République de Chypre tendant à éviter la double imposition et à prévenir l'évasion fiscale en matière d'impôts sur le revenu et sur la fortune (avec protocole). Nicosie, 26 novembre 1997

Entrée en vigueur : *8 décembre 1998 par notification, conformément à l'article 28*

Texte authentique : *anglais*

Enregistrement auprès du Secrétariat des Nations Unies : *Afrique du Sud, 2 février 2009*

[ENGLISH TEXT – TEXTE ANGLAIS]

A G R E E M E N T

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

AND

THE GOVERNMENT OF THE REPUBLIC OF CYPRUS

FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE

PREVENTION OF FISCAL EVASION WITH RESPECT TO

TAXES ON INCOME AND ON CAPITAL

Preamble

The Government of the Republic of South Africa and the Government of the Republic of Cyprus, desiring to conclude an Agreement for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital and with a view to promote and strengthen the economic relations between the two countries,

Have agreed as follows:

Article 1

Personal Scope

This Agreement shall apply to persons who are residents of one or both of the Contracting States.

Article 2

Taxes Covered

1. This Agreement shall apply to taxes on income and on capital imposed on behalf of a Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income and on capital all taxes imposed on total income, on total capital, or on elements of income or of capital, including taxes on gains from the alienation of movable or immovable property.
3. The existing taxes to which this Agreement shall apply are:
 - (a) in Cyprus:
 - (i) the income tax;
 - (ii) the corporate income tax;
 - (iii) special contribution for the defence of the Republic;
 - (iv) the immovable property tax; and
 - (v) the capital gains tax;

(hereinafter referred to as "Cyprus tax"); and

- (b) in South Africa:
 - (i) the normal tax; and
 - (ii) the secondary tax on companies;

(hereinafter referred to as "South African tax").

- 4. The Agreement shall apply also to any identical or substantially similar taxes which are imposed by either Contracting State after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes which have been made in their respective taxation laws.

Article 3

General Definitions

- 1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term "Cyprus" means the Republic of Cyprus and, when used in a geographical sense, includes the national territory, the territorial sea thereof as well as any area outside the territorial sea, including the continental shelf, which has been or may hereafter be designated, under the laws of Cyprus and in accordance with international law, as an area within which Cyprus may exercise sovereign rights or jurisdiction; and
 - (b) the term "South Africa" means the Republic of South Africa and, when used in a geographical sense, includes the territorial sea thereof as well as any area outside the territorial sea, including the continental shelf, which has been or may hereafter be designated, under the laws of South Africa and in accordance with international law, as an area within which South Africa may exercise sovereign rights or jurisdiction;
 - (c) the terms "a Contracting State" and "the other Contracting State" mean Cyprus or South Africa, as the context requires;
 - (d) the term "company" means any body corporate or any entity which is treated as a company or body corporate for tax purposes;
 - (e) the term "competent authority" means:
 - (i) in Cyprus, the Minister of Finance or his authorised representative; and
 - (ii) in South Africa, the Commissioner for Inland Revenue or his authorised representative;

- (f) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
 - (g) the term "international traffic" means any transport by a ship, aircraft or road transport vehicle operated by a resident of a Contracting State, except when the ship, aircraft or road transport vehicle is operated solely between places in the other Contracting State;
 - (h) the term "national" means:
 - (i) any individual possessing the citizenship of a Contracting State;
 - (ii) any legal person or association deriving its status as such from the laws in force in a Contracting State; and
 - (i) the term "person" includes an individual, a company and any other body of persons.
2. As regards the application of the provisions of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning which it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

Article 4

Resident

1. For the purposes of this Agreement, the term "resident of a Contracting State" means:
- (a) in Cyprus, any person who, under the laws of Cyprus, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, but this term does not include any person who is liable to tax in Cyprus in respect only of income from sources in Cyprus or capital situated therein;
 - (b) in South Africa, any individual who is ordinarily resident in South Africa and any other person which has its place of effective management in South Africa;
 - (c) that State and any political subdivision or local authority thereof.