

THE MERCHANT SHIPPING (FEES AND TAXING PROVISIONS) LAWS OF 1992 TO 2004¹

LAW No. 38(I) OF 1992 AS AMENDED A LAW TO PROVIDE FOR THE PAYMENT OF FEES, FOR THE TAXATION OF CYPRUS VESSELS, FOR TAX EXEMPTIONS AND OTHER CONCESSIONS AND FOR OTHER RELATED MATTERS

The House of Representatives enacts as follows:

Short title.

38 (I) of 1992
29(I) of 1995
63(I) of 1999
73(I) of 1999
12(I) of 2003
166(I) of 2004.

1. The Merchant Shipping (Fees and Taxing Provisions) Laws of 1992, 1995, 1999, 2003 and 2004 shall be cited as the Merchant Shipping (Fees and Taxing Provisions) Laws of 1992 to 2004.

Interpretation.

2.—(1) In this Law, unless the context otherwise requires—

“ Certificate of registration ” means the certificate of registration of a Cyprus ship;

2 of 166(I)/2004.

“ Community ship ” means a ship registered in and flying the flag of a Member State of the European Union in accordance with its legislation ;

2 of 166(I)/2004.

“ Community shipmanagement company ” means a corporation providing shipmanagement services , having its principal place of business in a Member State of the European Union and which has been established and operates in accordance with the Laws of that Member State ;

“Competent Authority” means the Minister of Communications and Works and any other person generally or specially authorised for this purpose by the Minister;

“corporation” has the meaning attributed to this term by paragraphs (b) and (c) of section 5 of the Merchant Shipping (Registration of Ships, Sales and Mortgages) Laws of 1963 to 1987;

45 of 1963
32 of 1965
82 of 1968

“Cyprus ship” means a ship registered by law in the Cyprus register of ships, under the provisions of the Merchant Shipping (Registration of Ships, Sales and Mortgages) Laws of 1963 to 1987, and, subject to the provisions of section 23K(2)* of the same Laws, it also includes a foreign registered ship registered by law in the Special Book of Parallel Registration, under the provisions of Part VA of the same

¹ Consolidation Note: Includes the latest amendments introduced by Law 166(I)/2004. All these Laws were published in the Greek language in the Official Gazette of the Republic of Cyprus. This is an “unofficial” consolidated translation into English prepared by the Department of Merchant Shipping ,and does not intend to replace any translation prepared by the Law Commissioner’s Office.

According to Article 3 of the Constitution of the Republic of Cyprus, the official languages of the Republic of Cyprus are Greek and Turkish and therefore the present translation into English **is not the authentic version**.

* Consolidation Note: Section 23K referring to the payable fees, was repealed by section 4 of Law 28(I) of 1995 and the subsequent sections of Part VA of the same Laws re-numbered to 23K up to 23R.

62 of 1973
102 of 1973
42 of 1979
25 of 1980
14 of 1982
57 of 1986
64 of 1987.

Laws;

2 of 73(I)/99.

“foreign ship” means any ship other than a Cyprus ship;

2 of 63(I)/99.

“high speed small vessel ” means a small motorised vessel up to 15 metres length, which can attain a speed of 15 knots;

3 of 29(I)/95.

11 of 1986.

“new measurement” means the tonnage measurement of the ships, which is effected in accordance with the International Convention on Tonnage Measurement of Ships of 1969, which the Republic of Cyprus ratified with the International Convention on Tonnage Measurement of Ships 1969 (Ratification) and Matters Connected Therewith Law of 1986;

“shipowner” means the owner of a share in a Cyprus ship and includes the bareboat charterer of a ship, which is registered in parallel in the Cyprus register, as defined in Part VA of the Merchant Shipping (Registration of Ships, Sales and Mortgages) Laws of 1963 to 1987;

2 of 73(I)/99.

“shipmanagement services” means the services relating to the crewing of a Cyprus or foreign ship and /or to the technical or commercial management of such ship, by virtue of a shipmanagement agreement concluded with the owner or the bareboat charter of a ship , by a person having an office in the Republic staffed, in the case of crewing and/or technical management of ships, as provided by section 8 (3) (a) (iv), and with one skilled commercial manager and at least three other persons as personnel, in cases relating to the commercial management of ships;

2 of 166(I)/2004.

Official Gazette
S III: 1.12.1955.

“small vessel” has the meaning attributed to this term by Regulation 3 of the Emergency Powers (Control of Small Vessels) Regulations 1955.

(2) Unless the context otherwise requires, the terms used in this Law have the meaning attributed to them by the Merchant Shipping (Registration of Ships, Sales and Mortgages) Laws of 1963 to 1987, and the Merchant Shipping (Masters and Seamen) Laws of 1963 to 1984.

46 of 1963
33 of 1965
69 of 1968
25 of 1969
24 of 1976
85 of 1984.

*Fees and dues.
First Schedule.
4 of 29(I)/95.*

3. In respect of the matters prescribed in the First Schedule attached to this Law, the fees and dues to be paid are those prescribed in the same Schedule. For the purpose of calculating these fees, the gross tonnage will be considered at first to be the one stated on the provisional certificate of registration of the ship and, after her measurement, the one on the certificate of tonnage.

*Exemption
from the
income tax.
3 of 73(I)/99.*

4.— (1) Notwithstanding the provisions of any Income Tax Law in force in the Republic, for the period ending on the 31st December 2020, no tax shall be charged, levied or collected unless otherwise provided by this Law :

(a) Upon the income derived by the shipowner of a Cyprus ship from the operation of such ship in any shipping enterprise between Cyprus and ports abroad or between ports abroad (with the exemption of any fishing enterprises using Cyprus as their base);

3 of 73(I)/99.

(b) upon the income derived by any person from the rendering of shipmanagement services;

3 of 73(I)/99.

(c) upon the dividend paid to the shareholders or the members of a corporation, out of profits made from the operation of the ship or from the rendering of shipmanagement services according to the provisions of the preceding paragraph (a) and/or (b), or upon the dividend paid to the shareholders or the members of a corporation out of its share in profits made from the operation of a Cyprus ship or from the rendering of shipmanagement services as aforementioned, or upon the dividend paid to the shareholders or members of a corporation, out of profits made from the collection of dividends deriving from the aforementioned corporations, and which dividends derive from profits made out of the operation of a Cyprus ship or from the rendering of shipmanagement services as aforementioned; and

3 of 73(I)/99.

(d) upon profits or other benefits derived from paid services of the master, the officers and the crew members of a Cyprus ship.

3 of 73(I)/99.

(2) The Council of Ministers may, by a decision to be published in the Official Gazette of the Republic, prolong the exemption from income tax as provided by the previous subsection. By the same decision the period of prolongation and the terms and conditions under which the exemption is granted, are specified.

(3) For the purposes of this section the term “operation of the ship” includes also the chartering of the ship, under any form.

*Tonnage tax.
Second Schedule.
5 of 29(I)/95.*

5.—(1) On the Cyprus ships there shall be charged, levied and collected an annual tax referred to as “tonnage tax”. The rates of the tonnage tax and other principles which govern its calculation are prescribed in the Second Schedule attached to this Law. For the purpose of calculating the tonnage tax, the gross tonnage will be considered at first to be, the one stated on the provisional certificate of registration of the ship, and after her measurement, the one on the certificate of tonnage.

(2) The tonnage tax shall be assessed by the Department of Merchant Shipping and shall be payable to that Department in advance every six months or partly thereof, for as long as the ship remains registered in the Cyprus register. The tonnage tax becomes payable on the 31st January, and the 31st July, for the first and second six month period respectively. For the purpose of calculating the payable tonnage tax, any fraction of the month shall be considered as a whole month.

(3) Upon provisional registration of a ship as a Cyprus ship, there shall be charged, levied and collected a tonnage tax in respect of a six month period. In case a permanent registration follows, at the time of the permanent registration, the

chargeable and leviable amount of tonnage tax, shall be charged, levied and collected by the end of the six month period, during which the permanent registration takes place. In case of a payment of tonnage tax in excess of the chargeable and leviable amount, the amount paid in excess shall be withheld and taken into account when discharging any future tonnage tax debts of the ship, provided that the shipowner consents to that.

(4) In case of a direct permanent registration of the ship, there shall be charged, levied and collected the tonnage tax corresponding to the non-expired part of the six month period, during which the permanent registration of the ship takes place.

(5) In case of a deletion of the ship from the register before the expiration of the six month period for which tonnage tax has been paid for, the amount paid in excess shall be reimbursed to the shipowner upon his application.

(6) The exemption from income tax, as provided in section 4 of this Law, is valid as from the date of the registration of the ship. The certificate of registration, either permanent, provisional, or parallel, shall not be issued before the payment of the chargeable and leviable amount of tonnage tax as provided in this section.

(7) If, under the provisions of this section, any amount of chargeable and leviable tonnage tax is not paid within the prescribed time, the payable tonnage tax shall be increased by five per cent (5%) for the first month of the period of delay, and additionally by one per cent (1%) for every subsequent month, until the final discharge of the chargeable and leviable tax. For the purposes of this subsection, a fraction of a month shall be considered as a whole month.

(8) Payments effected towards settlement of debts by virtue of this Law shall be applied towards payment of debts in an order of seniority.

5 of 29(I)/95.

*Taxation of
shipmanagement
services.
4 of 73(I)/99.*

3 of 166(I)/2004.

5A. (1) On any person to which the provisions of section 4 (1)(b) apply there shall be charged, levied and collected a tax, at rates equal to 25% of the rates prescribed in the Second Schedule of this Law, calculated in the same manner as specified in subsection (1) of section 5 above in respect of any ship.

The above obligation does not apply in respect of :

(a) any Cyprus ship to which the provisions of section 8 (3) apply, or

(b) any Community ship provided the management of the ship in respect of its crewing and technical management, is entrusted in full to a Cyprus shipmanagement company or to a Community shipmanagement company, which has an office in the Republic staffed with a sufficient in number and qualifications personnel for the handling of technical, administrative and accounting matters relating to ships.

Provided that the manner in which any tax payable under this sub-section shall be assessed, levied and collected shall be prescribed by Regulations*.

(2) Notwithstanding any other provisions of this Law, any person to which the provisions of sub-section (1) above apply, shall have the right to opt to be taxed

* Consolidation Note : see in this respect *The Merchant Shipping (Taxation of Shipmanagement Services) Regulations of 2000 (Gazette No.3459, Supplement III(I), dated 29.12.2000, P.I. No. 395/2000)*.

in respect of any particular year, under the provisions of any Income Tax Law in force in the Republic, which, if the provisions of section 4 (1)(b) above were not applicable, would be applicable to such person's income from the rendering of shipmanagement services .

Provided that if he opts to be taxed as above, the provisions of sub-section (1) are not applied.

(3) The option granted under sub-section (2) above may be exercised by written notice addressed to the Department of Merchant Shipping with a copy to the Commissioner of Inland Revenue and may be given with respect to the year of assessment 1999 until 31st July 1999 and with respect to any subsequent year of assessment, at least thirty days prior to the 1st January of the relevant year and shall continue to remain in force until it is withdrawn in the same manner. A notice of withdrawal given during the term of any year shall have effect on the 31st December of that year and the provisions of sub-section (1) above are applied once again as from the 1st January of the following year.

Supplementary assessment and re-payment of tax.

6 of 29(I)/95.

6. If it becomes necessary, for any reason, to make a supplementary assessment of tonnage tax in respect of any year, or if the shipowner has paid in respect of any year, a tonnage tax in excess of the amount chargeable and leviable under the provisions of section 5 of this Law, the Director of the Department of Merchant Shipping may, within a period of six years from the termination of the year concerned, proceed to make a supplementary assessment with a view to collect the unpaid tonnage tax fixing to that effect a reasonable time period or, as the case may be, in order to refund any amount paid in excess.

Lay-up of ships and lay-up certificates.

7 of 29(I)/95.

7. - (1) In case of a lay-up of a Cyprus ship either in Cyprus or in a foreign country, for a continuous period of at least three months, the amount of chargeable and leviable tonnage tax under the provisions of section 5 of this Law, shall be reduced by seventy-five per cent (75%) for as long as the lay-up of the ship lasts, provided that a lay-up certificate, issued either by the competent port authority of the Republic or by a consular officer thereof, or by the competent port authority of the country where the ship is laid-up, is submitted.

(2) The lay-up certificate affirms the lay-up and its duration and is submitted to the Competent Authority:

(a) within three months from the commencement date of the lay-up;

(b) within six months from the last day of the lay-up period of the ship, in accordance with the lay-up certificate of the ship.

(3) Submission of a lay-up certificate outside the prescribed time-limit shall not be accepted in reducing the payable tonnage tax of the ship. The same also applies with regard to a lay-up certificate, submitted after the transfer or transmission of the ownership of the ship, or the deletion of the ship from the Cyprus register, if the lay-up period referred to in the certificate, relates to a period before the date of the transfer or transmission or deletion of the ship, unless the lay-up is reported before the transfer or transmission or the deletion and the certificate is produced under a deadline of one month from the date of the concerned action.

Reduction and return of tonnage tax.

8.—(1) The amount of chargeable and leviable tonnage tax under the provisions of section 5 of this Law shall be reduced and, provided that it has been paid, it shall be returned in the circumstances laid down in the following provisions of this section, if the remaining pre-requisites of these provisions, are fulfilled.

(2) In relation to ships belonging to registered nautical clubs recognised by the Cyprus Athletic Organisation or to marine training schools, which are used exclusively for the purposes of the club or of the school, the amount of chargeable and leviabale tonnage tax under section 5 shall be reduced by ninety per cent (90%).

2 of 29(I)/95.

4 of 166(I)/2004.

(3) (a) (i) In relation to ships of gross tonnage in excess of hundred (100) units, the amount of chargeable and leviabale tonnage tax under section 5, shall be reduced as follows: by thirty per cent (30%), provided the management of the ship in respect of its crewing and technical management, is entrusted in full to a Cyprus shipmanagement company or to a Community shipmanagement company, which has an office in the Republic staffed with a sufficient in number and qualifications personnel for the handling of technical, administrative and accounting matters relating to ships;

(ii) shipmanagement, in relation to its crewing, means the supply of the whole crew of the ship, by the shipmanagement company, according to the relevant Laws and Regulations in force for the time being;

(iii) shipmanagement, in relation to its technical management means the control of the ship and her engines by the shipmanagement company, in order to maintain the standards acceptable by the Republic according to the relevant Laws and Regulations in force for the time being;

(iv) a sufficient in number and qualifications personnel means, in the case of a company managing up to ten ships, at least five persons including one qualified marine engineer and one skilled crew manager, and, in the case of a company managing more than ten ships, at least ten persons including two qualified marine engineers and a skilled crew manager;

(b) the entrusting of the management of the ship to a Cypriot shipmanagement company or to a Community shipmanagement company as above, is proved by the shipmanagement agreement which is concluded between the shipowner or the bareboat charter of the Cyprus ship registered in parallel in a foreign register and the company:

Provided that the company is the same as the one declared on the basis of the International Safety Management Code for the Safety of Ships and Prevention of Pollution (ISM Code) of the International Maritime Organization, which was adopted by the decision of the Council of Ministers dated 20 November 1997.

Official Gazette.
Suppl. III (I)
31.12.1997.

(c) the reduction shall be taken into account from the date of deposition of the shipmanagement agreement and shall be valid for as long as the shipmanagement agreement is valid. The person entitled to such a reduction has the burden of proving the validity of the shipmanagement agreement.

(4) (a) Notwithstanding the provisions of sub-section 3 (c), the tonnage tax is paid normally and, the amount which results from the 30% reduction of the tax, is returned upon relevant application by the shipowner or by the bareboat charter, as the case may be, which, with regard to ships registered in the Cyprus register in accordance with section 5 of the Merchant Shipping (Registration of Ships, Sales and Mortgages) Laws, is submitted within one year from the end of the year for which the tax was paid and, with regard to ships registered as above in accordance with sections 23C and 23L of the said Laws, within one year from the termination of the parallel registration:

45 of 1963
32 of 1965
82 of 1968
62 of 1973
102 of 1973

42 of 1979
25 of 1980
14 of 1982
57 of 1986
64 of 1987
28(I) of 1995
37(I) of 1996.

Provided that, in case of deletion or, termination of the parallel registration , the application is submitted within one year as from such deletion or termination.

Provided also that, the above mentioned application is accompanied by a responsible statement of the shipmanagement company that, the shipmanagement agreement was valid during the whole period for which the reduction is claimed, and as the case may be, by any other necessary justification documents.

- (b) As long as there are other outstanding ship's debts towards the Republic, the tonnage tax to be returned under the provisions of this section shall be withheld and used , in whole or partly , as the case may be , towards discharging these debts. Similarly, provided that the shipowner consents, the same procedure will be followed in relation to the discharge of any future debts of the ship regarding tonnage tax.

*Calculation of
fees and
tonnage tax
based on the
new measurement.
8 of 29(I)/95.*

8A.—(1) From the 18th of July 1994 the payable fees and tonnage tax under this Law shall be calculated based on the new measurement of the ship; in case the shipowner omits to carry out on time the new measurement, the Competent Authority shall be empowered, for the purposes of calculating the chargeable and leviable fees or tax, to carry out a provisional calculation of the ship's tonnage in accordance with the provisions of the Third Schedule attached to this Law, which adopts the "Simplified Tonnage Calculation For Existing Ships Which Do Not Have Their Gross Tonnage Determined in Accordance with the 1969 Tonnage Convention", as contained in Circular No. 653 dated 8th June 1994, which was issued by the Maritime Safety Committee of the International Maritime Organization. Upon publication of this Law in the Official Gazette of the Republic, the Competent Authority has power to impose on the chargeable and leviable fees and tonnage tax under this provisional calculation, an additional 30% surcharge. The amounts paid in accordance with this provisional calculation shall not be reimbursed, even if they are higher than the chargeable and leviable amounts based on a new measurement of the ship to be carried out.

(2) Especially with regard to the chargeable and leviable amount of tonnage tax due for the period between 18th July 1994 and 31st December 1994, the following provisions shall be applicable:

(a) only the following ships will pay tonnage tax calculated on the new measurement:

- (i) ships registered in the Register on or after 18th July 1994;
- (ii) ships provisionally registered in the Register on 17th July 1994, whose provisional registration or its possible extension expires after that date; and
- (iii) ships permanently registered in the Register on 17th July 1994, which until that date have not paid all the chargeable and leviable tonnage tax until 31st December 1994.

(b) Ships permanently registered in the Register on 17th July 1994, which until that date have paid all the chargeable and leviable tonnage tax until 31st December

1994, are exempted from the requirement to pay any difference between the paid tonnage tax and the payable one based on the new measurement. In case however, that the paid tonnage tax is higher than the chargeable and leviabale one based on the new measurement, the amount paid in excess is reimbursed.

(3) Ships permanently registered in the Register on 17th July 1994, which have carried out a new measurement by 17th July 1994, and have paid until that date all the chargeable and leviabale tonnage tax until 31st December 1994, are exempted

from the requirement to pay for the year 1994 any difference between the chargeable and leviabale tonnage tax under the previous measurement and the payable one based on the new measurement. In case however, the chargeable and leviabale tonnage tax under the previous measurement is higher than the chargeable and leviabale one based on the new measurement the payable tonnage tax will be the one chargeable and leviabale under the new measurement.

*Maritime lien
of the Republic.
4 of 63(I)/99.*

9. The claims of the Republic for fees, dues, or tonnage taxes chargeable and leviabale under the provisions of this Law, constitute a charge on the ship, which are satisfied in preference against the other creditors, but follow in rank the last mortgage upon them.

*Power of the
Director of the
Department of
Merchant
Shipping to
refuse to
proceed with
actions.*

10. The Director of the Department of Merchant Shipping may refuse, upon application by the shipowner, to make any act, to issue certificates, to grant permits or exemptions, under the provisions of any existing law in the Republic, until the taxes, fees and dues chargeable and leviabale under this Law and claimed by the Republic, are paid.

*Documents
referring
to ships.*

11. All the documents, which refer to Cyprus ships and submitted under the provisions of any law existing at the time in the Republic, shall be admissible provided that they are drawn up in a language comprehensible to the competent officer under the law, for their acceptance.

Regulations.

12.—(1) The Council of Ministers has power to make Regulations in order to regulate any matter which under this Law needs or is capable of receiving regulation.

(2) Regulations made under this Law shall be laid before the House of Representatives, which may approve or reject them within sixty days of their laying. If the House of Representatives approves the Regulations or the sixty days period lapses without any action being taken, the Regulations shall be published in the Official Gazette of the Republic as such or as so amended and shall come into force as from such publication.

*Prescription
of forms.*

13.—(1) The prescription of the forms necessary for the purposes of this Law, shall be vested with the Director of the Department of Merchant Shipping.

5 of 63(I)/99.

(2) For the publication of the forms it is necessary to have the approval of the Competent Authority.

Repeal.

14. By this Law the following are hereby repealed—

*47 of 1963
34 of 1965*

(a) The Merchant Shipping (Taxing Provisions) Laws of 1963 to 1982; and

70 of 1968
63 of 1973
16 of 1982.

45 of 1963
32 of 1965
82 of 1968
62 of 1973
102 of 1973
42 of 1979
25 of 1980
14 of 1982
57 of 1986
64 of 1987.

Entry into
force.

(b) section 82 and the Third Schedule of the Merchant Shipping (Registration of Ships, Sales and Mortgages) Laws of 1963 to 1987.

15. This Law shall come into force on the 1st July, 1992.

FIRST SCHEDULE*

(Section 3)

A – FEES TO BE PAID ON REGISTRATION, RE-REGISTRATION, CONTRACTUAL ETC., TRANSFER, MORTGAGE ETC., OF SHIPS

1. Initial registration or permanent registration fees after the expiration of the provisional registration:

	£	cents
(a) On ships, other than passenger ships:		
(i) on each gross unit up to 5.000 units.....	–	10
(ii) on each gross unit in excess of 5.000 units but not exceeding 10.000 units.....	–	8
(iii) on each gross unit in excess of 10.000 units	–	4
(iv) minimum fee.....	125	–
(v) maximum fee.....	3000	–
(b) On Passenger ships:		
(i) on each gross unit.....	–	15
(ii) minimum fee.....	250	–
(c) On ships belonging to registered nautical clubs, recognized by the Cyprus Athletic Organisation or to marine training schools which are used exclusively for the purposes of the club or the school :		

2 of 29(I)/95.

* Consolidation Note : The First Schedule was amended by section 9 of Law 29(I) of 1995. By virtue of section 2 of Law 29(I) of 1995, as from the 18th of July 1994, the word “ ton” wherever used in the principal law shall be read as “ unit”.

The fees defined in the preceding sub-paragraphs (a) and (b) shall be reduced by ninety per cent (90%).

2. Re-registration fees:

The same fees as those applicable for the initial registration:

Provided however that, where a permanently registered ship is deleted and re-registered, while the beneficial ownership of the ship remains with the same owner as before the deletion, the re-registration fees shall be reduced by fifty per cent (50%).

6 of 63(1)/99.

3. Fees for the contractual or for a transmission transfer, for a registration anew, for mortgage and transfer of mortgage and also for the transfer of a mortgagee's interest :

(a) On each gross unit up to 10.000 units	2
(b) On each gross units in excess of 10.000 units.....	1
(c) Minimum fee.....	30

9 of 29(1)/95.

4 . Fees to be paid on registration and re-registration of ships of a foreign registry under the status of parallel registration in the Cyprus Register:

Payable initial registration fees of Cyprus ships increased by 20%:

Provided that, in case a ship of a foreign registry under the status of parallel registration in the Cyprus Registry is deleted and thereafter re-registered, and the chartering is effected for the benefit of the same charterer prior to the deletion, the reregistration fees shall be reduced by fifty per cent (50%).

Payable fees and dues are paid in advance at the time the parallel registration is effected, cover all the period for which the status of the parallel registration applies and are not reimbursed even if the status is terminated earlier.

B – FEES TO BE PAID ON REGISTRATION, TRANSFER AND MORTGAGE OF SMALL VESSELS WHICH OPERATE EXCLUSIVELY WITHIN THE TERRITORIAL WATERS OF THE REPUBLIC AND OF HIGH SPEED SMALL VESSELS

6 of 63(1)/99.

1. Fees to be paid on initial registration and for the issue of a note of record:

£ cents

(a) On small vessels belonging to registered nautical clubs recognised by the Cyprus Athletic Organisation or to marine training schools used exclusively for the purposes of the club or of the school and of small vessels used exclusively in fishing.....	10	-
(b) On other small vessels.....	15	-

6 of 63(1)/99.

2. Fees for transfer, transmission, constitution of mortgage, change of name or transfer of mortgage.....5 -

6 of 63(1)/99.

3. Fees for the re-issue of a note of record.....5 -

<i>6 of 63(I)/99.</i>	4. High Speed Small Vessels Circulation (Navigation) Licence:		
	(a) Of a total length up to 6 metres,	30	-
	(b) of a total length over 6 metres and up to 10 metres, per metre.....	5	-
	(c) of a total length over 10 metres and up to 15 metres, per metre.....	8	-
<i>6 of 63(I)/99.</i>	5. Renewal of High Speed Small Vessels Circulation (Navigation) Licence.....	10	-
<i>6 of 63(I)/99.</i>	6. Initial or periodical inspection of High Speed Small Vessels	20	-
	Additional inspection of High Speed Small Vessels	20	-
	The amounts of the above paragraph 6 , comprise also travelling expenses and any other eventual expenses.		
<i>6 of 63(I)/99.</i>	7. High Speed Small Vessels Operator's Licence		
	For one year.....	5	-
	For five years.....	15	-
	Up to the age of seventy	25	-
<i>6 of 63(I)/99.</i>	8. High Speed Small Vessels Learner's Operator's Licence.....	5	-
	8. In relation to high speed small vessels belonging to registered nautical clubs recognised by the Cyprus Athletic Organisation which are used exclusively for the purposes of the clubs, the fees as defined in paragraphs 4 and 5 are reduced by ninety per cent (90%). [paragraph 8 was not re-numbered by the amendment introduced by section 6 of Law 63(I)/99].		

C – MISCELLANEOUS FEES

	£	cents
1. For inspection of register.....	5	-
2. For a certified copy of the particulars of the ship entered in the Register, for a certificate of ownership and encum- brances, or for any other certificate relating to the ship, not mentioned in or otherwise provided for.....	10	-
3. (a) For certified copy of any declaration or document, a copy of which is admissible as evidence by law.....	5	-
(b) Especially in relation to mortgages—		
(i) for a certified copy of the mortgage deed.....	10	-
(ii) for a certified copy of the deed of covenants, per page.....	-	10
4. For affixing the official seal and signature to any document not mentioned in or otherwise provided for.....	5	-
5. For the alteration of the particulars entered in the register, in relation to the tonnage, the dimensions or the engines of		

	the ship.....	25	-
<i>6 of 63(1)/99.</i>	6. For the examination of an application for the registration of the ship.....	15	-
	7. For the examination of an application for granting permission for the change of the name of the ship.....	15	-
	8. Approval and change of the name of the ship.....	80	-
	9. Reservation of a specific name to be allocated to a ship for a period beyond one month, for each month.....	5	-
<i>6 of 63(1)/99.</i>	10. For granting or replacing a provisional, permanent or parallel, certificate of registration.....	10	-
	11. For granting a carving and marking note.....	10	-
	12. For granting a Certificate of Insurance or other Financial Security in respect of Civil Liability for Oil Pollution Damage.....	20	-
	13. Endorsement of entries and recordings for the bridge log –book.....	5	-
	Endorsement of entries and recordings for the engine log –book.....	5	-
	Endorsement of entries and recordings for the radiocommunications log –book.....	5	-
	Endorsement of oil record book entries.....	5	-
	Endorsement of books or documents not specifically provided in the present legislation.....	5	-

**D – FEES TO BE PAID ON THE SURVEY AND INSPECTION OF SHIPS
ON THE APPLICATION OF THE SHIPOWNER**

6 of 63(I)/99.

1. For the survey and inspection of the seaworthiness of a ship or of a small vessel and for the determination of the number of passengers allowed to be carried in coastal voyages:

	£	cents
(a) Up to 30 passengers.....	70	-
(b) 31 up to 50 passengers.....	100	-
(c) 51 up to 100 passengers.....	150	-
(d) in excess of 100 passengers.....	200	-

6 of 63(I)/99.

2. For the marking inspection of the ship , for each visit to the ship 30 -

The amounts provided in paragraphs 1 and 2 above include travelling expenses which may arise from the inspection of such vessels in Cyprus.

3. A survey and inspection for the issue of international certificates:

(a) For Load lines—

(i) of ships between 150-499 gross units.....	400	-
(ii) of ships between 500-4.999 gross units.....	600	-
(iii) of ships between 5.000-49.999 gross units.....	800	-
(iv) of ships over 50.000 gross units.....	1000	-
(v) for the annual survey and inspection of the load lines, there shall be paid twenty per cent (20%) of the above fees.		

(b) for Safety Construction—

(i) of ships between 500-4.999 gross units.....	400	-
(ii) of ships between 5.000-49.999 gross units.....	500	-
(iii) of ships over 50.000 gross units.....	600	-
(iv) for the annual survey and inspection of the ship in order to confirm the safety of her construction, there shall be paid fifty per cent (50%) of the above fees.		

(c) for Safety Equipment—

(i) of ships between 500-4.999 gross units.....	400	-
(ii) of ships between 5.000-49.999 gross units.....	500	-
(iii) of ships over 50.000 gross units.....	600	-
(iv) for the annual survey and inspection of the ship in order to confirm the safety of her equipment, there shall be paid fifty per cent (50%) of the above fees.		

(d) for Safety radiotelephony/radiotelegraphy.....150 -

(e) for pollution prevention—

(i) of tankers up to 4.999 gross units.....	300	-
(ii) of tankers between 5.000-9.999 gross units.....	400	-
(iii) of tankers over 10.000 gross units.....	500	-
(iv) for cargo vessels, there shall be paid fifty per cent (50%) of the above fees		
(v) for the annual survey and inspection, there shall be paid fifty per cent		

(50%) of the above fees.

£ cents

(f) for fitness for the carriage of chemicals or dangerous cargoes	1000	-
(g) for passenger ship safety—		
(i) on ships not exceeding 499 gross units.....	250	-
(ii) on ships over 500 gross units.....	1000	-
(h) for cargo ship safety of vessels not exceeding 500 gross units.....	100	-

9 of 29(1)/95
6 of 63(1)/99.

4. Audit of the Safety Management System (shore based or shipboard) and issue of Document of Compliance or of Safety Management Certificate , respectively :

(a) Initial and renewal audit :

Fee : £ 500 per diem.

Indicative table of the time needed for the audit and the issue of a confirmation attestation or for the renewal of a document of compliance for companies:

Number of persons employed in the company	Initial or renewal audit	Annual or additional audit
Up to 10 persons	2 days	1 day
11-25 persons	3 days	2 days
26-75 persons	4 days	3 days
75-150 persons	5 days	4 days
more than 150 persons	6 days	5 days

The above is applicable for companies managing only one type of ship. For every additional type of ship a 50% increase is applied to the above.

(b) Audit of the shipboard safety management system and issue , attestation or renewal of Safety Management Certificate:

Type of ship	Initial Audit £	Intermediate audit £	Renewal Audit £
Bulk Cargo	550	500	550
Tanker	650	550	650
Passenger	2000	1900	1900

The above fees concern compensation per man day or part of it.

Review of Manuals : £ 500 per man day or part of it.

Additional audit: £ 500 per man day or part of it.

(c) Additional charges

- (i) Real expenses are charged.
- (ii) Travelling time is charged £ 250 per day.
- (iii) Work during the weekend and on public holidays, following shipowners' request is charged in proportion 1,5 of the above fees (including the travelling time).

E – FEES TO BE PAID ON THE MEASUREMENT OF THE
TONNAGE OF A SHIP

£ cents

1. On any ship, other than a passenger ship—
 - (a) Not exceeding 49 gross units50 -
 - (b) On ships over 50 gross units—
 - (i) on each gross units up to 1.599 units- 10
 - (ii) on each gross unit in excess of 1.600 but not exceeding
9.999 units.....- 5
 - (iii) on each gross unit in excess of 10.000 units and over.....- 1
 - (iv) minimum fee.....100 -

2. On passenger ships:
There shall be paid double the fees provided in the preceding subparagraphs (a) and (b) of paragraph 1.

3. The fees to be paid on the measurement of the tonnage of a ship, shall not be paid on respect of small vessels not exceeding 15 gross units employed solely in fishing or belonging to registered nautical clubs recognised by the Cyprus Athletic Organisation, or to marine training schools and are used exclusively for the purposes of the club or of the school.

F – FEES TO BE PAID IN RELATION TO THE MANNING OF SHIPS AND
TO THE ISSUE OF CERTIFICATES OF COMPETENCY

£ cents

- | | | | |
|-----------------------|--|--------------------------|----------------|
| <i>6 of 63(I)/99.</i> | 1. For the issue of a document of safe manning | 20 | - |
| <i>6 of 63(I)/99.</i> | 2. For the issue of a seamen's book | 10 | - |
| <i>6 of 63(I)/99.</i> | 3. For the issue of a seafarer's Identification and Sea Service
Record Book..... | 25 | - |
| <i>6 of 63(I)/99.</i> | 4. For the endorsement of ship's articles | 5 | - |
| <i>6 of 63(I)/99.</i> | 5. For the endorsement of a seafarer's certificate of service..... | Free | |
| <i>6 of 63(I)/99.</i> | 6. For the endorsement of a seafarer's certificate of character..... | Free | |
| <i>6 of 63(I)/99.</i> | 7. For the endorsement of a seafarer's certificate of
continuous proficiency | 10 | - |
| <i>6 of 63(I)/99.</i> | 8. For the issue of a certificate of competency to: <ol style="list-style-type: none"> (a) Officers graduated from Cypriot marine training schools..... (b) Officers graduated from foreign marine training schools..... (c) Ratings graduated from Cypriot marine training schools..... (d) Ratings graduated from foreign marine training schools..... | Free
15
Free
10 |
-

- |
| <i>6 of 63(I)/99.</i> | 9. For the issue of a certificate of special duties..... | Free | |

G – FEES TO BE PAID FOR THE APPROVAL OF EXEMPTIONS OR SPECIAL ARRANGEMENTS

		£	cents
<i>6 of 63(I)/99.</i>	1. For the examination of an application for the granting of exemptions or equivalent arrangements regarding a ship, under the existing legislation at the time.....	100	–
<i>6 of 63(I)/99.</i>	2. For the issue of a document of safe manning, specifying a special composition for the crew.....	100	–
<i>6 of 63(I)/99.</i>	3. For the examination of an application for the granting of a special exemption, dispensation to a seaman, in order for him to hold for a limited period of time, a position immediately higher than the one he is entitled to, according to his certificate of competency, under the existing legislation at the time.....	100	–
<i>6 of 63(I)/99.</i>	4. For the examination of an application for the granting of a transport licence for an increased number of passengers on a passenger ship, either for specified voyages or for a specified period of time.....	250	–
<i>6 of 63(I)/99.</i>	5. Approval of a time table for rectification of deficiencies.....	100	–

H – FEES TO BE PAID FOR THE EXAMINATION AND APPROVAL OF STABILITY STUDIES, PLANS AND MANUALS

		£	cents
<i>9 of 29(I)/95.</i>	1. For the examination and approval of stability study of cargo ships—		
	(a) Up to 49 gross units.....	50	–
	(b) in excess of 50 but not exceeding 499 gross units	100	–
	(c) in excess of 500 but not exceeding 1.599 gross units	250	–
	(d) of 1.600 gross units and over	500	–
	2. For the examination and approval of stability study of passenger ships—		
	(a) Up to 49 gross units	100	–
	(b) in excess of 50 but not exceeding 499 gross units.....	200	–
	(c) in excess of 500 but not exceeding 1.599 gross units.....	500	–
	(d) of 1.600 gross units and over.....	2000	–
	3. For the examination and approval of a grain loading manual.....	1000	–

9 of 29(1)/95.

4. For the examination and approval of ‘Shipboard Oil Pollution Emergency Plans’ as provided by Regulation 26 of Schedule I of the International Convention for the Prevention of the Pollution of the Sea from Ships of 1973, its Protocol of 1978, and the Resolutions MEPC 14(20) of 1984, MEPC 16(22) and MEPC 21 (22) of 1985 (Ratification) and for Matters Connected Therewith Law of 1989 —

(a) For all ships other than tankers	200	-
(b) For tankers	400	-

9 of 29(1)/95.

5. For the examination and approval of Stability Studies, Plans and Manuals other than the afore-mentioned: £15 per hour or part of the actual working time and additionally any travelling or other expenses of the Department of Merchant Shipping for this purpose.

I – DUES TO BE PAID FOR THE SURVEY AND INSPECTION OF SHIPS AND THE PROVISION OF SERVICES

6 of 63(1)/99.

1. For the survey and inspection of a ship on application by the shipowner, except for the cases provided for in Chapters D and E of this Schedule, there shall be paid in addition to the fees chargeable and leviable in each case dues equivalent to £20 per hour or part of the actual working time, or the waiting time which is not due to a fault of the officer conducting the survey and inspection. There shall also be paid all his travelling expenses. In the cases provided for in Chapters D and E of this Schedule, in addition to the fees chargeable and leviable in each case, there shall be paid only the travelling expenses of the Officer conducting the survey and inspection, unless due to the shipowner’s fault, the survey and inspection is not completed within one visit, with the exemption of paragraphs 1 and 2 of Chapter D.

Where it is necessary for an Officer from the Central Offices of the Department of Merchant Shipping or an Officer placed at an office abroad, to travel in another country or in a great distance in the same country, the travelling expenses will also include the wages, the approved allowance for living abroad and any other approved expenses of the Officer, which correspond to the time the Officer spent travelling from his base to the point where he will offer his services. This provision shall not apply for travelling within the Republic.

2. For the conducting upon application of specialised studies within the competency of the Department of Merchant Shipping, which are not mentioned in this Schedule, and which do not require a visit of an Officer onboard the ship, there shall be paid dues equivalent to £15 per hour or part of the actual working time and in addition, any travelling expenses and other actual expenses of the Department of Merchant Shipping for this purpose.

3. For the provision upon application of common services after office hours of the Department of Merchant Shipping, which do not require a visit onboard the ship, there shall be paid dues equivalent to £15 per hour or part of the actual working time.

4. Where the implementation of the above requires the sending of an Officer from the Department of Merchant Shipping abroad or the engagement of an Officer already placed abroad, in addition to the dues defined in the preceding paragraphs, there shall also be paid allowances for living abroad corresponding to the actual working time of the Officer.

6 of 63(I)/99.

5. For the survey and inspection of a Cyprus ship, abroad, following her detention by the Authorities of the Republic or by foreign Authorities, in order to verify that the deficiencies observed have been rectified, the amount of £ 500 shall be paid for a period up to three hours of the actual working time, or the waiting time which is not due to a fault of the officer conducting the survey and inspection. For each additional hour the amount of £ 100 shall be paid. In addition all his travelling expenses and other expenses shall be paid.

6 of 63(I)/99.

6. For the survey and inspection of a Cyprus ship or any other ship, in Cyprus, following her detention by the Authorities of the Republic, in order to verify that the deficiencies observed have been rectified, in case the survey and inspection is effected after government office hours, the amount of £ 250 shall be paid for a period up to three hours of the actual working time, or the waiting time which is not due to a fault of the officer conducting the survey and inspection. For each additional hour the amount of £ 50 shall be paid.

9 of 29(I)/95.
2 of 12(I)/2003.

J – FEES TO BE PAID FOR THE ISSUE OF A LICENCE FOR THE
INSTALLATION AND THE OPERATION OF A WIRELESS
TELEGRAPHY STATION [repealed by section 2 of Law 12(I)/2003]².

SECOND SCHEDULE*

(Section 5)

RATES FOR THE CALCULATION OF THE TONNAGE TAX

10 of 29(I)/95.

1. On Cyprus ships there shall be charged and levied an annual tonnage tax according to the following table:

- (a) On ships of gross tonnage up to 1.600 units there shall be charged and levied a tonnage tax of £100 and in addition 26 cents for each gross unit.
- (b) on each additional gross unit in excess of 1.600 units but not exceeding 10.000 units : 16 cents.
- (c) on each additional gross unit in excess of 10.000 units but not exceeding 50.000 units : 6 cents.
- (d) on each additional gross unit in excess of 50.000 units and over : 4 cents.

2. The resulting figures calculated in the preceding paragraph shall be multiplied by the corresponding rate, as defined further below:

² Consolidation Note: The relevant fees are now provided by *The Radiocommunications (Fees) Regulations of 2003* (Gazette No.3679, Supplement III(I), dated 31.01.2003, P.I. No. 79/2003).

* Consolidation Note: The Second Schedule was amended by section 10 of Law 29(I) of 1995. By virtue of section 2 of Law 29(I) of 1995, as from the 18th of July 1994, the word “ton” wherever used in the principal law shall be read as “unit”.

AGE OF SHIP	RATE
Up to 10 years	0,75
11 up to 20 years	1,00
Over 20 years	1,30

3. On the passenger ships there shall be charged and levied double the tonnage tax corresponding to other ships, under the preceding paragraphs.

10 of 29(I)/95.

4.- (a) On the ships of a foreign registry under the status of parallel registration in the Cyprus Register, tonnage tax shall be charged as in the case of the remaining Cyprus ships, which is paid in advance at the time the parallel registration is effected and covers the whole period for which the status of parallel registration applies and is not reimbursed even if the status is terminated earlier.

(b) On Cyprus ships under the status of parallel registration in a foreign registry, tonnage tax shall be charged as in the case of the remaining Cyprus ships, which is paid in advance at the time the parallel registration is effected and covers the whole period for which the status of parallel registration applies. In case however, the ship is deleted from the Cyprus Register prior to the termination of her status of parallel registration, the fraction of the tonnage tax which is proportional to the period from her deletion and until the termination of the status of the parallel registration is reimbursed upon the shipowner's application.

10 of 29(I)/95.

5. The age of the ship is determined by deducting the year when the keel of the ship was laid from the year of assessment of the tonnage tax.

11 of 29(I)/95.

THIRD SCHEDULE³
(Section 8A)

INTERNATIONAL MARITIME ORGANIZATION

MSC/Circular 653

8th June 1994

SIMPLIFIED TONNAGE CALCULATION FOR EXISTING SHIPS
WHICH DO NOT HAVE THEIR GROSS TONNAGE DETERMINED IN
ACCORDANCE WITH THE 1969 TONNAGE CONVENTION

1. The Maritime Safety Committee, at its sixty-third session (16th to 25th May 1994), agreed that provisional gross tonnage (GTp) of ships not holding an International Tonnage Certificate (1969) or a preliminary document replacing, for a short period of time, the International Tonnage Certificate (1969) on or after 18th July 1994, may be calculated by a Contracting Government to the 1969 Tonnage Convention according to the following simplified formula:

³ Consolidation Note: The Third Schedule was added by section 11 of Law 29(I) of 1995.

* According to published registers or statutory documents on board the ship .

$$GTp = VE \times a$$

where:

$$VE = L \times B \times H$$

L = length according to the International Load Line Certificate (1966), in metres*;

B = moulded breadth, in metres* ;

H = height at side from the bottom up to the uppermost complete deck (upper deck), in metres* ; * and

a = f (VE) to be determined by linear interpolation according to the following table:

VE	a
up to 400	0,58
1.000	0,43
5.000	0,35
10.000	0,34
25.000	0,33
50.000	0,32
100.000	0,31
150.000	0,30
200.000	0,29
250.000 and over	0,28

2. If a net tonnage is required additionally, then a provisional net tonnage (NTp) may be calculated as follows:

$$NTp = 0,6 \times GTp$$
3. The provisional gross tonnage calculated according to the above simplified formula should only be valid for harbour and other dues. It may be used in lieu of the gross tonnage to be shown in an International Tonnage Certificate (1969) or a preliminary document replacing the International Tonnage Certificate (1969) for a short period of time.
4. As the above simplified formula shows good results only for normal cargo ships, special types of ships (e.g. car carriers, passenger ships, etc.) that have large superstructures/erections should be considered individually at the discretion of the Administration.