

Cyprus Issues Statement on Russia's Unilateral Suspension of Tax Treaty Provisions

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Report from IBFD Tax Treaties Unit

On 9 August 2023, the Ministry of Finance of Cyprus released a statement in response to Russia's unilateral decision to suspend specific provisions of the [Cyprus - Russia Income and Capital Tax Treaty \(1998\)](#), as amended by the 2010 and 2020 protocols.

As a member of the European Union, Cyprus expressed its deep concern over Russia's recent action to unilaterally suspend provisions of the [Cyprus-Russia treaty](#). Cyprus emphasized that this decision was made without prior consultation and no communication has taken place between Cypriot authorities and their Russian counterparts concerning this suspension or the issuance of the Decree that facilitated it.

Given the context of existing economic restrictions between Cyprus and Russia, Cyprus does not anticipate any further adverse consequences resulting from the Decree.

Russia suspended provisions of 38 tax treaties on 8 August 2023, including the tax treaty with Cyprus. The suspension affects articles 5-22, 24, 27 and 29 of the [Cyprus - Russia Income and Capital Tax Treaty \(1998\)](#), as amended by the 2010 and 2020 protocols. For previous reporting, see [Russia Temporarily Suspends Certain Provisions of 38 Tax Treaties with 'Unfriendly' States \(8 August 2023\)](#).

Further developments will be reported as they occur.