

Requirement to register a holiday rental property in Cyprus

It is now a legal requirement for any property in Cyprus that is used for “self-catering” holiday accommodation to be registered. The specific law is an amendment to; Law (N. 34(1)/2019), and is Law, N. 9(I)/2020, regulating the registration and operation of self-catering accommodation, February 7, 2020.

The Law is directed at operators currently utilising online platforms such as Airbnb and Booking.com. The law has created a “platform” which assists the authorities in imposing appropriate controls and taxation on self-catering accommodation. The ‘Register of Self-Catering Accommodations’ which is kept by the Deputy Ministry of Tourism.

The term ‘self-catering accommodation’ has been defined by the Law as: “either a single tourist furnished mansion, or a single residence, or a single apartment, which constitutes “a unit” under the provisions of the Immovable Property (Tenure, Registration and Valuation) Act, which does not constitute a “hotel” or “tourist accommodation” as defined in Part II and Part III of the same law, which is rented as a property or a residence or a unit and not as a part of it, and is registered in the Register of Self-Catering Accommodation under the provisions of Part IIIA.” (Simple!!!)

The renting of self-catering accommodation is from now on prohibited, unless certain conditions are met, these include:

- The self-catering accommodation is single residence and/or a single tourist furnished property and/or single apartment.
- The self-catering accommodation is registered in the Register of Self-Catering Accommodations.
- The self-catering accommodation maintains a valid and renewed registration license.
- Owners must submit an application for the registration of their self-catering accommodation to the Deputy Ministry of Tourism. The fee is €222
- Applications must be submitted online by visiting the website at www.tourism.gov.cy the applications can be submitted by both individuals and legal entities.
- The submitted application must also be accompanied by documentation proving that the self-catering unit / owner has been registered with the Tax Department and has received either a Tax ID or a VAT no., depending on which is applicable.
- the registration number of each property will need to be publicised on every advert and/or any form of marketing as well as in all relevant transactions.
- The licence will be valid for 3 (three) years.

Link to the application form:

https://www.tourism.gov.cy/tourism/tourism.nsf/application11aabEU_en/application11aabEU_en?openform

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THE AMENDING LAW (N. 34(1)/2019) OF THE SELF-SERVICE ACCOMMODATION ESTABLISHMENTS
("AIRBNB") IN CYPRUS

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The amending law of the self-service of accommodation establishments aim to regulate the establishment and operation of hotels and tourist accommodation by creating a register for the registration of self-service accommodation establishments.

THE LAW

A bill was passed by the House of Representatives amending the Law (N. 34(1)/2019) aiming to regulate the establishment and operation of hotels and tourist accommodation by creating a register for the registration of self-service accommodation establishments. The Amending Law of 2020 (N. 9(1)/2020) was published in the Official Gazette of the Republic on 07.02.2020.

On Monday 19 July 2021, the Cyprus Deputy Ministry of Tourism announced the start of the application process for registering premises (villas, houses, apartments) in the new registry. This can only be done online by visiting the website at www.tourism.gov.cy . The applications can be submitted by both individuals and legal entities.

According to the amending law, all property owners who want to rent out their property in Cyprus for short-term rent on Airbnb are now required to be in the Register of Self-Service Accommodation Establishments and have a special serial number, or else, they cannot publish their properties on their platform or advertise on social media.

GUIDELINES

According to the Law, any self-service accommodation must comply with the characteristics and requirements of an individual residence and/or an individual tourist furnished villa and/or an individual apartment.

A Furnished Villa shall mean - having direct and independent external access, privacy, and independence, with regards to the land plot and building, and include an exclusive landscaped garden.

A Furnished Residence shall mean - a residence located in a row or in a complex of detached houses, they have autonomy, private, shared or public external access and privacy (without a shared staircase).

An Apartment shall mean - an apartment used as a complete, separate, and independent unit, as defined in the provisions of the Immovable Property (Tenure, Registration & Valuation) Law, as applicable from time to time.

It should be note that the maximum capacity per establishment is 5 bedrooms (10 people).

RESPONSIBLE HOSTING IN CYPRUS

Before applying for registration of housing in the register of the Deputy Ministry of Tourism, the applicant must register with the tax authorities to acquire a tax identification or a VAT number. It should be noted that a valid home insurance must be presented for at least against fires and natural disasters.

THE REGISTRATION

As per the guidelines given by the Ministry of Tourism, the self-service (sharing economy) accommodation establishment shall submit the following to the Deputy Ministry of Tourism of the application and solemn declaration:

- Registration with the Tax Department (Tax identification No. of the Operator or VAT number, where provided for in the relevant legislation);
- The relevant details of the property; and
- The insurance coverage of the establishment (at least: (i) insurance against any risk and especially fire and (ii) public liability insurance).
- Building Permit or Town Planning Permit
- Utility bill of the establishment issued by the Cyprus Electricity Authority - EAC or other electricity provider, that bears the unique number of the property.
- In the case of a natural person, a photocopy of their identity card (both sides) or passport depending on the document declared in the application or in the case of a legal entity, a photocopy of the certificate of incorporation of the legal person

THE FEES

The fee for registration will amount to €222 (Two Hundred and Twenty-Two Euro) for a period of 3 (three) years. This amount is for each housing unit and a serial number will be assigned accordingly.

WHAT HAPPENS NEXT

After the application and solemn declaration is examined by the Deputy Ministry and the registration fees are paid, the Deputy Ministry of Tourism shall grant a Special Operating Label and a Registration Number, which should be displayed and declared in all transactions.

The registration permit must be renewed every three (3) years, within three (3) months before the expiration of each registration term. As of 01.01.2022, it will be prohibited to post on an online platform and/or advertise and/or lease such establishments, without having acquired a registration number and a valid registration permit.

SAFETY REQUIREMENTS

A relevant safety information form should be displayed by the Operator in a prominent place within the self-service accommodation establishment, which should include the following information and equipment:

- Display of the Emergency Telephone Number (112 - Police, Fire and Medical Emergency Services);
- Display of the full address of the accommodation establishment;
- Display of the telephone number of the personal responsible for the accommodation establishment.
- A general-purpose fire extinguisher;
- A fire blanket;
- A first aid kit.

WHEN TO REGISTER

Inspections will commence in 2022, therefore it is advisable to start registering your properties with the National Register to avoid any violations when inspected.

If you are a legal entity or an individual, make sure you comply with the amending Law (N. 34(1)/2019) that aims to regulate the self-service accommodation establishments by creating a register for their registration.