



**CYPRUS AND MALTA YACHT LEASING SCHEMES:  
A COMPARISON**

<b>CYPRUS</b>	<b>MALTA</b>
<ul style="list-style-type: none"><li>• A Lease Agreement must exist between a Cyprus company and any legal or natural person, irrespective of origin.</li><li>• The yacht must sail to Cyprus within one month from the commencement of the Lease Agreement.</li><li>• An initial contribution must be paid by the lessee to the lessor amounting to at least 40% of the value of the yacht.</li><li>• Lease payments must be monthly and the lease period cannot exceed 48 months .</li><li>• The lessor must make a total profit from the leasing agreement of at least 5% on the initial value of the yacht.</li><li>• Any purchase value at the end of the lease agreement shall not be less than 2.5% of the original value of the yacht.</li><li>• A prior written approval from the VAT Commissioner is required with regards to the value of the yacht and the applicable VAT rate.</li><li>• Upon the first VAT payment, a VAT Certificate issued in the name of the Company along with a confirmation that the Cyprus company is performing its business activities through Cyprus allow the yacht to sail within EU waters.</li><li>• A VAT paid certificate will be issued at the end of the scheme.</li><li>• RATES:</li></ul>	<ul style="list-style-type: none"><li>• A Lease Agreement must exist between a Maltese company and any legal or natural person, irrespective of origin.</li><li>• The yacht must sail to Malta upon the commencement of the Lease Agreement.</li><li>• An initial contribution must be paid by the lessee to the lessor amounting to at least 40% of the value of the yacht.</li><li>• Lease payments must be monthly and the lease period cannot be less than 12 months or exceed 36 months.</li><li>• The lessor must make a profit from the leasing agreement over and above the value of the yacht.</li><li>• Any purchase value at the end of the lease agreement shall not be less than 1% of the original value of the yacht</li><li>• A prior written approval from the VAT Commissioner is required with regards to the value of the yacht and the applicable VAT rate.</li><li>• Once the VAT is paid for the first quarter, a provisional VAT-paid certificate will be issued. This certificate allows the yacht to sail within EU waters.</li><li>• A VAT paid certificate will be issued at the end of the scheme.</li><li>• RATES:</li></ul>

**CYPRUS****MALTA****Motor Yachts:**

Length / m	VAT computation
> 65	2.42%
45,01 - 65	3.40%
24,01 - 45	4.37%
14,01 - 24	6.31%
8,01 - 14	10.21%
<= 8	12.16%
Yachts used only within protected waters	19%

**Motor Yachts:**

Length / m	VAT computation
> 24	5.4%
16,01 - 24	7.2%
12,01 - 16	9.0%
7,51 - 12	10.8%
<= 7,51	16.2%
Yachts used only within protected waters	18%

**Sail Yachts:**

Length / m	VAT computation
> 65	2.42%
45,01 - 65	3.40%
24,01 - 45	4.37%
20,01 - 24	6.31%
10,01 - 20	10.21%
<= 10	12.16%

**Sail Yachts:**

Length / m	VAT computation
> 24	5.4%
20,01 - 24	7.2%
10,01 - 20	9.0%
<= 10	10.8%