



SBA CUSTOMS



BRITISH FORCES CYPRUS

DUTY-FREE VEHICLES

This notice is not law. It is SBA Customs view of what the law says about private motor vehicles and their eligibility with regard to relief from customs duty and tax. Nothing in this notice changes the law.

The information shown in this notice was up to date as at 1st April 2008.

If you need further help or advice or if you have any suggestions regarding the contents of this notice may wish to contact SBA Customs at the following locations:

**SBA Customs
RAF Akrotiri
Akrotiri
BFPO 57**

**Fiscal Office
HQ SBAA
Episkopi
BFPO 53**

**SBA Customs
Dhekelia
BFPO 58**

**Tel (2527) 6762
Fax 2595 2101**

**Tel (2596) 2039
Fax (2596) 3342**

**Tel (2474) 4226
Fax (2472) 3533**

1 DUTY-FREE VEHICLES

The island of Cyprus (including the Sovereign Base Areas) form part of the customs territory of the EU. This means that ownership and use of your tax-free vehicle is governed by EU legislation.

Entitlement to tax-free vehicles is principally derived from the Treaty of Establishment, which provides relief to members of the 'force' from duty and tax payable on motor-vehicles (including motor-cycles). Provision for this entitlement has been made by amendment of EU legislation.

1.1 Can I acquire a tax-free vehicle?

Duty and VAT free vehicles can be purchased new or second-hand from dealers in Cyprus or elsewhere, including the UK, without payment of VAT for removal to Cyprus, by private arrangement from other entitled persons. Additionally an entitled person may purchase a vehicle with VAT free status.

You may acquire a tax-free vehicle provided that you:

- are a member of British Forces Cyprus, the civilian component or United Kingdom authorities;
- are posted or attached to Cyprus for a tour of at least 6 months.

You must notify SBA Customs immediately should you cease to meet both these requirements.

1.2 What conditions and restrictions are placed on duty-free vehicles?

Relief from tax is granted subject to certain conditions. Failure to keep to these conditions may render you liable to penalties and the vehicle to forfeiture.

Your relief from duty and VAT is subject to the conditions that you:

- Do not lend (see paragraph 1.4), hire out, sell or otherwise dispose of it (see paragraph 1.5) in the EU within 6 months of ownership and the vehicle has travelled under its own power 6000km;
- Register the vehicle in your own name within 28 days of purchase (or the date of the vehicle's arrival in Cyprus).
- Notify SBA Customs of any change to your entitlement as detailed in paragraph 1.1.

If you find that you are unable to meet any of these conditions you should contact SBA Customs for further advice.

1.3 How do I acquire a tax-free vehicle?

For customs purposes in Cyprus such vehicles are controlled by a SBA Customs document Form C104A. This form can be obtained by entitled personnel from their respective admin unit.

You should provide details of your intended purchase, including engine number, chassis number and registration number (if applicable). These details are normally freely provided by dealers. If you are making a private purchase you should obtain the details directly from the C104A of the vendor. You will also need to provide evidence of identity, including your service and or passport number.

Note: It is recommended that before committing yourself to a purchase you should first ask to see any existing 104A and log book. This will enable you to confirm that the vehicle is properly documented and reduce the potential for problems later.

1.4 Can I lend my duty-free vehicle to other persons?

Duty + Tax-free vehicles may only be driven by the registered owner of the vehicle, and their immediate resident dependants. Exceptionally a person may be granted permission from SBA Customs to drive a tax free vehicle upon submission of a request for this dispensation. A temporary permit can be obtained from SBA Customs to allow visiting dependants and guests to drive duty-free vehicles.

Duty-free vehicles found being driven by non-entitled persons, persons other than the approved owner, or other persons without customs permission are liable to forfeiture.

1.5 Can I dispose of my duty-free vehicle in Cyprus?

You may dispose of your duty-free vehicle in Cyprus without payment of tax:

- by sale to another entitled person;
- to a Cyprus dealer, who is approved to use a customs bonded warehouse;
- by formal notified destruction by delivering the vehicle to the Republic of Cyprus Customs, in liaison with SBA Customs.

Duty-free vehicles may not be disposed of to non-entitled persons, without Customs permission and payment of customs charges will be applicable. Details of charges due may be obtained by contacting (SBA or ROC) Customs directly.

Note: Customs charges due are payable by the owner of the vehicle prior to disposal by sale to a non-entitled person. You will need to take this into consideration when agreeing a sale price with any prospective buyer.

1.6 What documents are required to allow removal of my vehicle from Cyprus?

At least 1 month prior to your expected return to the UK, you should apply to SBA Customs to obtain a certified form BFC 414. Applications for this form should be made on form BFC414A (Appendix A) and sent by post through your respective admin office.

Your application form should be accompanied by your original Republic of Cyprus vehicle log book; this will be returned to you with the certified form BFC 414.

Note: Log books must show you as the sole registered owner of the vehicle. If the log book includes the name of a bank or finance company your application should be accompanied by a letter from them stating that all financial arrangements have been concluded and the vehicle is now owned solely by the registered keeper and is then free to be removed from Cyprus.

1.7 Can I take my tax-free vehicle to the UK without paying tax?

You may take your tax-free vehicle to the UK at the end of your tour without payment of UK customs charges provided that you:

- are in possession of a properly certified form BFC 414 issued by SBA Customs prior to the departure of you or the vehicle (see paragraph 1.6);
- have owned and used the vehicle in Cyprus for at least 28 days,
- retain the vehicle for a minimum of six months,
- retain the vehicle until it has travelled a minimum of 6000km under its own power; and
- notify the DVLA GB or DVLA NI immediately on your arrival in the UK and satisfy all legal requirements as may be notified by the UK authorities.

Note: Failure to meet these conditions will result in the withdrawal of the relief and you may be liable for the tax subsequently payable on the vehicle.

1.8 How many tax-free vehicles can I take to the UK?

Each entitled person may remove one tax-free vehicle in respect of each adult member of their immediate household, to the UK at the end of their tour.

Consideration will be given to individual applications if you wish to request the exportation of additional vehicles. Such applications are at the discretion of SBA Customs and are granted on an exceptional basis.

Note: There is no restriction on the number of vehicles owned and used in Cyprus; provided SBA Customs are satisfied they are for the exclusive use in accordance with 1.4 above. However due to the restriction on the number of vehicles that may be shipped to the UK, you should consult SBA Customs prior to the acquisition of additional duty-free vehicles if it is your wish to send more than the number of vehicles described above.