

Cyprus and European Union Cash Controls

May 2010

I. Cash Entering or Leaving Cyprus and the EU
<p>All travellers entering or leaving the EU with €10,000 or more in cash must declare the sum to Customs in order to comply with Regulation (EC) No 1889/2005 of the European Parliament and of the Council in force since 15 June 2007.</p> <p>Banks in Cyprus can accept more than the equivalent value of €10,000 in cash only if it is accompanied by a Customs Declaration and evidence documenting the source of origin of the money. If no Declaration or other supporting documentation is presented, the Bank can reject the funds and inform the appropriate authorities.</p>
II. Who must make a declaration?
<p>Any person entering or leaving the European Union through the external control points:</p> <ul style="list-style-type: none"> ▪ With €10,000 or more in cash; or ▪ Its equivalent in other currencies or easily convertible assets (e.g. bonds, shares, traveller's cheques).
III. Where must I make the declaration?
<p>The declaration must be completed and lodged with Customs (or other competent authority) at the control point through which you enter or leave the EU.</p>
IV. Why must I make a declaration?
<ul style="list-style-type: none"> ▪ To deter illegal activities such as money laundering and the financing of terrorism by disrupting the movement of illicit funds ▪ To comply with European Union legislation ▪ To avoid penalties for non-compliance
V. What if I fail to complete the declaration or submit a false one?
<ul style="list-style-type: none"> ▪ The cash could be detained or seized ▪ You could be subject to penalties

NOTES:
<p>(i) Source of information: Publications Office of the European Union, www.publications.europa.eu, 2009</p> <p>(ii) The above is intended to provide a brief guide only. It is essential that appropriate professional advice is obtained. Totalserve Management Ltd will be glad to assist you in this respect. Please do not hesitate to contact us.</p>