



# Full-time employee details for Cyprus

With Deel, your business can easily hire employees in Cyprus. No more worrying about local laws, complex tax systems, or managing international payroll. Deel takes care of everything in 150+ countries.



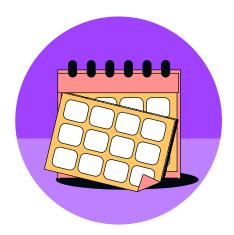
**Currency**Euro (EUR)



Employer Cost 15.4%\*



Onboarding
3 business days



Payroll Cycle

Monthly



### **Benefits**

Deel allows you to provide localized benefits for employees in Cyprus within minutes. All in one manageable online dashboard.

#### **Mandatory Benefits**



Social Insurance



Public Health Insurance



Employers' Liability Insurance



Redundancy Fund

#### **Additional Benefits**



Private Health
Insurance (optional)



Global Life Insurance (optional)

Deel has partnered with both Allianz and Unisure, two recognized leaders with decades of experience offering comprehensive international health coverage.

With Deel Health, you can offer your employees and their families exceptional medical coverage and peace of mind, no matter where they are in the world.

Both Allianz and Unisure offer a range of global plans with options for individuals and families, as well as additional services like vision care, dental coverage, wellness, and more.

Deel has also partnered with Allianz to offer optional global life insurance coverage.

Plan pricing varies by location and age. Please contact us for full details.

### Pay & Tax

Minimum Wage Requirements The minimum wage is EUR 1000 per month. However, during the first six months of employment, it can be EUR 900.

Overtime Pay & Maximum Hours

Overtime payment is not mandatory and it can be agreed in the employment agreement.

Standard working hours are 8 hours per day, 40 hours per week. The standard workweek is from Monday to Friday.

Employees working in the retail and sales industries can have a standard 8 hours per day, 48 hours per week from Monday to Saturday.

#### **Payroll Schedule**

#### Employee paid: 30th (or last day) of month

Schedule	Date
Payment date	Last working day of the month
Payroll cycle	1st - end of month
Payroll cut off date	15th of the month
Invoice issued	26th of the month
Payment date	Last day of the month

#### **Bonus**

An employee is not legally entitled to additional bonuses. However, an employer can grant voluntary bonuses that will be taxed as salary.

#### **Individual Income Tax**

The individual income tax ranges from 0% to 35%. Income tax is calculated according to progressive rates. Multiple additional factors may impact overall rates such as the household status and the number of children.

Gross Annual Income	Tax Rate (%)
Up to €19,500	0%
From €19,500 to €28,000	20%
From €28,000 to €36,300	25%
From €36,300 to €60,000	30%
Over €60,000	35%



### **Leave Policy**

#### **Maternity Leave**

Pregnant employees who have worked for 180 consecutive days for the same employer are entitled to 18 weeks of paid leave. Two weeks must be taken before the child's birth. The employee will receive 72% of their salary during this period, and Social Security will be responsible for this pay. The employee can extend leave at the employer's sole discretion and with no payment.

#### **Paternity Leave**

Employees who have worked for 180 consecutive days for the same employer are entitled to 14 days of paid paternity leave. Leave must be taken within the first 16 weeks after the birth of the child. The employee will receive 72% of their salary during this period, and Social Security will be responsible for this pay.

The employee can extend leave at the employer's sole discretion and without payment.

#### **Parental Leave**

Employees are entitled to 8 months of parental leave. Both parents can decide how to distribute the time off, which should be taken after paternity and maternity leave. Either parent can take parental leave. This leave will be unpaid.

Parental leave can't be extended.



#### **Sick Leave**

Employees are entitled to paid sick leave for up to 156 days. This leave is paid at different rates and by different payers depending upon length:

Period	Pay	Payer
0 - 3 days	100% of base salary	Employer
4 - 156 days	60% of base salary	Social Security

### **Termination**

#### **Conditions**

Terminations in Cyprus can be complex. There is no at-will termination in Cyprus for employers, and termination must be done for just cause.

Compliant terminations include:

- Voluntarily by the employee
- By mutual agreement
- Unilaterally by the employer based on:
  - Probation period
  - Serious offense by the employee
  - Disciplinary dismissal
- By the expiration of the contract

If the employee is to be fired, the employer must do so within a specified period after the cause of dismissal has taken place.

Otherwise, dismissal can be considered unlawful. The timeframe for notice must be reviewed as a case by case by the legal counsel.



#### Severance

In Cyprus, all employees who are unlawfully terminated or terminated due to the employer's behavior are entitled to severance pay.

Severance pay depends on the length of the service:

Length of service	Severance
Up to 4 years	2 weeks pay
5 - 10 years	2.5 weeks pay
11 - 15 years	3 weeks pay
16 - 20 years	3.5 weeks pay
20+ years	4 weeks pay

An employee is not entitled to compensation for termination of employment if they have attained the pensionable age before the date of tyheir employment termination.

#### **Notice Period**

The minimum notice period is seven days and will be increased according to the length of the employment.



Length of service	Notice period
Up to 51 weeks	1 week
Up to 103 weeks	2 week
Up to 155 weeks	4 weeks
Up to 207 weeks	5 weeks
Up to 311 weeks	6 weeks
312+ weeks	7 weeks pay

### **Statutory Time Off**

#### **Paid Time Off**

Full-time employees are entitled to 20 working days of paid time off (PTO) a year. Employees working six days a week, are entitled to 24 working days of paid time PTO per year. PTO accrues monthly at 1.67 days per month and the employee must take leave in the current calendar year accrued.

#### **Public Holidays**

Cyprus celebrates 16 national holidays.

National public holidays include:

- New Year's Day
- Greek Monday
- National Day
- Orthodox Good Sunday
- Labor Day
- Assumption Day
- Ochi Day
- Christmas Day

- Epiphany Day
- Greek Independence Day
- Orthodox Good Friday
- Orthodox Good Monday
- Orthodox Pentecost Monday
- Cyprus Independence Day
- Christmas Eve
- Boxing Day



### **Employee Agreement**

#### **Details & Conditions**

Contracts can be in English, Greek, or both languages. They must be in writing and signed by both parties.

A contract must include:

- Name
- Start date
- Length of the employment
- Job description
- Termination conditions

Contract backdating is not allowed.

#### **Probation Period**

Probation periods are not mandatory. The maximum probation period is 180 days (six months) and can be extended up to 2 years.

### Onboarding

#### **Timeline & Requirements**

Onboarding takes three business days.

For non-EU citizens, a medical check before the start date is required and the onboarding time frame will vary on this factor.

The hiring process includes registering the employee in Social Security.

This must be done at least 1 day before the start date.

#### **Compliance Documents**

- Passport / ID
- Residence certificate
- Income Tax Declaration IR59 2022

### **Employer Cost**

#### **Cost Breakdown**

The employer cost is generally estimated at 15.40% of the employee salary.

- Social Security 8.80%\*
- Social Cohesion fund 2%
- Human resources 0.5%\*
- Redundancy fund 1.2%\*
- General Health care system 2.9%\*\*
- \*Up maximum salary for the contribution of EUR 5,239
- \*\*Up maximum salary for the contribution of EUR EUR 15,000







## Learn how Deel can help you grow your international team effortlessly

Deel has everything you need to compliantly hire, pay and manage contractors and employees in 150 countries. Think onboarding, contracts, expense management, benefits, payroll and built-in integrations to help you stay compliant with local laws for your international team.

Book a demo at <u>www.deel.com/request-a-demo</u>