

Cyprus and India address issue of effective exchange of information and the Cyprus-India tax treaty

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The Cypriot government announced in a [press release](#) that, on 26-28 November 2013, consultations were held between Cyprus and India in New Delhi addressing the issues of:

- an effective exchange of information between Cyprus and India; and
- the renegotiation of the existing 1994 Cyprus-India income and capital tax treaty.

The consultations are the result of India's move to declare Cyprus as a "notified jurisdictional area". For prior coverage, see [India declares Cyprus a notified jurisdictional area and suspends treaty benefits](#) and Cyprus seeks talks on [India's decision to suspend treaty benefits](#).

The delegations agreed that the issue of effective exchange of information may be addressed by:

- agreeing to adopt the provisions of the new article 26 of the OECD Model (2010) in a new tax treaty between the two countries that is expected to be finalised soon; and
- improving the channels of communication and exerting every effort in facilitating each other in processing requests and responses in a swift and effective manner.

Once the notification of Cyprus as a "notified jurisdictional area" is repealed, it will be with retrospective effect from 1 November 2013, the date when the notification of India was issued.

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