



**CYPRUS SECURITIES AND EXCHANGE COMMISSION**

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**TO : Cypriot Investment Firms**  
**FROM : Cyprus Securities and Exchange Commission**  
**DATE : 14 November 2012**  
**CIRCULAR No : CI144-2012-21**  
**FILE No : E.K. 6.1.14**  
**SUBJECT : Proposal for a Council Decision authorizing enhanced cooperation in the area of Financial Transaction Tax**

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The Cyprus Securities and Exchange Commission (the 'CySEC') wishes, with the current circular, to inform the Cypriot Investment Firms (the 'CIFs') that there is a procedure going on in the European Council for the implementation of the proposed Directive on a common system of financial transaction tax<sup>1</sup> (COM(2011) 594) based on an enhanced cooperation<sup>2</sup>.

An enhanced cooperation can be established if there is a request from at least nine (9) Member States to the European Commission. If their request is approved, then they can implement the tax in their own jurisdictions.

As at the moment the countries which have applied for the introduction of the financial transaction tax are the following: France, Germany, Belgium, Greece, Slovakia, Slovenia, Italy, Spain, Portugal, Estonia and Spain (Group 1).

In view of the fact that the proposal for enhanced cooperation is still under negotiation and in order to assist the Ministry of Finance in formulating the Cyprus position, the CySEC requests the CIFS to provide it with information analyzing the transactions (purchases and sales) in (a) shares and bonds and (b) financial derivatives with any entities established in (a) the above mentioned countries (Group 1), (b) other European Union Member States (Group 2) and (c) third countries (Group 3). These should include

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<sup>1</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0594:FIN:EN:PDF>

<sup>2</sup> [http://ec.europa.eu/taxation\\_customs/resources/documents/taxation/com\\_2012\\_631\\_en.pdf](http://ec.europa.eu/taxation_customs/resources/documents/taxation/com_2012_631_en.pdf)

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all transactions whether executed on any trading venue (regulated market, MTFs, etc) or over-the-counter.

CIF Name	<b>Group 1</b> (France, Germany, Belgium, Greece, Slovakia, Slovenia, Italy, Spain, Portugal, Estonia and Spain)		<b>Group 2</b> (EU Member States except those in Group 1)		<b>Group 3</b> (Third Countries)	
	<b>Total value of purchases and sales of shares and bonds as estimated for the year 2012</b>	<b>Total value of purchases and sales of financial derivatives as estimated for the year 2012</b>	<b>Total value of purchases and sales of shares and bonds as estimated for the year 2012</b>	<b>Total value of purchases and sales of financial derivatives as estimated for the year 2012</b>	<b>Total value of purchases and sales of shares and bonds as estimated for the year 2012</b>	<b>Total value of purchases and sales of financial derivatives as estimated for the year 2012</b>
	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>	<b>€000</b>

For ease of compilation of the information please complete and submit the above information in the format of the excel file (herewith attached) to Mrs Elena Alkiviadou, at the email address [ealkiviadou@cysec.gov.cy](mailto:ealkiviadou@cysec.gov.cy), as soon as possible but not later than the **23<sup>rd</sup> November 2012**, the latest.

In the case that this collection of information is not applicable to you, please respond indicating in your email that it is not applicable.

Yours sincerely,

Demetra Kalogerou  
Chairman  
Cyprus Securities and Exchange Commission

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