



The Global Residence Programme

October 2016

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Malta

'Small in Size, Big in Popularity' is the picture given by the InterNations 2015 report of the Maltese Islands. A former British colony, Malta boasts idyllic climate, leisure possibilities and quality healthcare, making the small nation a top destination for expatriates. English is widely spoken which facilitates settling in and overcomes language barriers. An economic overview report published by the European Commission forecasts a steady performance of Malta's gross domestic growth while maintaining a low inflation and unemployment rates.

At a Glance

Benefits

- 15% flat tax rate on taxable remittances to Malta
- Reside in Malta
- Visa-free travel throughout the Schengen Areas
- Access to Maltese Double Tax Treaty relief

Main conditions

- Residential property in Malta: Purchase min €275,000; rental min €9,600 (less if located in the South of Malta or Gozo), occupied by the beneficiary as their principle place of abode worldwide
- Health insurance
- Minimum tax of €15,000 payable per annum
- Spend less than 183 days in any other single jurisdiction
- Administration fee of €6,000 (reduced to €5,500 in certain circumstances)



The Programme

The Global Residence Programme (GRP), launched in 2013, enables qualifying applicants and their dependents to benefit from a flat tax rate of 15% subject to satisfying certain conditions, including:

- Is not a national of Malta or any other EU/EEA state;
- Holds a qualifying property by way of purchase at a minimum value of €220,000 or by way of lease at a minimum rent of €8,750 per annum for properties in Gozo or the South of Malta (per a predefined list of qualifying areas). For properties purchased anywhere else the minimum property value is €275,000 or minimum rent of €9,600 per annum for leaseholds. Notes: the property cannot be sublet, only the beneficiary and their dependents per the Programme may reside in the property.
- The beneficiary is not benefitting from any other special tax status or residence programme (other than the Malta Residence and Visa Programme);
- Pays an annual minimum tax of at least €15,000 upon income arising outside of Malta which is received in/ remitted to Malta;
- Applicants receive regular and stable income to maintain themselves and their dependents;
- Does not spend more than 183 days in any other single jurisdiction;
- Holds a comprehensive health insurance covering himself and all dependents for all risks across the whole of the EU;
- Can adequately communicate in one of Malta's official languages (Maltese or English);
- Is of good character.

Tax implications

The status grants the beneficiaries and their dependents a flat 15% Malta tax rate on income arising outside of Malta which is remitted to/ received in Malta, subject to the minimum tax mentioned above. Any chargeable income arising in Malta would generally be taxable at a flat 35% rate of tax. While income arising outside of Malta which is not received in/ remitted to Malta, and any capital gains arising outside of Malta, would not be subject to Maltese tax.

Points to note

The status does not in and of itself entitle the holder to exercise any rights other than those expressly granted. For example, the exercise of employment activity remains subject to the employment license requirement.

Further, although only the beneficiary and their dependents are entitled to reside in the qualifying property, household staff (subject to various conditions) may reside with the beneficiary however they would not be entitled to benefit from the same benefits and tax rates granted under the Programme.



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Printed in Malta.