

**BDO MALTA**  
**Malta Tax Facts 2012**



## 1. Personal Income Tax

Resident married couples: joint rates		
Taxable income	Tax Rate	Tax
€	%	€
0 – 11,900	0	0
11,901 – 21,200	15	1,395
21,201 – 28,700	25	1,875
Over 28,700	35	∞

Resident single persons and married couples: 'single' rates		
Taxable income	Tax Rate	Tax
€	%	€
0 – 8,500	0	0
8,501 – 14,500	15	900
14,501 – 19,500	25	1,250
Over 19,500	35	∞

Parental computation		
Taxable income	Tax Rate	Tax
€	%	€
0 – 9,300	0	0
9,301 – 15,800	15	975
15,801 – 21,200	25	1,350
Over 21,200	35	∞

Non-residents (married or single)		
Taxable income	Tax Rate	Tax
€	%	€
0 – 700	0	0
701 – 3,100	20	900
3,101 – 7,800	30	1,250
Over 7,801	35	∞

Returned migrants			
Married		Single	
First €5,900	0%	First €4,200	0%
Excess	15%	Excess	15%

*Subject to minimum annual tax liability of €2,325 after double tax relief*

Special 15% Tax Rate
Permanent residence permit holders <i>Subject to minimum annual tax liability of €4,192 after double tax relief.</i>
High Net Worth Individuals <i>Subject to minimum annual tax liability of €20,000 after double tax relief.</i>
Highly Qualified Individuals <i>Subject to minimum income of €75,000.</i>

Employment outside Malta
15% flat rate if employed with Maltese employer

## 2. Tax depreciation

Category	Rate (%)
Computers and electronic equipment	25
Computer software	25
Motor Vehicles	20
Furniture, Fixtures, Fittings & Soft Furnishings	10
Equipment used for construction of buildings and excavation	16.67
Catering Equipment	16.67
Aircraft: airframe & engine	16.67
Aircraft :engine or airframe overhaul	16.67
Aircraft: interiors & other parts	25
Ships and vessels	10
Electrical & Plumbing Installations and Sanitary Fittings	6.67
Cable Infrastructure	5
Pipeline Infrastructure	5
Communication & Broadcasting Equipment	16.67
Medical Equipment	16.67
Lifts and Escalators	10
Air-conditioners	16.67
Equipment mainly designed or used for the production of water or electricity	16.67
Other machinery	20
Other plant	10

## 3. Social Security

Employees	Basic weekly wage		Rate
	From	To	
Under 18 years	31.60	158.11	6.62
18 years & over	31.60	158.11	15.81*

*\* Or if employee chooses, 10% of basic weekly wage*

*Persons born up to 31.12.1961*

Persons with basic weekly wage between:	158.12	334.96	10%
Persons with basic weekly wage between:	334.97	n/a	33.50
<i>Persons born from 1.1.1962 onwards</i>			
Persons with basic weekly wage between:	158.12	378.50	10%
Persons with basic weekly wage between:	378.51	n/a	37.85
Students under 18 years	n/a	n/a	10% Max €4.38
Students over 18 years	n/a	n/a	10% Max €7.94
Employers pay an amount equal to that payable by employees.			

Self-employed	Basic weekly wage		Rate
	From	To	
Single persons who are not self-occupied	1,005	7,985	22.03
Self-employed & self-occupied persons whose net income is:	910	9,445	27.25
<i>Persons born up to 31.12.1961</i>			
Self-employed & self-occupied persons whose net income is:	9,446	17,417	15%
Self-employed & self-occupied persons whose net income is:	17,418	n/a	50.24

#### 4. Value added tax

VAT	Rate %	Applied to
Standard	18%	All taxable items except the below
Reduced	5%	Confectionery, medical accessories, printed matter, certain items for the exclusive use of the disabled, works of art, collector's items and antiques
Reduced	7%	Accommodation requiring a license

*Note: The above list is not exhaustive*

#### 5. Double tax treaties

Country	Minor S'holding	Major S'holding	Interest	Royalties
Albania	15	5	5	5
Australia	15	15	15	10
Austria	15	15	5	10
Barbados	15	5	0/5	0/5

Belgium	15	15	10	10
Bulgaria	0	0	15	10
Canada	15	15	15	10
China	10	10	10	10
Croatia	5	5	0	0
Cyprus	15	15	10	10
Czech Rep	5	5	nil	5
Denmark	15	0	nil	nil
Egypt	10	10	10	12
Estonia	15	5	10	10
Finland	15	5	10	10
France	15	5	10	10
Georgia	0	0	0	0
Germany	15	5	10	10
Greece	5	10	8	8
Hungary	15	5	10	10
Iceland	15	5	0	0
India	15	10	10	15
Ireland	15	5	0	5
Isle of Man	0	0	0	0
Italy	15	15	10	10
Jersey	0	0	0	0
Jordan	10	10	10	10
Korea	15	5	10	nil
Kuwait	0	0	0	10
Latvia	10	5	10	10
Lebanon	5	5	0	5
Libya	15	15	15	15
Lithuania	15	5	10	10
Luxembourg	15	5	nil	10
Malaysia	0	0	15	15
Montenegro	5	10	10	5/10
Morocco	10	6.5	10	10
Holland	15	5	10	10
Norway	15	15	10	10
Pakistan	15	15	10	10
Poland	15	5	10	10
Portugal	15	10	10	10
Qatar	0	0	0	5
Romania	5	5	5	5
San Marino	5	10	0	0
Singapore	0	0	7/10	10
Serbia	10	5	10	5/10
Slovakia	5	5	0	5
Slovenia	5	15	5	5
S. Africa	15	5	10	10

Spain	5	0	0	0
Sweden	15	nil	0	0
Syria	0	0	10	18
Tunisia	10	10	12	12
UK	0	0	10	10
UAE	0	0	12	12
USA	5	15	10/15	10

## 6. Stamp duty

Inter vivos transfers	
Immovable property	5%
Shares in property companies	5%
Other securities	2%
Auction sales	2.6%
<i>Emphyteutical grants (duty payable as a percentage of ground rent)</i>	
Not more than 25 years	12%
25 to 50 years	60%
50 to 75 years	80%
75 years and over	100%

Transmissions causa mortis (succession)	
	%
Immovable property	5
Shares in Maltese property companies	5
Shares in other Maltese companies	2
Other assets	0

Insurance policies	
Life	0.1% of sum assured
Other (except aviation, marine, export credit, suretyship & medical cover)	10% of premium
<i>(min. €11.65 or 10% if premium &lt; €11.65)</i>	

## 7. Statutory dates for the year 2012

Income tax	
Filing of income tax return	
<i>Individuals</i>	
Tax return & self-assessment	30 June
<i>Companies &amp; other bodies of persons</i>	
Accounting date ≤ 30 June	1 April
Accounting date > 30 June	Last day of 9 <sup>th</sup> month after accounting date
Payment of settlement tax	Tax return date
Payment of provisional tax by self-employed/self-occupied persons	30 April 201X 31 August 201X 21 December 201X
Payment of provisional tax for part-time self-employment	31 May 201X 30 September 201X 15 February 201Y
Monthly remittance of FSS and social security contributions deducted by employers	Last working day of following month
Payer's annual reconciliation statement (FS7)	15 February 2012
Social security	
Contributions by self-employed/self-occupied persons	On the provisional tax payment dates

## CONTACT

### BDO Malta

Tower Gate Place  
Tal-Qroqq Street  
Msida MSD 1703  
Malta

Tel no. (+356) 2131 3060  
Fax no. (+356) 2131 3064

www.bdo.com.mt  
info@bdo.com.mt

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