



THE GLOBAL RESIDENCE PROGRAMME

AT A GLANCE

MAIN CONDITIONS

- Non-refundable administrative fee of €6,000
- Property in Malta – minimum value if purchased: €275,000, minimum value if rented: €9,600 per annum
- Health insurance
- Annual minimum tax of €15,000
- Must spend not more than 183 days in a calendar year in any one other foreign jurisdiction

BENEFITS

- Residence in Malta
- Visa-free travel within the Schengen Area
- Ability to work in Malta (subject to obtaining a work permit)
- Remittance basis of taxation
- 15% flat tax rate on taxable remittances to Malta
- Malta's double tax treaties apply

The Global Residence Programme, introduced in July 2013, confers a special tax status on Non-EU/EEA/Swiss nationals. Applicants must satisfy certain conditions, which are listed here under:

INCOME TAX

- A flat rate of tax of 15% is charged on foreign source income received in Malta, subject to a minimum annual tax liability of €15,000 after allowing for any double taxation relief.
- Any income arising in Malta would, in turn, be taxable at 35%.

PROPERTY

- Applicants are required to purchase or rent immovable property in Malta or in Gozo.
- This property must be solely occupied by the applicant, his/her family members and household staff.
- If the property is situated in Malta the purchase value **should not be less than €275,000**.
 - If the property is situated in Gozo or in the South of Malta the purchase value **should not be less than €220,000**.
- Alternatively, an applicant may opt to rent property in Malta for not less than **€9,600 per annum**
 - If the property is situated in Gozo or in the South of Malta the minimum rent must not be less than **€8,750 per annum**.

The property so purchased or rented must be the applicant's primary residence and principal place of abode worldwide and cannot be let or sublet.

OTHER CONDITIONS

- Applicants must be in receipt of stable and regular financial resources.
- The main applicant and his/her dependants must be covered by a health insurance policy, providing coverage for all risks across the EU normally covered for Maltese nationals.

Although there is no requirement for a beneficiary to spend a minimum number of days in Malta, it is to be noted that beneficiaries under this programme may not spend more than 183 days in a calendar year in any one other foreign jurisdiction.

- Finally, applicants must satisfy a fit and proper test as set out by the Maltese Authorities and must hold a valid travel document.

ADMINISTRATIVE FEE

- A one-time administrative fee of **€6,000** is levied by the Malta Government (this is reduced to €5,500 if the Qualifying Property is situated in the South of Malta).

SUBMISSION OF APPLICATIONS

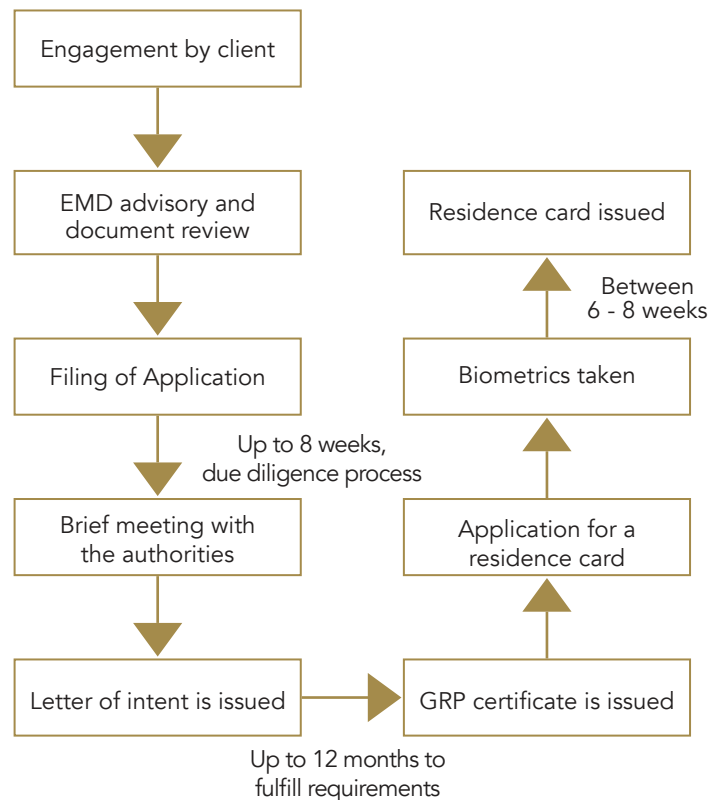
- Applicants for GRP status are required to submit the relevant application through an Authorised Registered Mandatory.

EMD, as an Authorised Registered Mandatory, may assist you with your application for residency under this Programme as well as with any tax and legal requirements.

ANNUAL COMPLIANCE

- An annual tax return must be submitted together with a Compliance Form confirming adherence to the Programme's requirements

APPLICATION PROCESS OVERVIEW



PURCHASE OF REAL ESTATE

Foreigners may freely purchase one residential property in Malta, subject to obtaining an AIP (Acquisition of Immovable Property) permit.

- This restriction does not apply to properties in Special Designated Areas and, in the case of EU citizens who have not been resident in Malta for at least five continuous years, to property which is to serve as their primary residence.
- Where one of the spouses is an EU citizen and the other spouse is a third country national, both can acquire property without the necessity of obtaining an AIP permit, provided the acquisition is being made to establish therein their primary residence.
- Also excepted is the acquisition of immovable property by an EU national for the conduct of one's business activity or for the supply of services by such person.
- On the other hand, EU citizens who have been resident in Malta for at least five continuous years may purchase any number of properties they wish.

Where the purchaser requires an AIP permit, the property must satisfy a certain minimum value which changes periodically.

IMPORTATION OF HOUSEHOLD GOODS AND FURNITURE

Individuals taking up residence in Malta may import their household goods and furniture into Malta free of VAT and import duties. If the imported goods originate from a country outside of the EU, residents are required by the customs authorities to make a deposit or provide a bank guarantee for the amount of VAT/duty in question. Generally VAT is due on goods imported from outside the EU. This is to ensure that there is a level playing field since within the EU VAT is levied on products and services. A VAT exemption may apply depending on the nature of the good (some foodstuffs, pharmaceuticals, medical supplies etc. and also goods on which customs duty is exempt but as described below a guarantee would then be required for a period of time). The guarantee is to ensure that persons do not abuse of the exemption and import goods that are not their personal belongings and then go on to sell the items in the EU and make a better profit since the cost would have been without VAT.

Upon evidence of stay in Malta for a cumulative period of 200 days in a period of 365 days, the deposit will be refunded.

Persons moving to Malta who owned a vehicle for at least 2 years before moving to Malta can import the vehicle free of registration tax, upon showing evidence of ownership for such period.



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EN-About Malta-v1/2020



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