



Doing Business in Malta



Built Differently

To Make the Difference

With over half a century of dedicated experience, CLA Malta is committed to your financial success. Learn more about our services. We invest time in understanding your unique goals, ensuring personalised strategies to get you where you want to be.



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Why Malta?

Described as one of the best places to reside worldwide, Malta is reputed to be an ideal choice for prospective investors seeking to do business in Malta.

Lying in the centre of the Mediterranean, Malta is part of the European Union, offering various incentives for businesses.

The island has been a member state of the EU since 2004 and was admitted to the United Nations in 1964.

Malta lies at the centre of the Mediterranean, 288 km north of Africa and 93 km south of Sicily. Boasting political stability, a sound banking system, and a very low crime rate, Malta is an ideal European financial hub with strong connections in both North Africa and the Middle East. The country enjoys over 300 days of sunshine, attractive beaches, and 7,000 years of history.

Malta also boasts a strong presence of foreign direct investment (FDI) thanks to its efforts in creating an ideal environment for foreign investors.



Capital City

Valletta - UNESCO World Heritage Site & European Capital of Culture for 2018



Language

Malta is a bi-lingual country, with both Maltese and English being the official languages. Italian is also spoken by the majority of the locals



Safety

Consistently ranked among the world's safest countries, with one of the lowest crime rates in Europe



Accessibility

Direct flights to & from all major cities in Europe & beyond. Mediterranean cruise liners regularly include Valletta as one of the ports on their itinerary



Currency

Apart from being a member of the EU, Malta also holds the Euro as its official currency



EU

Malta is part of the EU, Schengen Area, Eurozone and Commonwealth



Economy

Malta's economy is among the strongest in Europe with minimal unemployment levels (according to Moody's, S&P and Fitch)



Education

The country's high level education system is highly praised and recognised internationally



Malta - An Ideal Destination



Malta's economy is among the strongest in Europe with minimal unemployment levels (Moody's, S&P and Fitch) and a low company income tax system.



Malta has NO real-estate taxes, NO inheritance taxes and NO taxes on foreign income and gains.



Malta consistently ranks among the world's safest countries, boasting one of the lowest crime rates in Europe and a high degree of political stability.



A high level educational system with international recognition.



Malta is part of the EU, Schengen Area, Euro Zone and Commonwealth.



Top Quality medical services hub in Europe



Malta property prices rose approximately 7% in 2024, with continued year-on-year growth.



Renowned for top Mediterranean cuisine and availability of high level restaurants



Possibility of chartering yachts and visiting countries in the Mediterranean



CLA Malta

CLA Malta stands out from the rest. We are built differently and structured to provide innovative, client-first services in taxation, legal advisory, and corporate support across various industries.

Our philosophy is rooted in creating a collaborative environment where our team and clients prosper, guided by our core values of flexibility, engagement, and dedication.

With over half a century of expertise, CLA Malta is dedicated to providing top-tier service, ensuring efficiency, and driving businesses towards success. We're passionate about staying adaptable and ensuring active participation from everyone to accomplish all goals. Drawing from our extensive knowledge, we support local businesses' growth and assist international companies in establishing and succeeding in Malta.

Passion

Trust

Innovation

History

At CLA Malta, building your
success is not just our priority.
It's our passion.



Mission Statement

At CLA Malta, we are committed to redefining excellence in auditing, accounting, tax, and consultancy services. Built differently, we offer a personal touch, dedication to internationalisation, and a unique essence that allows us to serve our clients innovatively.

Our Built Differently approach fosters a collaborative and people-centric environment, empowering our team to develop their skills and capabilities.

This philosophy strengthens our firm and contributes to building a stronger community. We aim to deliver seamless, integrated solutions that support professional and personal growth and set us apart in the industry.

The Partners

CLA Malta in Numbers



80 Females



49 Males

Directors & Heads



50% Females



50% Males

Managers



56% Females



44% Males

Nationalities



19

Languages Spoken



26

Average Age



33

Leadership



Joseph Gauci
Founding Partner



Charles Scerri
Founding Partner



Dr Dennis Mark Gauci
Partner - Business
Development & Markets



Bernard Charles Gauci
Partner

Our People

CLA Malta's collaborative culture is reflected in the day-to-day operations of our firm and our team of professionals. We believe a positive and flexible work environment is essential for productivity and employee well-being.

CLA Global

CLA Malta is a network member firm of CLA Global.

CLA Global Limited ("CLA Global") is an international network and alliance of independent accounting and advisory firms. Established on 1 July 2022, the network supports privately owned, fast-growing, mid-market organisations with cross-border requirements through its member firms.

CLA Global is a company limited by guarantee incorporated in England and Wales. It does not provide professional services to clients. Services are delivered by member firms, each of which operates as a separate and independent legal entity.

1600+

Partners and
equivalents

15000+

People Pushing
CLA forward

235+

Offices



Our Services

Accounting

- Accounting & Bookkeeping
- Optimisation of Internal Accounting Procedures
- VAT Compliance

Advisory

- Corporate Finance & Restructuring
- Financial & Strategy
- Analysis
- Funding & Incentives
- Valuations
- Procurement & Tenders
- Start-Up Support

Global Mobility

- Citizenship
- Residency
- Retirement
- Work Permits & Tax Programmes

Legal

- Aviation
- Contractual Advice
- Insolvency &
- Liquidations Licensing
- Maritime
- Statutory Compliance

ICT

- Cybertraining & Cyberservices
- Reporting & Compliance
- ISMS
- IT audit
- MFSA compliance
- NIS2 assessment
- Pentesting
- vCISO

Audit & Assurance

- Audit
- Internal Audit
- Other Assurance Engagements

Corporate

- Entity Formation & Structuring
- Fiduciary
- Secretarial
- Payroll & Employee Administration
- Prospects MTF

Private Clients

- Aviation & Maritime
- Corporate, Business
- Family Office & Philanthropy
- Legal Advisory
- Lifestyle & Concierge
- Tax Planning & Compliance
- Trusts, Wealth Management & Preservation

Tax

- Advisory & Transactions
- Direct Tax Compliance
- Groups & Fiscal Units
- Mergers & Acquisitions
- Tax Efficiency

Marketing

- Rebranding & identity
- Graphic design
- Social media
- Campaign creative
- Brand guidelines
- Creative support

Business Structures



Limited Liability Company

Any person, resident or not, may set up a private limited liability company (LLC) in Malta with a minimum paid-up share capital of €233. By default, any LLC incorporated in Malta obtains Maltese fiscal residence and domicile, and is thus taxable on worldwide income.

A Maltese LLC would generally have the following characteristics:

- At any time, must have at least one director and one secretary (this could be the same person)
- Shareholders' liability is limited to their capital contribution
- By default, shares cannot be sold to third-party shareholders unless previously offered to other existent shareholders (although different pre-emption rights could be set)
- Must have its financial statements audited and submitted annually at the Registry of Companies.

▶ How long does it take to form a limited liability company?

Once all documents and signatures are in place, and the necessary due diligence testing successfully completed, a company is generally set up within 3 business days.

▶ Establishment procedure of a limited liability company

Once the company and all involved parties have been duly vetted for due diligence purposes, a corporate service provider (CSP) would submit on behalf of the prospective company the memorandum and articles of association, mainly highlighting the name (a name reservation facility in advance is available), registered address, main objectives (usually including a number of secondary objectives that entitle the company to perform its legal business, aside from the specified principal objectives), share capital composition and structure, board composition and the company's expected fixed duration, if any.

▶ Compliance obligations of limited liability companies

LLCs registered in Malta must prepare and submit an annual return on the date of the company's annual anniversary together with settlement of the annual fee, which ranges from €100 to €1,400. In addition, the company's annual audited accounts must be submitted at the Registry of Companies within 10 months after financial year-end (reduced to 7 months in case of public companies).

▶ Redomiciliation of limited liability companies

Malta allows for the redomiciliation in and out of LLCs in terms of 'continuation of companies' regulations. The income that arose before redomiciliation to Malta will not be taxable in Malta.

Branches in Malta

Presence through branches in Malta must be registered as overseas companies (OC) with the Registry of Companies. A branch is merely the extension of the actual foreign company and would have no separate legal entity.

▶ How long does it take to form an overseas company (branch)?

Once all documents and signatures are in place and the necessary due diligence testing successfully completed, an OC to act as a branch in Malta is generally set within 3 business days.

▶ Establishment procedure of an overseas company (branch)

Once the company and all involved parties are duly vetted for due diligence purposes, a CSP would submit on behalf of the prospective branch an authentic copy of the instrument of constitution, details of directors and secretaries, and a return outlining the key details of the prospective branch, such as name, registered address, and the activities to be carried out.

▶ Compliance obligations of an overseas company (branch)

Overseas companies generally have to submit financial statements consistent with those required for LLCs to the Registry of Companies. Where the accounting requirements of the place of origination differ from those of Malta, the Registry of Companies may still accept such accounts, subject to full and clear details about the activities in Malta being included.

Partnerships in Malta

Partnerships in Malta could be officially set up under either of two forms:

- Partnership en nom collectif in which all partners would have unlimited, joint and several liability, which could go beyond the initial capital contribution invested therein.
- Partnership en commandite in which at least one of the partners would have unlimited (general) liability. The capital of such partnerships may be divided into shares.

Unless a partnership en commandite has its capital divided into shares (in which case, it is to be treated as a company for tax purposes), all partnerships, by default, are to be considered 'transparent entities' for tax purposes, although they could elect to be treated as normal companies.

▶ How long does it take to form a partnership?

Once all documents and signatures are in place and the necessary due diligence testing has been successfully completed, a partnership in Malta is generally set within 3–5 business days.

▶ Establishment procedure of a partnership

A partnership en nom collectif is formed by drawing up a deed of partnership to be registered at the Registry of Companies and to include: (i) the name and residence of each partner; (ii) the partnership's name (iii) the registered office; (iv) objectives; and (v) the contribution of each partner.

A partnership en commandite is formed by drawing up a deed of partnership to be registered at the Registry of Companies and includes details of who will be the general and the limited partners.

Trusts in Malta

The Maltese legal system offers any person the possibility to open a trust under Maltese law. The law allows for great flexibility in the creation of a trust and thus allows all the main kinds of trusts to be established – including discretionary, accumulation and maintenance, fixed interest, spendthrift, charitable and unit trusts.

▶ How long does it take to form a trust?

A trust need not be registered with any authority for its creation and can be legally set up unilaterally or bilaterally, by oral declaration, or in writing. When creating a written trust, the settlor must appoint a licensed trustee. An exception to this rule exists when dealing with private and family trusts, where the law provides the possibility for the trust to be set up either by:

- (i) a notarial deed with a close family friend or relative acting as the trustee, or
- (ii) establishment of a private trust company – that is, a private trust services provider without a licence, providing trust services only to family members

▶ Establishment procedure of a trust

When establishing a written trust, the settlor simply needs to decide how they would like their trust to operate and ensure the trust deed is properly drafted for the beneficiaries. In this regard, the settlor can also be a beneficiary.

The settlor can also opt for the creation of an office of the protector to supervise the trustee in the management of the trust.

Once a trust is set up, ownership of all trust property passes to the trustee, not to the trust, since a trust lacks legal personality. Unless dealing with a charitable trust, a trust cannot last more than 125 years.

Associations in Malta

An association is created by persons for the purpose of either

- promoting private interests,
- promoting a trade or profession,
- achievement of a social purpose, or
- any other lawful activity on a non-profit-making basis.

An association is thus the typical body utilised for trade unions and organisations.

▶ How long does it take to form an association?

Although an association need not be registered to be validly constituted, an unregistered association has limited legal personality. By comparison, registered associations have full legal personality.

▶ Establishment procedure of an association

No special requirement exists in the establishment of an association. The persons involved simply need to create a statute that suits their purpose.

Foundation in Malta

A foundation in Malta can be established for a private interest or for a public purpose. Private interest foundations act in a similar way to a trust, and also act as a wealth management tool. Public purpose foundations, however, serve as charitable institutions or as bodies intended to promote a specific purpose.

▶ How long does it take to form a foundation?

Foundations are established by public deed and registered; despite this, the contents of private-interest foundations are confidential. The timeframe for establishing a foundation depends primarily on the founding members. The minimum capital requirements are €1,165 for a private interest foundation and €233 for a purpose foundation

▶ Establishment procedure of a foundation

Establishing a private-interest foundation requires a licensed entity to serve as the foundation's administrator, similar to a trust. The founders would thus need to establish a foundation deed for the beneficiaries. A public purpose foundation, on the other hand, does not require a licensed entity to administer the funds of the foundation. Unlike a trust, a foundation will have legal personality upon registration, and thus all foundation assets will be owned by the foundation.

Both types of foundation can also appoint an office of the protector to supervise the management of the foundation's assets. foundations can last indefinitely.

Tax and residence programmes



Tax and residence programmes

Malta Permanent Residence Programme (MPRP)

Applies to non-EU/EEA/Swiss nationals seeking permanent residence. Grants lifelong residence (subject to compliance), Schengen travel, and family inclusion. Requires sufficient assets, government contribution, property (purchase/lease), and donation.

Citizenship On The Basis Of Merit

Applies to both EU and non-EU nationals. Citizenship may be granted to individuals with exceptional contributions or of national interest. Discretionary process, subject to strict due diligence and ministerial approval.

Global Residence Programme (GRP)

Applies to non-EU/EEA/Swiss nationals. Provides 15% tax on foreign income remitted to Malta (min. €15,000). Requires qualifying property and stable income.

Malta Retirement Programme (MRP)

Applies to EU/EEA/Swiss pensioners. Offers 15% tax on foreign pension income (subject to minimum tax). Requires property and residence conditions.

The Residence Programme (TRP)

Applies to EU/EEA/Swiss nationals. Provides 15% tax on foreign income remitted to Malta (minimum tax applies). Requires qualifying property and financial self-sufficiency.

Nomad Residence Permit (NOMAD)

Applies to non-EU remote workers. For individuals working for foreign employers or clients. Allows residence in Malta, typically taxed at 10% on authorised income.



Citizenship On The Basis Of Merit

► Overview

Malta may grant citizenship to individuals who provide exceptional services, make significant contributions, or serve a particular national interest.

► Nature of the Programme

Citizenship is granted on a discretionary basis, subject to strict due diligence and ministerial approval.

► Who Can Apply

Eligible applicants include entrepreneurs, innovators, researchers, athletes, artists, and philanthropists.
Family members may also be included.

► Key Requirements

Applicants must demonstrate a genuine link to Malta, including residence, integration, and contribution, and satisfy strict compliance and background checks.



Residency By Investment (MPRP)

► Overview

The Malta Permanent Residence Programme (MPRP) grants permanent residence to non-EU/EEA/Swiss nationals.

► Key Benefits

- Lifelong residence (subject to compliance)
- Visa-free travel within the Schengen Area
- Inclusion of family members

► Key Requirements

- Sufficient financial resources and assets
- Acquisition or rental of qualifying property
- Government contribution and administrative fees
- Donation to a registered organisation
- Health insurance coverage

► Additional Advantages

- Access to healthcare and education
- Inclusion of dependants (spouse, children, parents)
- Long-term security and stability



Taxation System



Dividends and Capital Gains taxed at 0%

Generally, double taxation treaties provide that any gains derived by a Maltese company from the sale of shares in a subsidiary are taxable in Malta. However, the participation exemption regime grants a 100% tax exemption to companies registered in Malta from the taxable income and/or capital gains derived from a participating holding or from the disposal of such holding.

Quite significantly, the participation exemption regime exempts from tax any dividends derived by a Maltese registered company from a foreign participating holding that is not on the EU list of non-cooperative jurisdictions for Tax purposes. In 2013, the exemption was extended to cover the gains or profits derived from the transfer of holdings in companies and partnerships en commandite, the capital of which is not divided into shares and which are resident in Malta.

The tests which must be satisfied in order for the participation exemption to apply:

▶ Dividends or capital gains must be derived from a participating holding. A participating holding involves holding of equity shares by a Maltese registered company in a resident/non-resident company, in respect of which at least one of the following conditions are satisfied:

- The Maltese registered company owns at least 5% of the equity shares
- The Maltese registered company has the option to acquire the remaining balance of the equity shares
- The investment of the Maltese registered company amounts to €1,164,700 or more, and is kept for an uninterrupted period of at least 183 days
- The Maltese registered company is entitled to first refusal in the event of the proposed Disposal, redemption or cancellation of the remaining balance of the equity shares
- The Maltese registered company is entitled to sit on the Board

OR

- The holding of shares by the Maltese registered company is for the furtherance of its business, and the shares are not held for trading purposes

Participations in certain types of partnerships may also be deemed to be a 'participating holding'.

▶ The second test for the application of the participation exemption in respect of dividend income (not in respect of capital gains) requires the satisfaction of any of the following conditions:

- The participating holding is resident or incorporated in an EU member state
- Or
- The participating holding is subject to tax at a rate of at least 15%
- Or
- The participating holding has 50% or less of its income derived from passive interest or royalties

If none of the above three conditions is met, then the participation exemption in respect of dividend income applies only as long as the investment in the non-resident company is not held as a portfolio investment and the passive interest or royalties derived by the latter company would have been subject to tax at a rate of at least 5%. As of 1 January 2021, this no longer applies to dividends derived from a participating holding that is resident in one of the non-cooperative jurisdictions provided in the EU list for a minimum period of 3 months during the year.

This will not apply if it is proved that such holding maintains sufficiently significant people functions in that jurisdiction that are adequate and appropriate with the trading activity carried on in that jurisdiction and the income derived therefrom.



The Maltese participation exemption makes a 0% tax rate a reality. Income from foreign permanent establishments is also exempt in Malta.

Uses of Maltese Companies

1. Malta Intellectual Property (IP) Company

Maltese IP companies that derive royalty income are subject to numerous tax benefits. Firstly, if the royalty income in question is active (derived directly or indirectly from trade), it would be subject to an effective corporate tax rate of only 5%. On the other hand, if the royalty income is of a passive nature (not derived directly or indirectly from trade), this would be subject to an effective corporate tax rate ranging between 0% and 10%.

A tax deduction relevant to IP was introduced recently through a legal notice 208 of 2019 in favour of patent boxes. The deduction shall be applicable to qualifying income derived from a qualifying intellectual property (IP) on or after 1 January 2019.

The Maltese legislators' intention behind it is to encourage and attract local research and development (R&D), and motivate businesses to locate IP in Malta.

2. Malta iGaming Company

In addition to an effective corporate tax rate of only 5% (the lowest in Europe), Maltese iGaming and iBetting companies also benefit from very low gaming taxes and license fees. International statistics continuously show that Malta remains the number one iGaming jurisdiction in Europe. Such a status was only possible because Malta ensures the right balance between low-cost incentives and high EU-standard recognition.

3. Malta Trading Company

Maltese trading companies pay taxation on their worldwide income at an effective corporate tax rate of 5%, which is the lowest in Europe. In addition, Maltese trading companies also experience the following benefits:

- Access to an extensive network of double taxation agreements
- No particular substance requirements
- Trading losses may be transferred between group companies
- Fast company formation process.

4. Malta Shipping Company

The use of Maltese shipping companies for flagging or reflagging ships or yachts offers considerable fiscal and non-fiscal benefits.

As of 1 April 2018, Malta finally re-introduced the Tonnage Tax Scheme, strengthening our tonnage tax principles, whilst also promoting the registration of ships in Malta and Europe. The scheme provides that:

- Any income, profits or gains which derive from shipping activities carried out by a licensed shipping organisation may be exempt from tax, provided that the registration fees and tonnage taxes are duly paid
- A flat rate will be paid in accordance with net tons, where the regime specifies the standard rates applicable
- The inapplicability of the Social Security Act, provided that those involved are operating as officers or employees with a licensed shipping organisation, and are not resident in Malta
- No duty is chargeable with respect to the sale or other transfer of a tonnage tax ship or any share thereof.

5. Malta Aviation Company

The following are among the various fiscal incentives available in this sector one can find that:

- Income derived by non-Maltese resident operators from the ownership, leasing or operation of aircraft or aircraft engines used in international aviation business, such as transport of passengers or goods, will not be taxed in Malta unless such income is actually received in a Maltese bank account. This will apply despite the fact that the aircraft may be registered and/or operated in/from Malta
- Should any Maltese tax be incurred, eventually, should any tax be due in Malta, this may be lowered to an effective tax rate of 5%, via our tax refund system
- Malta offers a considerable cash flow advantage by manifesting accelerated tax depreciation rates for the aviation sector (6 years for the aircraft and engines and 4 years for interiors). For aircraft acquired on or after 1 January 2018, the accelerated tax depreciation rates shall be 4 years for the aircraft, engines and interiors.

Personal Taxation

There is also a substantial amount of benefits, from a private client perspective. Apart from the obvious Mediterranean indulgence, Malta offers highly attractive personal tax schemes. Mainly, for non-Maltese nationals, Malta levies no tax on worldwide income but only on locally sourced income and on foreign income received in Malta.

With effect from 1 January 2018, non-Maltese nationals will be subject to a minimum annual tax of € 5,000 in Malta. Additionally, one may also benefit from various schemes such as the Global Residence Programme, the Residence Programme, the Highly Qualified Persons Scheme, the Malta Retirement Programme, the Qualifying Employment in Innovation and Creativity Scheme, and the Maritime and Oil and Gas Services Scheme, which involves a flat tax rate of 15% on applicable income.

Malta Double Tax Treaties

Albania	Germany	Lithuania	Singapore
Australia	Greece	Luxembourg	Slovakia
Austria	Guernsey	Malaysia	Slovenia
Azerbaijan	Hong Kong	Mauritius	South Africa
Bahrain	Hungary	Mexico	Spain
Barbados	Iceland	Moldova	Sweden
Belgium	India	Montenegro	Switzerland
Bulgaria	Ireland	Morocco	Syria
Canada	Isle of Man	Netherlands	Tunisia
China	Israel	Norway	Turkey
Croatia	Italy	Pakistan	UAE
Cyprus	Jersey	Poland	United Kingdom
Czech Republic	Jordan	Portugal	United States of America
Denmark	Korea	Qatar	Uruguay
Egypt	Kuwait	Russia	Vietnam
Estonia	Latvia	Romania	
Finland	Lebanon	San Marino	
France	Libya	Saudi Arabia	
Georgia	Liechtenstein	Serbia	

...and others in the pipeline.

Industries



Aviation

Malta offers low cost opportunities which are in line with current market realities for aviation business. As an EU member since 2004, Malta fully complies with the standards and regulations of the European Aviation Safety Agency.

▶ Malta's Highlights in the Aviation Sector

- Aircraft can be registered in Malta by owners, operators, lessees, or buyers (even under construction and with fractional ownership).
- Non-resident operators are generally not taxed in Malta on international aviation income unless received locally.
- Effective tax can be reduced to around 5% through refund mechanisms.
- Attractive leasing structures (finance and operating) help minimise tax exposure.
- Accelerated depreciation (6 years for aircraft/engines, 4 for interiors) improves cash flow.
- Additional incentives and tax credits may apply.
- 0% VAT applies to most commercial aviation-related activities.

▶ Aviation Professionals

Individuals holding qualifying senior positions with Maltese undertakings in the aviation sector may benefit from a flat income tax rate of 15% on qualifying employment income, with no tax payable on income exceeding €7,000,000 per annum. Following the introduction of the consolidated Tax Treatment of Highly Skilled Individuals Rules (LN 20 of 2026), this scheme now operates under a unified framework valid until 31 December 2040, offering greater long-term certainty for both employers and senior professionals. The minimum annual salary threshold is €65,000, increasing by €10,000 every five years.

▶ The Fringe Benefit Exemption

Where an employee or officer of a company whose business activities include the ownership, leasing or operation of aircraft or aircraft engines used in the international transport of passengers or goods makes use thereof, this shall be deemed to arise from a fringe benefit and is therefore non-taxable.

▶ VAT Treatment

While aircraft supplied to international airline operators are generally exempt from VAT, owners of private or business jets do not qualify for the standard VAT exemption. A VAT scheme has been introduced for private and business jets acquired and leased, either to the owner or to third parties. The scheme allows the buyer to reclaim all VAT incurred on the initial acquisition when the aircraft is leased on a monthly basis.

Only the portion of use within EU airspace — calculated using a specialised formula — is subject to the standard 18% VAT rate.



Filming

Various locations in Malta and Gozo have appeared in international films, blockbuster movies and TV productions. The country's natural landmarks, architectural treasures, and the availability of experienced cast and crew — together with facilities such as large water tanks with a natural sea line backdrop — make Malta an ideal location for any production. Using Malta as a production base also offers some of the most competitive financial and fiscal incentives in Europe.

▶ Cash Rebate: Financial Aid

Malta offers a cash rebate of up to 40% of qualifying expenditure incurred while filming in Malta. This is one of the most competitive rates in Europe and applies to a broad range of productions — including full cinema features, TV productions, mini-series, animation, and documentaries — as long as the production is at least partially produced in Malta.

- The base cash rebate is 30% of qualifying eligible Malta spend.
- Productions that portray Malta as Malta and/or feature special Maltese cultural content can achieve a rebate of up to 35%.
- Where expenditure includes use of the Malta Film Studios (including the world-renowned water tanks), the rebate can reach 40%.
- From 1 January 2023, a mandatory contribution of 0.5% of the final eligible Malta spend applies to the Skills Development Fund, administered by Screen Malta.

Above-the-line eligible expenditures are capped at either €1 million or 30% of total Maltese eligible spend, whichever is higher. The programme is open to all international crews regardless of nationality.

▶ Tax Credit: Fiscal Aid

Eligible expenditures incurred for facilities used for filming and audiovisual productions may entitle the taxpayer to a tax credit of up to 50%. Companies that contribute to the production of local films and to training initiatives offered by the Malta Film Commission may also benefit from a 150% tax deduction, up to a maximum of €50,000.

▶ Investment Aid

The Maltese government also offers investment incentives in respect of film studios and sets, filming and editing facilities, and equipment. A €40 million government investment is currently underway to construct Malta's first purpose-built soundstages at Malta Film Studios, significantly expanding the island's production infrastructure.

▶ VAT Treatment

The standard VAT rate in Malta is 18%, while accommodation in hotels and licensed premises is subject to a reduced rate of 7%. VAT incurred on expenditure attributable to qualifying business activities is fully refundable in Malta.

▶ Films Shot in Malta

Malta's filming history includes *Gladiator*, *Gladiator II*, *The Count of Monte Cristo*, *Game of Thrones*, *World War Z*, *Troy*, *Munich*, *Popeye*, *Assassin's Creed*, *By the Sea*, *Asterix et Obelix: Au Service de Sa Majesté*, *The Devil's Double*, *Agora*, *The League of Extraordinary Gentlemen* — and many more.

Financial Services

The Financial Services sector in Malta continues to grow, with the island establishing itself as one of Europe's primary financial hubs. Malta boasts a solid investment services sector, with hundreds of funds and dozens of investment services firms established in Malta, alongside a significant number of providers in the banking, insurance and related sectors.

The financial services sector is regulated by the Malta Financial Services Authority (MFSA). As a regulated sector, there is an application process to follow, as well as a number of ongoing regulatory requirements depending on the company's sector and licence type.

A key element of the MFSA's assessment is the fitness and propeness of senior individuals within the company, including directors, the MLRO, and senior management. The MFSA analyses the competence, experience and financial soundness of such individuals to determine whether the management can effectively run the business.

Firms operating in Malta's financial services sector are also subject to the EU's Digital Operational Resilience Act (DORA), which came into force in January 2025. DORA introduces binding requirements on ICT risk management, incident reporting, and third-party risk oversight.

To obtain the necessary licences and meet ongoing regulatory obligations, prospective service providers require the assistance of a team of financial and legal professionals.



Fintech Services

Malta has long been at the forefront of crypto-asset and distributed ledger technology (DLT) regulation. In 2018, Malta was one of the first countries in the world to introduce a comprehensive domestic legal framework for virtual financial assets, blockchain technology and related services — earning widespread recognition as a pioneer in this space.

▶ The Transition to MiCA

Since 30 December 2024, the EU's Markets in Crypto-Assets Regulation (MiCA) has been fully in force across all EU member states, including Malta. MiCA introduces the first harmonised regulatory regime for crypto-assets across the EU, covering issuers of crypto-assets and Crypto-Asset Service Providers (CASPs) targeting EU clients.

To align with MiCA, Malta enacted the Markets in Crypto-Assets Act (Chapter 647, Laws of Malta) in 2024, which integrates MiCA's requirements into Maltese law and replaces the previous Virtual Financial Assets (VFA) Act as the primary framework for crypto regulation. The MFSA has also published a dedicated MiCA Rulebook to guide licensed entities through the transition.

Importantly, the key protections Malta's framework was known for — market integrity, consumer protection, financial stability, and transparency — are all preserved and strengthened under MiCA, which in many respects mirrors the approach Malta had already adopted under its domestic legislation.

▶ What This Means for Businesses

- Businesses already licensed under Malta's VFA framework prior to 30 December 2024 may continue operating under transitional provisions until 1 July 2026, or until their CASP authorisation is granted or refused under MiCA.
- Existing VFA service providers benefit from a simplified authorisation pathway under Article 143(6) of MiCA, enabling a structured and seamless transition to CASP status.
- New businesses seeking to operate in the crypto-asset space in Malta must apply directly to the MFSA for full CASP authorisation under MiCA.
- A CASP licence obtained in Malta carries EU passporting rights, enabling firms to provide services across the entire European Economic Area.
- The role of the VFA Agent has been removed; issuers and applicants now engage directly with the MFSA.

▶ Malta's Competitive Advantage

Malta's competitive advantage in this space is no longer simply its domestic framework — it is the depth of regulatory experience, institutional knowledge and legal infrastructure that two decades of fintech regulation have produced.

The MFSA is one of the most experienced crypto-asset regulators in Europe, and Malta's English-language legal system, established corporate services infrastructure and EU membership continue to make it one of the most accessible entry points to the European digital asset market.

Gaming Industry

Malta has established itself as one of the main global players in remote gaming, with a regulatory framework that was the first of its kind in the EU. This has resulted in a flourishing gaming sector driven by a combination of sound regulation, an efficient tax system, Malta's network of double tax treaties, the flexibility of Maltese company structures, and a wide range of residence schemes that facilitate the relocation of key personnel.

The Malta Gaming Authority (MGA) regulates and supervises all gaming licences in Malta. Following an overhaul of the licensing framework, the number of available licences has been streamlined to two:

- A B2B Licence — required for service providers offering critical or material services to B2C licence holders.
- A B2C Licence — available in four sub-categories depending on the type of betting service offered to customers.

In addition to the standard corporate tax system, all gaming companies engaged in B2C activity are subject to a flat 5% gaming tax on their gross gaming revenue. B2B operators are exempt from the gaming tax. Once obtained, an MGA licence is valid for 10 years.

Malta's gaming regulatory framework continues to evolve, with the MGA placing increasing emphasis on player protection, responsible gaming obligations, and robust anti-money laundering compliance. These standards contribute to Malta's reputation as a well-regulated, high-quality jurisdiction for the global gaming industry.

Manufacturing

Manufacturing is, in many ways, the bedrock of Malta's industrial sector and remains an important area of focus for economic development. Malta hosts a significant number of foreign direct investment operations in areas such as precision engineering, electronic components, automotive components, plastics and rubber, producing world-class products for some of the world's most recognised companies.

▶ Support Measures

Malta offers a number of fiscal and financial incentives to manufacturers, including:

- Investment Aid
- Access to Finance in the form of Soft Loans, Interest Rate Subsidies, and Loan Guarantees
- Tax refunds upon distribution of dividends to shareholders
- Double Taxation Agreements in force with over 80 countries
- Support for the enhancement and training of the workforce



Maritime

There are various regulations and legislation offering significant cost savings to ship owners who choose to fly Malta's flag on their vessels. The Maltese flag is not just a flag of convenience, but of confidence — well-respected worldwide. Malta's EU membership has reinforced its reputation as a low-risk flag state, and its international maritime register attracts clients from as far afield as South America and Asia.

▶ The Maltese Flag

Since Malta gained independence, ship registration has become a key driver of growth in its maritime sector. Over time, Malta has surpassed Greece and Cyprus to become Europe's largest ship registry and the sixth-largest globally.

By the end of 2023, the Malta Ship Registry reached a record 9,542 vessels, with a total gross tonnage of 81.7 million tonnes. The registry covers a wide range of vessels, including superyachts, tankers, cruise ships, LNG carriers, RORO ships, and bulk carriers, and is listed on the white lists of the Paris and Tokyo Port State Control MOUs.

From June 2025, Transport Malta introduced fully electronic certificates for ships and yachts, improving efficiency and aligning with international standards.

Malta also offers strong maritime services, including yacht marinas, shipbuilding and repair, cargo port facilities, and financial, legal, and insurance support.

▶ What Makes Malta's Flag Ideal?

- Yachts registered as commercial vessels may pay an annual tonnage tax rather than income tax on earnings.
- Possibility of VAT-friendly measures.
- Excellent protection laws for superyacht financiers against defaulters. Under the Merchant Shipping Act, the mortgagee is entitled to take possession of the yacht and sell it privately to a third party.
- Malta fully complies with EU and international shipping regulations, helping to attract top-quality ship operators.
- Malta offers a sound legal system and robust safeguards for both financiers and shipowners.

▶ What Makes Malta's Flag Ideal?

Malta offers a complete exemption from income tax on income derived from the shipping activities of Maltese vessels (both commercial ships and yachts) of 1,000 tonnes and over.

- Instead of income tax, Maltese shipping organisations pay an annual tonnage tax.
- Income from yacht chartering, operation or management is generally subject to an effective corporate tax rate of only 5%.
- With effect from 1 January 2024, a reduced VAT rate of 12% applies to short-term charters of pleasure boats not exceeding five weeks to the same customer within any preceding 12-month period.
- No restrictions on the nationality of the yacht's captain, officers or crew.
- Automatic exemption from income tax on income derived from shipping activities of Maltese vessels of 1,000 net tonnes and over.
- Upon application, an exemption from stamp duty applies on the sale or transfer of a Maltese vessel of 1,000 net tonnes and over, and on the allotment or transfer of any shares in a company owning such vessels.
- Competitive incorporation costs and registration fees.

Medical Cannabis

▶ How It All Started

Malta is one of the few countries in the world to have approved the use and possession of medical cannabis with a prescription. In March 2018, the President of Malta signed into law the Production of Cannabis for Medicinal Use Act, which provides the legal guidelines for those wishing to produce cannabis for medicinal purposes and describes the application process required.

In December 2021, Malta went a step further, becoming the first EU member state to legalise the personal use and home cultivation of cannabis for recreational purposes — a separate framework that underlines Malta's progressive and pragmatic approach to cannabis regulation.

Together, these frameworks position Malta as one of the most comprehensively regulated cannabis jurisdictions in Europe, offering clarity and legal certainty for operators in both the medicinal and adjacent sectors.

▶ European Market

Europe represents one of the largest and fastest-growing medical cannabis markets in the world. As regulatory frameworks evolve across EU member states and patient access continues to expand, Malta's established legal infrastructure, experienced regulatory authorities, and EU market access position it as a compelling base for medical cannabis producers seeking to serve the European market.

Real Estate

Being one of Europe's fastest-growing economies, Malta is an ideal place to invest in real estate. The Maltese property market has demonstrated consistent resilience and growth, driven by a steady influx of foreign workers, expatriates and international residents. As of 2024, property prices continue to appreciate, with the apartment sector in particular recording strong year-on-year growth, and average rental yields providing stable returns for investors.

▶ Malta Real Estate Investment Trust (REIT)

Following the government's commitment to introduce a REIT framework, the Malta Stock Exchange (MSE) was granted MFSA approval to amend its bye-laws to accommodate the listing of Real Estate Investment Trusts. Malta's REIT framework is now operational.

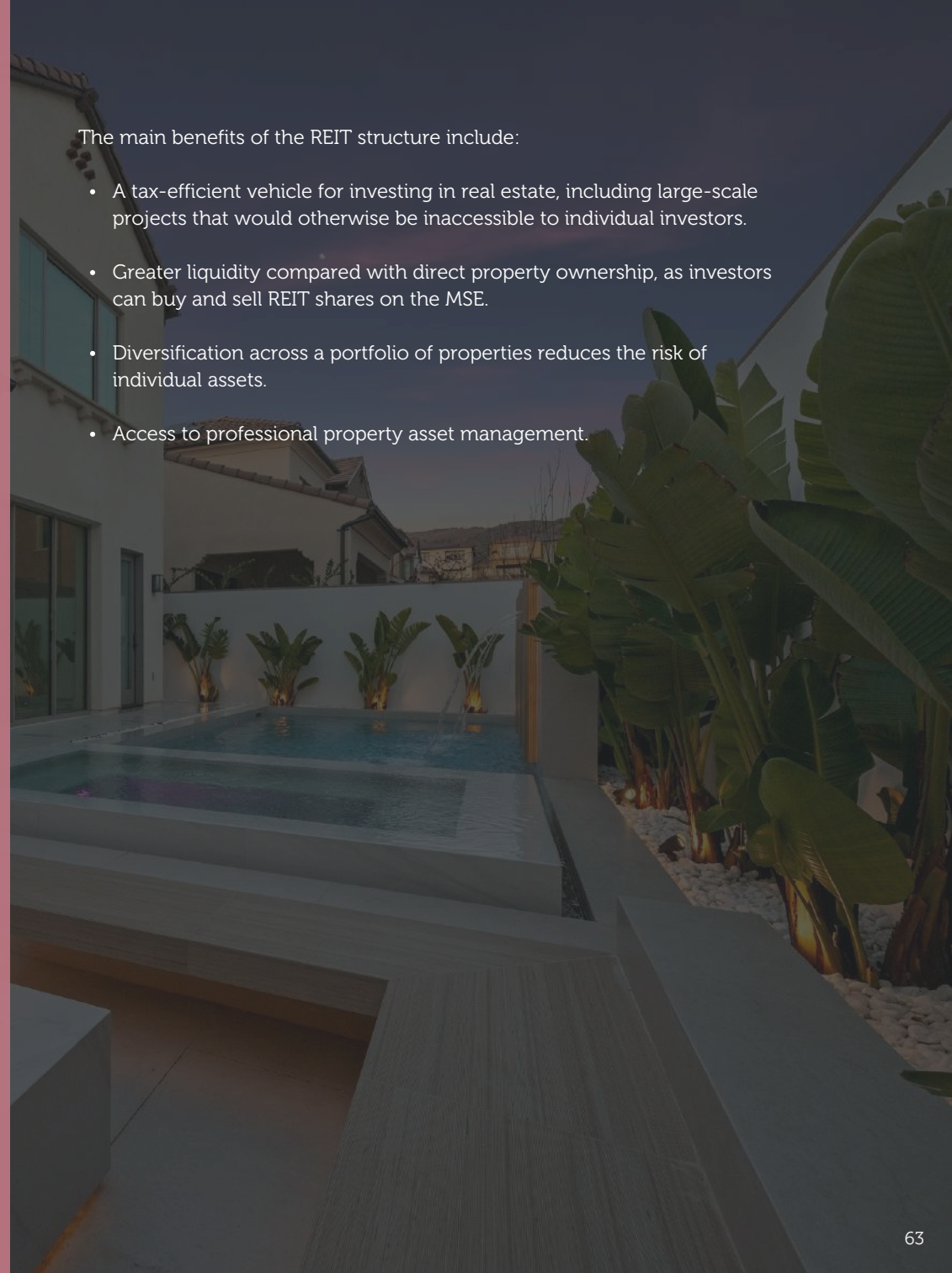
REITs are companies that own and manage a portfolio of properties, earning regular income through rents, which are then distributed to shareholders as dividends. To qualify as a REIT on the MSE, an entity must own at least three separate properties and distribute at least 85% of its distributable income to shareholders.

From a tax perspective, REITs may elect, on an annual basis, to have rental income subject to a 15% final withholding tax on gross rental income (provided the properties are not rented to related parties).

Investors receiving dividends from the REIT are not subject to further tax on that dividend income. Budget 2024 included additional fiscal incentives to further strengthen the REIT framework.

The main benefits of the REIT structure include:

- A tax-efficient vehicle for investing in real estate, including large-scale projects that would otherwise be inaccessible to individual investors.
- Greater liquidity compared with direct property ownership, as investors can buy and sell REIT shares on the MSE.
- Diversification across a portfolio of properties reduces the risk of individual assets.
- Access to professional property asset management.



Start-Up Accelerator

In offering some of the best start-up packages in Europe, coupled with abundant access to finance, Malta provides a fertile environment for early-stage businesses to take root and grow. With experience and guidance, we offer an exclusively holistic service that realises your true potential while ensuring adequate funding support to secure your future prospects.

▶ Our Advisory One-Stop Service

Setting up your business and establishing your online presence is only the start — building a sustainable growth trajectory is what will truly set you up for success. We invest in tomorrow's firms by prioritising your ideas and your vision.

▶ Current Malta Enterprise Support Schemes

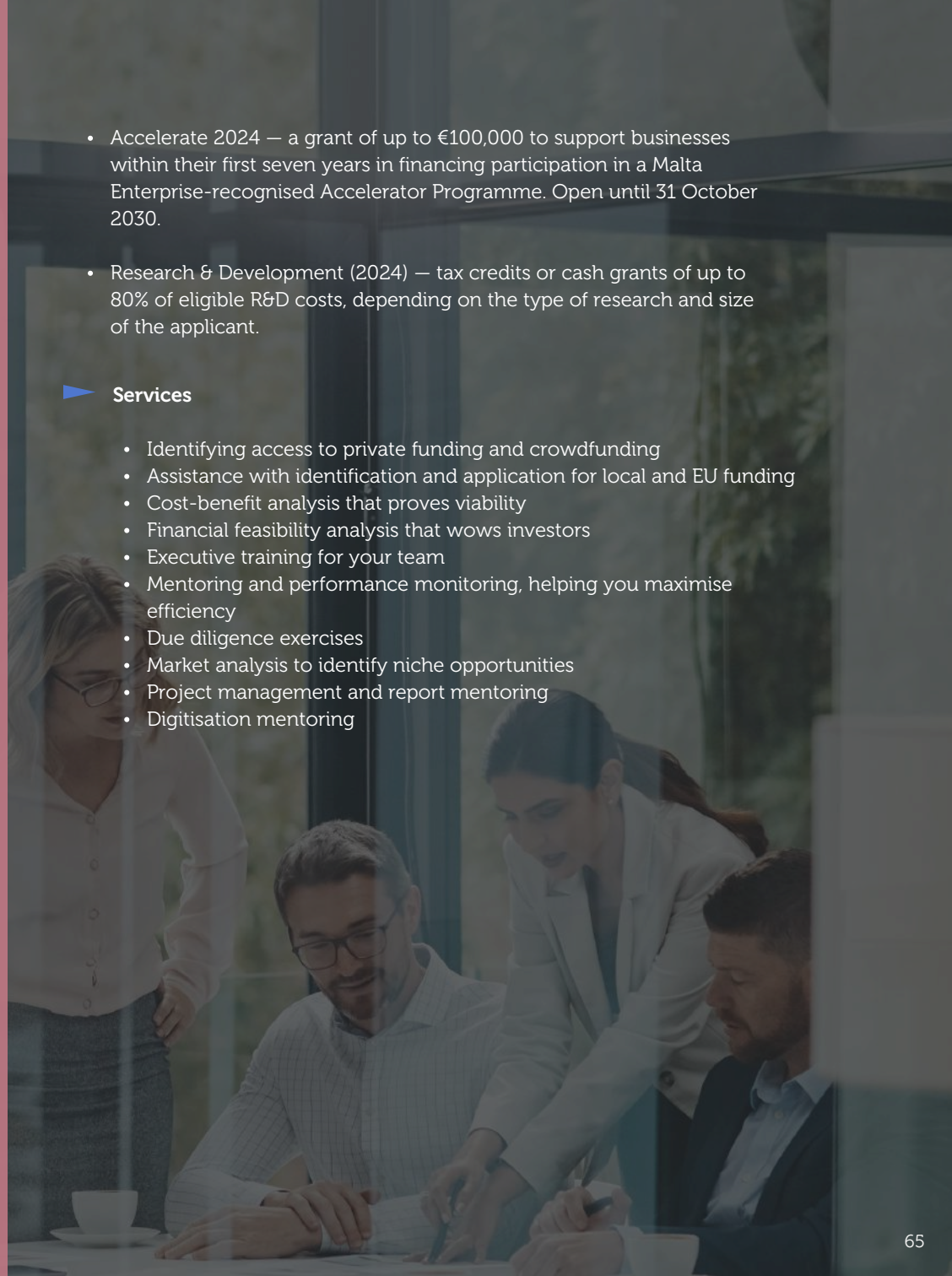
Malta Enterprise relaunched a comprehensive suite of support measures in January 2024. Schemes currently open include:

- Business Start — a cash grant of up to €10,000 for small start-ups with an economically viable business concept. Open until 31 December 2026.
- Start-Up Finance — a repayable advance of up to €1.5 million to support eligible payroll, asset procurement, materials and establishment costs. Open until 31 December 2026.
- Invest (Support for Initial Investment Projects) — tax credits, cash grants, loan interest subsidies and bank guarantees for qualifying initial investment projects commencing between 1 January 2024 and 31 December 2026, with aid intensities of 10–35% depending on undertaking size and location.

- Accelerate 2024 — a grant of up to €100,000 to support businesses within their first seven years in financing participation in a Malta Enterprise-recognised Accelerator Programme. Open until 31 October 2030.
- Research & Development (2024) — tax credits or cash grants of up to 80% of eligible R&D costs, depending on the type of research and size of the applicant.

▶ Services

- Identifying access to private funding and crowdfunding
- Assistance with identification and application for local and EU funding
- Cost-benefit analysis that proves viability
- Financial feasibility analysis that wows investors
- Executive training for your team
- Mentoring and performance monitoring, helping you maximise efficiency
- Due diligence exercises
- Market analysis to identify niche opportunities
- Project management and report mentoring
- Digitisation mentoring



Pharmaceutical

Malta is an ideal jurisdiction for pharmaceutical businesses, offering a highly skilled, English-speaking professional workforce, a booming life sciences sector, and one of the lowest effective tax rates in the EU. Since Malta's accession to the EU in 2004, its responsibilities as a member state include conformity assessments (Mutual Recognition) with other member states and non-EU countries, making Malta particularly attractive for companies that require recognition inside and outside the EU.

The local competent authority, the Malta Medicines Authority, adheres to its deadlines and timeframes and charges among the most competitive fees in Europe.

Schemes to Aid Pharmaceutical Companies in Malta

▶ Invest — Support for Initial Investment Projects (Launched January 2024)

This scheme supports Malta's industrial and economic growth by facilitating new investments and is open to pharmaceutical companies and other eligible sectors.

Projects must start between 1 January 2024 and 31 December 2026, with applications due by 30 September 2026. Support is offered through tax credits, cash grants, interest subsidies, and bank guarantees. Aid covers up to 35% of costs for small companies, 25% for medium-sized companies, and 10% for large companies, with higher rates available in designated areas.

▶ Research & Development (2024)

This scheme supports undertakings carrying out Industrial Research and Experimental Development projects. Aid is in the form of tax credits or cash grants calculated as a percentage of eligible R&D costs, ranging from 25% to 80% depending on the type of research and the size of the applicant. A cash grant of up to €100,000 is also available for feasibility studies.

▶ Business Development and Continuity Scheme

Tax credits or cash grants of up to €200,000 over a period of three fiscal years may be awarded to undertakings carrying out projects aimed at expanding their business operations or establishing an operational base in Malta. Eligible costs include: relocation of key personnel, temporary secondment of personnel, relocation of assets, operating expenditure, and wages and salaries.

▶ Other Schemes

- Start-Up Finance — financing innovative undertakings in their early stages of development (repayable advance up to €1.5 million).
- Micro Guarantee — facilitating access to debt finance for smaller business undertakings.
- Business Start — assisting small start-ups at the early stage of their development (cash grant up to €10,000).
- Accelerate 2024 — supporting businesses within their first seven years in financing participation in a recognised Accelerator Programme (grant up to €100,000).



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