

Malta will be soon introducing the new Global Residence Programme for foreigners; it will address non-EU, non-EEA and non-Swiss nationals only, and will drastically reduce the thresholds presently in place. The Global Residence Programme will stipulate that the minimum value of immovable property bought in Malta by foreigners be of €275,000. For property located in the South of Malta and in Gozo, the minimum value can be €220,000. The Global Residence Programme will also provide for those individuals who opt for renting rather than buying property. The minimum rental fee for properties located in Malta will be of €9,600 annually, while an annual rental fee of €8750 applies for properties located in the South of Malta and in Gozo. The minimum tax to be paid by such foreigners is €15,000 on income derived in Malta. Income remitted to Malta will be taxed at 15%, while income that arises in Malta shall be taxed at a flat rate of 35%.

The new Global Residence Programme will widen the definition of dependents. Brothers and sisters will also fall within the definition of dependents, together with direct relatives in the ascending line, provided that the Director of Inland Revenue is satisfied that these are dependents of the beneficiary of the Programme. Furthermore, employees such as carers have also been provided for in the new Global Residence Programme.

The application fee for the Residence Programme will be limited to €4,000 at application stage, and additional €2,000 will be due on the date the person takes up residence in Malta. Persons taking up residence in the South of Malta or in Gozo will benefit from a €500 reduction from the final €2,000 payment.

Guidelines and a legal notice are to be published by the end of June 2013