

MALTA RETIREMENT PROGRAMME

Sunset on Gozo, Malta

The Malta Retirement Programme (MRP) is a programme designed to attract nationals of the EU, EEA and Switzerland who are not in employment and are in receipt of a pension as their regular source of income. Nonetheless, persons benefitting from this programme may hold a non-executive post on the board of a company resident in Malta or participate in activities related to any institution, trust or foundation of a public character and any other similar organisation or body of persons, also of a public character, which engages in philanthropic, educational, or research and development work in Malta. With over 3,100 hours of sunshine a year and an average year-round temperature of 18.9°C, Malta is the perfect place for retirement.

Financial Requirements

Requirements	Malta	Gozo
Minimum Annual Property Rental	€9,600	€8,750
Alternatively Purchase of Immovable Property	€275,000	€250,000
Minimum Annual Tax	€7,500	€7,500
Non-Refundable Application Fee	€2,500	€2,500

Other Requirements

- Applicants must be in receipt of a pension which is received in Malta and constitutes at least 75% of the beneficiary's chargeable income.
- The applicant may not be a beneficiary under any other scheme.
- He/she must not be a Maltese National nor a third country national (Non EU).
- The applicant must not be domiciled in Malta nor, within five years from the date of application, intend to establish domicile in Malta.
- Possession of a valid travel document.
- Pass a Fit and Proper Test (submit an updated police conduct certificate).
- A Private Health Insurance Policy which covers all medical risks in Malta and EU.
- Must apply for a Registration Certificate in Malta in terms of the Free Movement of European Union Nationals and their Family Members.

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Tax Treatment

- Foreign source income, which is received in Malta, is taxable at the rate of 15%.
- The minimum annual tax liability is €7,500 in respect of the beneficiary and €500 per year for every dependent.
- Additional income that is not covered by these rules is charged separately at the rate of 35%.
- Possibility of claiming double tax relief but subject to the minimum annual tax liability.
- No inheritance taxes.
- Income from work outside of Malta is tax-free as long as not remitted into Malta.
- No net worth or wealth taxes.
- No tax on capital gains arising outside Malta, even if such gains are received in Malta.

Continuing Obligations

Once an individual has been granted the special tax status, he/she must comply with the following obligations on a yearly basis.

The applicant must:

- Not become a Maltese national or a third country national.
- Retain health insurance and continue to have stable resources.
- Not become domiciled in Malta.
- Maintain a qualifying property in Malta.
- Reside in Malta for a minimum of 90 days a year averaged over any five year period.

There are also special reporting obligations (filing of an annual tax return).

An application for special tax status under the MRP may only be submitted to the Commissioner for Inland Revenue through the services of an Authorised Registered Mandatory (ARM) and MJM Europe Limited is registered as such with the Inland Revenue Department. We would be pleased to offer assistance in obtaining MRP status.

NOTE: - Intended for general guide - specialist advice should be sought about your specific circumstances.



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