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Guidance note:

Global Residency Programme

Abie International 

Global Residence Programme Guidance Note

In June 2013, the Maltese Government launched the latest residence scheme the Global Residence Programme (“GRP”) – a residency and tax programme which provides favourable tax incentives for non-EU, non-EEA and non-Swiss Nationals seeking an alternative residence base in the Maltese Islands.

BENEFITS OF THE GLOBAL RESIDENCE PROGRAMME

Beneficiaries of a Special Tax Status under the Global Residence Programme (GRP) enjoy a flat rate of personal income tax of 15%, chargeable only on a remittance basis.

Foreign source income received in Malta is subject to Malta tax only if remitted to Malta while foreign capital gains are altogether outside the scope of tax in Malta.

Local source income arising from business, investment or other economic activity held in Malta is subject to tax at 35%.

A Minimum tax of €15,000 per annum applies covering all dependents.

Beneficiaries are not legally bound by minimum stay requirements. However, they are not permitted to spend more than 183 days in a calendar year in another jurisdiction.

IN ORDER TO QUALIFY FOR RESIDENCY UNDER THE GRP, AN APPLICANT WILL NEED TO SATISFY THE FOLLOWING CONDITIONS:

- The applicant is in receipt of stable and regular resources which are sufficient to maintain himself/herself and his/her dependants without recourse to the social assistance system in Malta;
- Applicant’s annual income must be not less than €100,000 arising outside Malta or applicant is in possession of capital of not less than €500,000;
- Applicant is in possession of a valid travel document;
- Applicant is a fit and proper person;
- Applicant is fluent in English or Maltese;
- Property purchased in the island of Malta must have a minimum value of €275,000 unless purchased in the South of Malta where the minimum value is of €220,000, or Gozo where the minimum value is of €250,000;
- If the applicant opts for rental of property, the property must have a minimum annual rental value of €9,600 (or €800 a month) in Malta and €8,750 (or €730 a month) in Gozo or in the South of Malta;
- Applicants must also take out an all-risks medical insurance – they will not be eligible to benefit from Malta’s free State healthcare system.

APPLYING FOR SPECIAL TAX STATUS UNDER THE GRP:

Special Tax Status under the GRP Rules must be applied for, through an Authorised Registered Mandatory and the non-refundable application fee is of €6,000 and €5,500 if the qualifying property is in the south of Malta.

The GRP Rules state that the beneficiary must continuously satisfy the obligations in terms of the Rules and also that the special tax status may be inherited.

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Abie International is authorised as a Registered Mandatory to assist individuals wishing to apply for this special tax status. For further information please contact:

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