

## FACTsheet - Residence and Retirement Programmes



The Government of Malta has recently launched new Residence Programmes that continue to build on the success of Malta's reputation in attracting expatriates seeking an alternative residence base. The aim of such Programmes is to formally recognise foreign nationals as tax residents for Maltese tax purposes after satisfying the eligibility criteria of the said Programmes.

There are specific residence programmes for both EU and non-EU citizens where individuals can benefit from a **low personal tax rate of 15%** on income arising outside Malta that is remitted to Malta.

These programmes vary on the basis of either Residence or Retirement. Under the Retirement Programme individuals residing in Malta cannot be in employment and 75% of their chargeable income must emanate from pension income. The **minimum tax** to be paid under the Retirement Programme is that of **€7,500** and €500 per dependent. In marked contrast to this, under the Residence Programme (EU individuals) and the Global Residence Programme (Non-EU individuals) individuals can be in employment and the minimum tax thereto is **€15,000**. Under these Programmes there also exists the possibility of claiming double tax relief.

One of the main criteria to be satisfied is that such individuals must hold a qualifying property being:

- Either holding of immovable property in Malta:
  - Property in Malta at a consideration of not less than **€275,000**;
  - Property in Gozo at a consideration of not less than **€220,000**.
- Or Renting immovable property in Malta (as a lessee):
  - Leased property in Malta at not less than **€9,600** p.a.
  - Leased property in Gozo or in the south of Malta at not less than **€8,750** p.a.

Other conditions to be met include possession of health insurance, a valid travel document and the receipt of stable and regular resources which are sufficient to maintain themselves and their dependants. Such individuals must be fit and proper persons who do not intend to establish their domicile in Malta. They must be fluent in either Maltese or English and must not reside for more than 183 days per calendar year in any other jurisdiction.

For further information on the above scheme and the Maltese fiscal benefits, kindly contact us by email at [info@factgroup.net](mailto:info@factgroup.net).