



MALTA RESIDENCE & VISA PROGRAMME & THE INDIVIDUAL INVESTOR PROGRAMME

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BDO Malta

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BDO MALTA

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A General Overview

BDO Malta, a Maltese civil partnership, is a Member Firm of BDO International Limited, a UK company limited by guarantee and one of the world's largest professional services firms..

Licensed by the Malta Financial Services Authority to act as Company Service Provider, trustee and fiduciary, and has a team of well-trained individuals with integrity and commitment to providing an excellent service tailored to meet all of a company's requirements.

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The different Support Units

The company and client is serviced by a multi-disciplinary team, organised into six support units:

- Audit;
- Corporate Services;
- Legal & Compliance;
- Accounts;
- Tax; and
- Business Development.



THE INDIVIDUAL INVESTOR PROGRAMME

INTRODUCTION

A couple of words

The Individual Investor Programme of the Republic of Malta (IIP) by virtue of Legal Notice 47 of 2014, allows for the granting of citizenship through a certificate of naturalization (i.e. citizenship) by investment to reputable individuals and their dependents provided they make a significant contribution to the social and economic development of the country, following a rigid and thorough due diligence process that includes detailed background checks.

WHY MALTESE CITIZENSHIP?

The key objectives for obtaining Maltese citizenship and the benefits gained will vary amongst individuals. However, generally speaking, such objectives and benefits may include:

- The gaining of citizenship within a well-respected and stable EU country;
- Access to all investment opportunities in Malta and throughout the European Union;
- Access to the Schengen Area;
- Right of establishment in all EU States and Switzerland;
- Visa-free travel to more than 160 countries in the world, including the USA;
- Possible tax planning benefits;
- A stable political system;
- Educational Opportunities.

APPLICATION REQUIREMENTS

- The applicant must be a resident of Malta for a period of 12 months preceding the issuing of a certificate of naturalisation and make a contribution to the economic development of Malta through the payment of a non-refundable contribution.
- Other conditions to be satisfied by the applicant:
 - Obtain a **Global Health Insurance** coverage of at least €50,000 for the principal applicant and each of the dependants,
 - Acquire **real estate** in Malta with a minimum value of €350,000 to be held for at least 5 years; or leased a residential immovable property in Malta for a period of 5 years, at an annual rent of at least €16,000.
 - Make **other investments** in Malta to an amount of €150,000 (held for a minimum of 5 years)

MINIMUM CONTRIBUTION REQUIREMENT

The following contributions to the Malta National Development & Social Fund/Consolidated Fund are non-refundable:

	Contribution	Due Diligence Fees
• Principal applicant	€650,000	€7500
• Spouse	€25,000	€5000
• Each dependant child aged 0-17	€25,000	€3000
• Each dependant child aged 18-26	€50,000	€5000
• Each dependant aged 55 or above	€50,000	€5000

Included are €10,000 which are non-refundable irrespective of success of application, (€5,000 for the Maltese e-Residence card and the remaining €5,000 to be paid on application).

The balance of €640,000 is to be contributed upon successful application.

TAXATION

- In itself, becoming a citizen of Malta under IIP does not require one to transfer his taxability to Malta. However, should the applicant consider this to be advantageous, one may carry out such a transfer.
- Individuals who are resident and domiciled in Malta are taxed on their worldwide income.
- Persons who move their residence to Malta but whose domicile of origin, or by choice, is outside of Malta are not subject to tax on worldwide income but are subject to tax when income and/or capital gains arise in Malta.
- Income arising outside of Malta is only taxed if such income is remitted to Malta. Foreign capital gains are not subject to tax in Malta, even if remitted to Malta and there are no inheritance, gift, or wealth taxes.

FACTS ABOUT MALTA

- Malta, a Member State of the European Union and an independent republic in the Commonwealth of Nations, consists of a small group of islands. The official languages are Maltese and English and the majority of the Maltese population speaks English fluently.
- The unit of currency in Malta is the Euro.
- It is a country that enjoys an excellent climate and is also considered to be significantly stable and safe, with a very low crime rate and a highly-educated and skilled work force.
- Malta has highly developed industries, particularly when it comes to tourism and the financial sector. The island is strategically linked - geographically, economically and politically - with Europe and the rest of the world.

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MALTA RESIDENCE & VISA PROGRAMME

- Malta has recently introduced a new residency scheme in terms of which a residency permit is granted confirming the right to land and remain permanently in Malta, to individuals who satisfy specified conditions.
- The certificate entitles the beneficiary and his dependants to reside, settle and stay indefinitely in Malta and constitutes an e-residence card entitling the holder to travel within the European Union, together with a valid travel document, without needing to request a visa.
- The certificate is monitored annually for the first five years from its issue, to verify adherence to the conditions and every five years thereafter.
- An application in terms of the regulations must be completed through a registered approved agent or accredited person and requires the payment of a non-refundable administrative fee of €5,500.

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Registered dependants for the purpose of the regulations are defined as individuals who have not benefitted from any other residence scheme in Malta and have any of the following relations with the applicant:

- the spouse of the main applicant in a monogamous marriage or in another relationship having the same or a similar status to marriage;
- a child, including an adopted child, of the main applicant or of his spouse who is less than eighteen years of age; or is between the age of eighteen and twenty-six years, who is not married, is not economically active and is principally dependant on the applicant;
- a parent or grandparent of the main applicant or of his spouse who is not economically active and is dependent thereon; or
- a special needs child of the main applicant or of the spouse of the main applicant.

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Upon the issuance of a written determination by Identity Malta that the applicant qualifies as a beneficiary, prior to the issuance of the certificate, the applicant must pay a contribution of **€30,000** (less the administrative fee already paid), plus present:

- a title to a qualifying immovable property, which if owned was purchased at a consideration of not less than €320,000 (reduced to €270,000 if the property is situated in Gozo or in the south of Malta) and if rented, taken on lease for a rent of not less than €12,000 (reduced to €10,000 if the property is situated in Gozo or in the south of Malta) per annum;
- a certificate to a qualifying investment which is an investment having an initial value of €250,000.

The certificate is issued subsequent to a due diligence procedure and the confirmation of the payment of the required contributions and proper background checks carried out by Identity Malta.

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Identity Malta will annually monitor the applicant and his dependants to ensure that all the following conditions are met on an ongoing basis:

- he is a third country national and is not a Maltese, EEA or Swiss national;
- he is not a person who benefits under other residence schemes;
- he holds a qualifying property and a qualifying investment for a minimum five (5) year period from the date of issuing of certificate;
- he is in receipt of stable & regular resources, sufficient to maintain himself and his dependants without recourse to the social assistance system of Malta;
- he and his dependants are, in possession of a valid travel document;
- he is in possession of sickness insurance in respect of all risks across the EU normally covered for Maltese nationals for himself and his dependants;
- he provides an affidavit declaring that from the date of the application he either has an annual income of not less than €100,000 arising outside Malta or has in his possession a capital of not less than €500,000.

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THANK YOU!