



## Doing Business in Malta

**Malta is reputed as an ideal choice for prospective investors and is constantly described as one of the best places to live in the world. Malta has been a member state of the European Union since 2004 and of the United Nations since 1971. Malta is an archipelago which lies at the centre of the Mediterranean, 93 km south of Sicily and 288 km north of Africa. With a very low crime rate, a sound banking system and excellent political stability, it has been lauded as an ideal European hub that possesses strong connections to both North Africa and the Middle East. The country also enjoys superbly sunny weather, attractive beaches, a bustling nightlife and 7,000 years of intriguing history.**

### **What has Malta got to offer?**

Malta thrives on foreign investment and has, over the years, created the ideal environment for foreign investors. With a bilingual workforce, fluent and proficient in the Island's official languages: Maltese and English. The majority of its inhabitants also speak a third language. This has facilitated business opportunities throughout the years. Malta boasts a strong legislative infrastructure which has evolved to incorporate the most efficient systems from a number of jurisdictions to facilitate and promote foreign investment.

### **How does it work?**

Malta has created efficient systems to facilitate foreign investment. For example, through a taxation refund system or the participation exemption, trading or holding companies owned by non-resident shareholders pay an effective income tax rate of 0 - 6.25% on business profits.

Combined with the application of double taxation relief, this renders Malta's effective tax rate the lowest in the EU.

In fact, Malta has proven to be an ever-growing financial centre in the past decade introducing. New legislation to regulate emerging niche markets such as iGaming, Blockchain and Cryptocurrencies. This, combined with the high productivity of its professional workforce, Malta has become a major player in the EU's financial services sector servicing major industries such as Yachting and Shipping and now has, amongst other achievements, the largest ship registrar in Europe.

Malta is also ideal when it comes to the setting of trading, manufacturing, research & development, intellectual property, and aviation activities. Furthermore, with the help of Malta Enterprise, Malta is today in a position to offer a wide range of incentives that actively promote and aid investment within various sectors.



### **What if I am an individual and I do not intend to operate through a company?**

From a private client perspective, there are also a substantial amount of benefits. Apart from the obvious Mediterranean indulgences, Malta offers highly attractive personal tax schemes.

In the case of non-Maltese nationals, Malta does not levy taxation on worldwide income but only on income which is either sourced locally or is foreign income received in Malta (subject to certain limitations).

Additionally, one may also benefit from programmes such as the Individual Investor Programme, the Malta Residency & Visa

Programme, the Global Residence Programme, the Residence Programme, the Highly Qualified Persons Scheme (including employment in Maritime Activities and the Servicing of Offshore Oil and Gas Industry Activity as well as employment in Innovation and Creativity) and the Malta Retirement Programme

Moreover, Malta refrains from withholding any taxes on outbound payments of dividends, interest and royalties; from withholding net wealth or real estate taxes and from applying CFC, Thin Capitalisation and transfer pricing regulations.

### **How can we help you?**

KSİ Malta is one of Malta's leading audit, tax and advisory firms. Its diverse team of dedicated professionals prides itself on its expertise, which further strengthens the firm's competitive edge.

KSİ Malta uses its ample experience in assisting local businesses to grow as well as in supporting international companies interested in establishing themselves and operating in Malta. Our firm makes use of all the business contacts it has in order to support clients' business requirements. Furthermore, the firm guarantees the utmost commitment to all its clients, whilst offering an efficient and tailored service.

KSİ Malta is a member of Morison KSİ, a global association of independent accounting firms located around the globe that offer a range of accounting, consulting and taxation services internationally.