

High net worth individuals scheme launched

Earlier on during 2011, the Government of Malta announced that a new scheme targeting high net worth individuals was to be launched, under which significant tax benefits are available to certain individuals meeting certain criteria. This new scheme, which replaces the permanent resident scheme, applies to the following persons:

- EU Nationals (excluding Maltese nationals)
- Nationals of Iceland, Norway and Liechtenstein
- Nationals of Switzerland
- Any individual who is not a EU citizen

Under the scheme two sets of rules apply:

The High Net Worth Individuals – EU/EEA/Swiss nationals Rules (applicable to EU nationals, nationals of Iceland, Norway, Liechtenstein and Switzerland).

For EU individuals to apply for the special tax status, certain conditions must be satisfied, *inter alia*, the individual is required to hold a qualifying property as well as be in possession of a health insurance. In addition, these rules provide significant benefits, mainly a 15% tax rate on foreign sourced income with the possibility of claiming double tax relief, subject to certain conditions.

The High Net Worth Individuals – Non-EU/Non- EEA/Non-Swiss Nationals Rules – (applicable to non-EU citizens).

In order for such non-EU citizens to be eligible under these rules, the individuals are required to hold a qualifying property as well as satisfy other conditions. In addition, as in the case for EU nationals, the rules provide that, subject to certain conditions, the persons granted a special tax status under these rules will benefit from a 15% tax rate on foreign sourced income.

For more information on the rules regulating the scheme, kindly contact us on info@camilleripreziosi.com or on +356 21238989.