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DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Indirect Taxation and Tax administration
VAT and other turnover taxes

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TAXUD/C/1

VAT in the European Community

**APPLICATION IN THE MEMBER STATES,
FACTS FOR USE BY
ADMINISTRATIONS/TRADERS
INFORMATION NETWORKS ETC.**

Note

This document collates a range of basic information on the application of VAT arrangements in the Member States which has been obtained from the tax authorities concerned.

The sole purpose of distributing details of national provisions is to create a work tool. In no way does this document reflect the views of the Commission of the European Communities. Nor does it signify approval of the relevant legislation.

MALTA

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GENERAL INFORMATION

1. IF A FOREIGN TRADER WANTS TO OBTAIN INFORMATION ABOUT YOUR VAT SYSTEM, WHOM SHOULD HE CONTACT? (ADDRESS, TELEPHONE, FAX, EMAIL)

Address: Dipartiment tal-VAT
 Centre Point Building
 Triq Ta' Paris
 Birkirkara BKR 13
 MALTA
Tel: +356 2149 9330
Fax: +356 2149 9365
E-mail: vat@gov.mt

Information regarding the Value Added Tax (VAT) system can be also found on the VAT Department website within the Ministry of Finance, Economics and Investment:

<http://www.vat.gov.mt/>

2. WHAT IS THE ADDRESS OF THE NATIONAL TAX ADMINISTRATION WEBSITE? WHICH CATEGORIES OF INFORMATION ON VAT IS AVAILABLE ON THAT WEBSITE (GENERAL INFORMATION, LEGISLATION, CONTACT POINTS, FORMS, ETC.)? AND IN WHICH LANGUAGE(S)?

As indicated above, the VAT Department website within the Ministry of Finance, Economy and Investment is:

<http://www.vat.gov.mt/>

Information included in the website:

- Application forms for Registration (for download or to be filled online)
- Request for Fiscal Receipts (download and online)
- Electronic declaration
- Subscription for SMS / Email alerts
- Internet banking
- Declaration of Period of Tax
- Global Declaration
- Recapulative Declaration
- Request for change of the registration of taxable status
- Request for reprinting the Certificate
- Payment using debit or credit cards
- Request for refund of tax levied on other Member States
- Submission of the Recapulative Declaration
- Information regarding the Department
- Frequently Asked Questions (FAQs)
- Quality Service Charter and information regarding office opening times, etc.
- Decisions
- European Directives

The information on the website is in English.

3. WHERE IS IT POSSIBLE TO FIND NATIONAL VAT LEGISLATION AND REGULATIONS? IN WHICH LANGUAGE(S) ARE THEY AVAILABLE?

Both the Law itself as well as the Subsidiary Legislation can be accessed on the VAT Department website (<http://www.vat.gov.mt/>) as well as on the Department of Information website (<http://www.doi.gov.mt/>) within the Office of the Prime Minister and the Ministry of Justice and Home Affairs (<http://www.mjha.gov.mt/>). These are in Maltese as well as in English

VAT REGISTRATION OF FOREIGN TRADERS

4. WHAT ARE THE CIRCUMSTANCES GOVERNING THE NEED TO BE REGISTERED FOR VAT?

Foreign traders must be identified with the VAT Department within the Ministry of Finance, Economy and Investment if these carry out any taxable transaction in Malta according to the Value Added Tax Act (Chap. 406) when they are entitled to deduct input VAT.

A foreign trader who does not have an established business in Malta, but who is required to be registered in Malta for the purposes of the Value Added Tax Act (Chap. 406) can choose either to act on his requirements personally or else appoint an agent or representative who acts in his name. In each case, the request for registration must be made to the VAT Department within the Ministry of Finance, Economy and Investment.

DISTANCE SELLING

(a) Compulsory Registration

Any business established in another Member State which sells goods in Malta to persons not registered in Malta has likewise to register with the VAT Department within the Ministry of Finance, Economy and Investment if the value of these sales in Malta exceeds €35,000 in the calendar year.

(b) Voluntary Registration

A person engaged in distance selling under the threshold of €35,000 can choose Malta as the location of supply and so has to register with the VAT Department within the Ministry of Finance, Economy and Investment.

INTRA-COMMUNITY ACQUISITIONS

(a) Compulsory Registration

When a non-taxable business, or legal person (for example a Public Authority), which is not registered in Malta, acquires goods in Malta directly or else from a supplier registered for VAT purposes in another Member State, it is required that the said business or legal person registers with the VAT Department within the Ministry of Finance, Economy and Investment if the total value of all goods purchased in a calendar year exceeds €10,000. This registration has to be done immediately before this amount is exceeded.

(b) Voluntary registration

A non-taxable business or legal person can register voluntarily basis when it can satisfy the VAT Department within the Ministry of Finance, Economy and Investment that it is carrying out, or else strongly intends to carry our intra-Community purchases.

5. WHAT ARE THE SITUATIONS WHERE REGISTRATION IS UNNECESSARY BECAUSE THE RECIPIENT OF THE GOODS OR SERVICES IS NOT LIABLE FOR THE TAX? IN SUCH SITUATION, IS IT POSSIBLE TO REGISTER ON A VOLUNTARY BASIS?

Where traders who are not established in Malta effect taxable supplies of goods or services in Malta, and where the recipients of the goods or services are liable for VAT the foreign trader would not be obliged to register in Malta. This is defined in Article 20(2) of the Value Added Tax Act (Chap. 406). In such cases recipients have to calculate the tax on the net value and declare it to the VAT Department within the Ministry of Finance, Economy and Investment. The trader providing the goods or services does not have to register for VAT purposes. However, provided they fit the conditions for registration, foreign traders can voluntarily register for VAT in Malta if they wish to do so.

6. WHOM SHOULD A FOREIGN TRADER CONTACT TO GET REGISTERED FOR VAT? (DETAILS ABOUT THE DEPARTMENT, INCLUDING ADDRESS, TELEPHONE AND FAX E-MAIL...)

Foreign traders, whether they have a permanent establishment in Malta or not, can contact the VAT Department within the Ministry of Finance, Economy and Investment to register (see the contact information in Malta's reply to question 1).

7. PLEASE DESCRIBE THE DETAILED PROCEDURES (INCLUDING NECESSARY DOCUMENTS) FOR ISSUING VAT IDENTIFICATION NUMBERS, SPECIFICALLY TO FOREIGN TRADERS.

In order for a foreign trader to apply for registration with the VAT Department within the Ministry of Finance, Economy and Investment a Registration Application Form must first be obtained. This form can be requested by telephone, by e-mail or in person from the VAT Department within the Ministry of Finance, Economy and Investment (see the contact information in Malta's reply to question 1). The Form can also be downloaded from the same Department's website.

The duly completed and signed Registration Application Form, together with any required attachments must then be sent back to the VAT Department within the Ministry of Finance, Economy and Investment by mail or delivered at the Department by hand.

Alternatively, the foreign trader can fill out the on-line Registration Application Form which can be found on the website of the VAT Department with the Ministry of Finance, Economy and Investment (click on "Register online" on the Home page).

An online Registration Application Form must be accompanied by the following documents which must be faxed or sent by e-mail as an image file attachment, with the originals sent by post at the same time:

- a statement issued by the relevant authorities of the country in which the taxable person is established, attesting that the applicant is a taxable person in that country;

- a copy of the entry in the official register of commercial entities held in the country in which the taxable person is established;
- a copy of the act of incorporation if the taxable person is a legal person;
- a copy of order forms or contracts showing that the person in question will be doing business in Malta.

After checking that the conditions for registration are satisfied, the VAT Department within the Ministry of Finance, Economy and Investment will notify the foreign trader and, where applicable, his or her tax representative, of the VAT registration number assigned in Malta (VAT Registration Certificate). The Member State of establishment of the foreign trader is informed about the details of the trader and the Malta VAT Registration Number assigned to him, as provided in Council Regulation 1798/2003 on administrative cooperation in the field of value added tax, with the aim of preventing fiscal fraud in relation to intra-Community transactions.

THRESHOLDS

8. WHICH THRESHOLD DO YOU OPERATE AS REGARDS INTRA-COMMUNITY DISTANCE SELLING UNDER ARTICLE 34 OF THE VAT DIRECTIVE (2006/112/EC)?

€35,000 in a calendar year.

9. WHICH THRESHOLD DO YOU OPERATE AS REGARDS ACQUISITIONS BY NON-TAXABLE LEGAL PERSONS OR EXEMPT PERSONS UNDER ARTICLE 3 OF THE VAT DIRECTIVE (2006/112/EC)?

€10,000 in a calendar year.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN (NON-EU) TRADERS

10. WHAT ARE THE SITUATIONS IN WHICH THE APPOINTMENT OF A TAX REPRESENTATIVE IS OBLIGATORY?

If a foreign trader who is not established in the Community is required to be registered in Malta according to the Value Added Tax Act (Chap. 406), he can designate any person resident in Malta and acceptable to the Commissioner of VAT to be his representative. If he fails to do so, the Commissioner of VAT can, by notice in writing, designate as the representative of the foreign trader any person resident in Malta to whom that foreign trader makes a taxable supply or who is his agent or who otherwise has a business relationship with him.

11. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

There are no conditions regarding the designation of a fiscal representative, however the Minister of Finance, Economy and Investment can at any time decide to enact such regulations.

12. WHAT ARE THE RIGHTS AND OBLIGATIONS OF TAX REPRESENTATIVES?

The following are governed by Article 66 of the Value Added Tax Act (Chap. 406):

66. (1) Any secretary, manager, director, liquidator or other principal officer of an entity or of a body of persons, any heir and any testamentary executor and any curator of the vacant inheritance of a deceased person, and any person who is a tutor, curator, administrator or trustee of any other person or of any trust, fund or other entity shall, for the purposes of this Act, be a representative of that body of persons, deceased person, other person, trust, fund or other entity, as the case may be.

(2) (a) When a person who is not established in Malta and is not established in the Community, is or is required to be registered under this Act any person resident in Malta to whom he makes a taxable supply or who is his agent or who otherwise has a business relationship with him shall, if so designated by the Commissioner by means of a notice in writing, and unless another person resident in Malta and acceptable to the Commissioner has been so designated by that first mentioned person, be a representative of the said person.

(b) When a person who is not established in Malta, but is established in the Community, is, or is required to be registered under this Act, he may, by means of a notice in writing to the Commissioner, nominate as his representative, any person resident in Malta who is acceptable to the Commissioner.

(c) For the purpose of this subarticle, the Minister may by regulations prescribe the conditions regulating such appointment.

(3) (a) Subject to the provisions of subarticle (5) a representative of a person shall be liable in the same manner and to the same extent as the person of whom he is a representative for all the obligations imposed by or under this Act.

(b) Anything done or omitted to be done by a representative acting as such shall for the purposes of this Act be deemed to have been done or omitted to be done by the person of whom he is a representative.

(c) Any notice served on or any refund paid to a representative in his capacity as such under any of the provisions of this Act shall be deemed to have been served on or to have been made to the person of whom he is a representative.

(d) The existence of or the designation of a person as a representative of another person shall not relieve the latter person from any obligation or liability under this Act.

(4) A representative who has under his management or control any funds or property belonging to or due to the person of whom he is a representative shall not dispose of such funds or property unless he has made adequate provision for any tax due under this Act.

(5) A representative shall be jointly and severally liable with the person of whom he is a representative for the tax due by that person: provided that where the representative has acted in good faith and is not knowingly in breach of subarticle (4) or of any other obligation under this Act, his liability under this subarticle shall be limited to the funds or to the value of any property under his management or control which belongs or is due to the person of whom he is a representative.

13. WHAT ACTION CAN YOU TAKE IN THE EVENT OF FAILURE BY A TRADER IN ANOTHER COUNTRY TO DESIGNATE A TAX REPRESENTATIVE IN YOUR TERRITORY?

The Commissioner of VAT can, by notice in writing, designate as the representative of the foreign trader any person resident in Malta to whom that foreign trader makes a taxable supply or who is his agent or who otherwise has a business relationship with him.

If it is not possible to appoint a representative, the VAT Department within the Ministry of Finance, Economy and Investment may recover VAT, interest and any fines from the foreign traders' Maltese contracting parties. However, where such contracting parties prove that they have paid all or part of the VAT to suppliers, they may be relieved from paying the VAT.

14. IS IT NECESSARY TO SET UP A BANK GUARANTEE?

This is referred to in Sub article 63(5) of the Value Added Tax Act (Chap. 406) that reads:

(5) Where it appears to the Commissioner that it is necessary for the protection of Government revenue, he may, at any time, under conditions approved by the Minister, require a taxable person, as a condition for that person to supply goods or services, to give such security, or further security, for that amount and in such manner as the Commissioner may determine, for the payment of any tax that is or may become due by him under this Act.

APPOINTMENT OF TAX REPRESENTATIVES BY FOREIGN TRADERS ESTABLISHED IN THE EU

15. IS IT POSSIBLE TO APPOINT A TAX REPRESENTATIVE?

Foreign traders established in another Member State are not obliged to appoint a tax representative and VAT registration in Malta is not dependent on the approval of a representative.

A foreign trader established in the Community who is required to be registered in Malta can either apply for registration in his own name or he may, by means of a notice in writing to the Commissioner, nominate as his representative, any person resident in Malta who is acceptable to the Commissioner.

16. WHAT ARE THE CONDITIONS GOVERNING THE APPOINTMENT OF A TAX REPRESENTATIVE?

A business based within the EU may voluntarily appoint a tax representative in Malta.

Only traders established in Malta may, on request, be registered as the tax representative of a foreign trader established within the EU.

17. WHAT ARE THE RIGHTS AND OBLIGATIONS OF A TAX REPRESENTATIVE?

See Malta's answer to question 12.

18. ARE THERE SITUATIONS WHERE IT IS OBLIGATORY TO SET UP A BANK GUARANTEE?

See Malta's answer to question 14.

INVOICING

RULES ABOUT INVOICING

19. WHERE CAN THE RELEVANT RULES (LAWS, REGULATIONS, INSTRUCTIONS, GUIDELINES...) BE FOUND?

In Article 50 and in Schedule 12 of the Value Added Tax Act (Chap. 406).

ISSUE OF INVOICES

20. CASES WHERE AN INVOICE NEEDS TO BE ISSUED

According to Article 50 of the Value Added Tax Act (Chap. 406):

(1) Every person registered under article 10 who makes a supply, other than an exempt without credit supply, to another person who identifies himself for the purpose of that supply by means of a value added tax identification number shall provide that other person a tax invoice within thirty-one days from the earlier of:

(a) the date when the goods are delivered or the services are performed;

(b) the date on which a payment of that supply is received.

(2) When there is an application, disposal, transport or use of goods for which no consideration is charged or paid but which is deemed in terms of the Second Schedule to be a supply made by a person for consideration, that person shall, if he is a person registered under article 10, issue a tax invoice in which he indicates himself both as the person who made the supply and as the person to whom the supply is made.

(3) Every taxable person shall issue a tax invoice within the time stated in subarticle (1) in respect of every distance sale made by him.

21. WHAT ARE THE RULES ON CORRECTIVE INVOICES (CREDIT / DEBIT NOTES)?

There are no rules in this regard.

22. WHAT IS THE TIME LIMIT FOR ISSUING INVOICES?

Thirty one days from the date of supply or the date of the payment, whichever is the earlier.

23. WHAT ARE THE RULES FOR SUMMARY INVOICING?

There are no rules in this regard.

24. WHAT ARE THE CONDITIONS IMPOSED ON SELF-BILLING?

This is governed by Item 10 of the Twelveth Schedule of the Value Added Tax Act (Chap. 406):

Document provided by a person to himself

10. When a taxable supply is made to a person and no tax invoice is provided for that supply, that person may provide a document to himself with respect to that supply and that document shall constitute a tax invoice if it complies with the requirements of this Schedule and if it is so approved by the Commissioner: provided that no such approval shall be required if that person is the person liable for the tax on that supply.

25. IS THERE ANY SPECIFIC RULE IN RELATION TO OUTSOURCING OF INVOICES TO A PERSON WHO IS ESTABLISHED OUTSIDE THE EU?

There is no specific rule in this regard.

CONTENT OF INVOICES

26. UNDER WHAT CONDITIONS MUST THE VAT NUMBER OF THE CUSTOMER BE ON THE TAX INVOICE?

A document will not constitute a tax invoice unless it has the customer's VAT Registration Number.

27. ANY OTHER SPECIFIC RULE IN RELATION TO THE CONTENT OF THE INVOICE

An invoice has to conform to the following specification in Item 2 of the 12th Schedule of the Value Added Tax Act (Chap. 406) and includes:

- (a) the date of issue;
- (b) a sequential number, based on one or more series, which uniquely identifies the invoice;
- (c) the name and address of the supplier and the Value Added Tax identification number under which he made the supply;
- (d) the name and address of the person to whom the supply is made and the Value Added Tax identification number under which he acquired the goods or services supplied to him;
- (e) the type of the supply by reference to the categories listed in item 3;
- (f) a description sufficient to identify the quantity and nature of the goods or the extent and nature of the services supplied;
- (g) the date on which the supply was made or completed or the date on which a payment on account of the supply was made insofar as that date can be determined and differs from the date of issue of the invoice;
- (h) the taxable value per rate or exemption, the unit price exclusive of tax and any discounts or rebates if they are not included in the unit price;
- (i) the amount of tax chargeable, if any, at each rate so chargeable;
- (j) the total amount of tax chargeable, if any.

A tax invoice which is required to be provided by a retailer need contain only the following particulars:

- (a) a serial number of the transaction;
- (b) the date of the supply;
- (c) the name, address and the Value Added Tax identification number of the supplier;
- (d) the Value Added Tax identification number of the person to whom the supply is made;
- (e) a description sufficient to identify the goods supplied;
- (f) for each description, the quantity of the goods, the rate of tax chargeable thereon, and the price payable, including the tax;
- (g) the total amount of tax chargeable:

Provided that a fiscal receipt issued by means of a fiscal cash register as defined in the Thirteenth Schedule of the Value Added Tax Act (Chap. 406), shall be deemed to satisfy the requirements of this item if it contains, in addition to the particulars required by the said item, the machine printed registration number of the person to whom the relative supply is made.

ELECTRONIC INVOICING

28. AS REGARDS INVOICES SENT WITH ADVANCED ELECTRONIC SIGNATURES, IS IT OBLIGATORY TO USE QUALIFIED CERTIFICATED AND SECURE-SIGNATURE-CREATION DEVICES? IF SO, PLEASE GIVE DETAILS.

The Twelfth Schedule's Item 11 of the Value Added Tax Act provides that:

Invoices containing the details specified in item 2, and subject to the acceptance by the customer, may be sent by electronic means, provided that the authenticity of the origin and the integrity of the contents are guaranteed as may be provided for by national legislation with regard to the use of electronic signatures, or as may be required and approved by the Commissioner.

29. AS REGARDS INVOICES SENT BY ELECTRONIC DATA INTERCHANGE, IS AN ADDITIONAL SUMMARY DOCUMENT ON PAPER OBLIGATORY? IF SO, PLEASE GIVE DETAILS ABOUT ITS CONTENT AND PROCEDURE.

Refer to the answer Malta gave to question number 28.

30. DO YOU ALLOW INVOICES ISSUED PURSUANT TO ARTICLE 233(1) SECOND SUB PARAGARPH OF THE VAT DIRECTIVE ("BY OTHER ELECTRONIC MEANS")? IF SO, UNDER WHICH CONDITIONS AND FORMALITIES?

Refer to the answer Malta gave to question number 28.

31. ANY OTHER SPECIFIC RULE IN RELATION TO ELECTRONIC INVOICING

No.

STORAGE OF INVOICES

32. WHAT ARE THE RULES ON THE PLACE OF STORAGE OF INVOICES?

There are no rules on this issue.

33. IS PRIOR NOTIFICATION OF INVOICES STORED IN ANOTHER COUNTRY AN OBLIGATION? IF SO, PLEASE SPECIFY.

No, prior notification is not required.

34. WHAT IS THE OBLIGATORY STORAGE PERIOD FOR INVOICES?

Article 48(4) of the Value Added Tax Act (Chap. 406) stipulates that:

(...) documents and accounts shall be retained for a period of at least six years from the end of the year to which they relate.

In case of capital goods, the 6 years commence:

- following 5 years for movable property; and
- 20 years in the case of immovable property.

35. WHAT ARE THE SPECIFIC RULES ON STORAGE FORM AND POSSIBLE CONVERSIONS?

There are no specific rules in this regard.

36. ANY OTHER SPECIFIC RULE IN RELATION TO INVOICE STORAGE.

There are no specific rules in this regard.

SIMPLIFIED INVOICES

37. WHAT ARE THE SITUATIONS WHERE SIMPLIFIED INVOICING IS ALLOWED PURSUANT TO ARTICLE 238 OF THE VAT DIRECTIVE (2006/112/EC)? AND WHAT ARE THE SPECIFIC RULES?

The use of simplified invoices according to Article 238 of Directive 2006/112/KE on a common system of Value Added Tax (the VAT Directive) is not permitted, neither are there specific rules.

PERIODIC VAT RETURNS

38. UNDER WHAT CIRCUMSTANCES IS A TRADER OBLIGED TO SUBMIT A VAT RETURN?

All person registered under Article 10 or 11 of the Value Added Tax Act (Chap. 406) is required to submit a periodic VAT return.

The return is done for each taxable period and, together with the relative payment, has to arrive at the VAT Department within the Ministry of Finance, Economy and Investment not later than the fifteenth day of the second month after which the taxable period would have ended.

Normally, a taxable period is three months but, on request, it can also be of one month duration. The VAT Department within the Ministry of Finance, Economy and Investment can also assign a taxable period of twelve months in cases where the total value of the supplies is low.

The beginning and end of the first taxable period of a first time registered person is to be determined by the Commissioner and generally depends on the moment in which the registration of the person becomes effective

After the first taxable period, each taxable period begins on the first day immediately following the end of the previous period. For example, if a taxable person had been registered on the 12th of September, the first taxable period would normally begin on the 1st of September and would end

on the 30th of November; the following period begins on the 1st of December and ends at the end of February.

All persons registered according to Article 11 of the Value Added Tax Act (Chap. 406) as exempt are required, by the 15th of February each year, to submit a return (simplified tax return) in which they declare their sales for the preceeding calender year (see Malta's answer to questions number 4 and 23)

39. AT WHAT INTERVALS ARE VAT RETURNS AND ASSOCIATED PAYMENTS TO BE MADE?

See Malta's answer to question number 38.

40. WHAT IS THE PROCEDURE FOR REIMBURSEMENT OF EXTRA VAT WHICH IS REPORTED IN THE PERIODIC VAT DECLARATION? WHAT IS THE DEADLINE FOR THE REIMBURSEMENT OF EXTRA VAT, IF SUCH A DEADLINE EXISTS?

The VAT Department within the Ministry of Finance, Economy and Investment has to reimburse extra VAT paid reported in the periodic declaration by not later than five months from the date in which it is indicated that the respective declaration had to be sent for that taxable period or else from the day that the said declaration would be sent to the Commissioner of VAT, according to which date is the earlier.

41. DOES A SPECIAL REGIME AS REGARDS PERIODIC VAT RETURNS EXIST FOR SMALLER TRADERS AND/OR CERTAIN CATEGORIES OF BUSINESS? IF SO, PLEASE DESCRIBE THEM.

A taxable person who is registered as an exempt persons because he qualifies as a small business is required, by the 15th February of each year, to submit a declaration (simplified tax return) stating his turnover for the previous calendar year. A taxable person qualifies as a small business in the following cases:

- If the trader principally supplies taxable goods and his turnover during the immediately preceding twelve months was less than €35,000;
- If the trader principally supplies taxable services with a relatively low value added and his turnover during the immediately preceding twelve months was less than €24,000;
- If the trader supplies any other taxable services and his turnover during the immediately preceding twelve months was less than €14,000.

42. DO YOU OPERATE SIMPLIFIED CALCULATIONS OF TAX LIABILITY? IF SO, WHAT ARE THE QUALIFYING CRITERIA, TO WHOM DO THEY APPLY AND WHAT IS THE NATURE OF THE SIMPLIFICATION?

The Value Added Tax Act (Chap. 406) does not provide for any simplified methods of calculating tax liability.

RECAPITULATIVE STATEMENTS

43. DO YOU ALLOW THE SUBMISSION OF RECAPITULATIVE STATEMENTS FOR EACH CALENDAR THREE-MONTH PERIOD? IF YES, WHAT IS THE MINIMUM LIMIT AND WHAT ARE THE CONDITIONS?

From the 1st of January 2010, the conditions for the submission of recapitulative statements are the following:

(1) the recapitulative statement has to be submitted for each calendar month and has to be forwarded to the Commissioner by electronic file transfer by not later than the fifteenth day of the relative calendar month.

or else;

(2) (a) Each taxable person can submit a recapitulative statement for each calendar quarter by not later than the fifteenth day of the month following the end of the quarter, provided that the total amount of three months, excepting VAT, of supply of goods, do not exceed, neither for the quarter in question, not for the four preceeding quarters, the sun of €50,000.

(2) (b) The option provided above should not remain applicable from the end of the month during which the total amount, excepting VAT of the supply of intra-community exempt goods exceed, for the current quarter, the amount of €50,000. In this case a recapulative declaration for the past month or months has to be made from the beginning of the quarter, by not later than the fifteenth day of the month following the last month of the period for which the declaration is made.

or else;

(3) taxable persons who provide services, except untaxable services in the Member State where the operation is taxable, for whom the receiver is obliged to pay tax, can make a recapulative declaration for each calendar quarter by not later than the fifteenth day of the month following the quarter:

Provided that, when a taxable person provides goods as well as services to taxable persons identified for VAT reasons, the provisions of paragraphs (1) and (2) above apply.

44. IS ANY ADDITIONAL INFORMATION REQUIRED OTHER THAN THAT SET OUT IN ARTICLE 266 OF THE VAT DIRECTIVE (2006/112/EC)?

No.

45. DO YOU OPERATE SIMPLIFIED PROCEDURES AS REGARDS RECAPITULATIVE STATEMENTS AS PROVIDED FOR IN ARTICLE 269 OF THE VAT DIRECTIVE (2006/112/EC)? IF SO, WHAT ARE THE RELATED THRESHOLDS FOR APPLYING SUCH PROCEDURES?

No.

ELECTRONIC RETURNS

46. IS IT POSSIBLE TO SUBMIT VAT RETURNS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT RETURNS ELECTRONICALLY?

The VAT return can be submitted electronically by accessing the website of the VAT Department within the Ministry of Finance, Economy and Investment. For security, confidentiality and data protection reasons, a registered person who wishes to submit the VAT return electronically personally or else who wishes to authorise or assign access rights to another person, requires an e-ID (electronic identification certificate). This can be obtained from the authority under whose competence the issue of these electronic certificates falls (for further information consult the relative website: <https://www.mygov.mt>).

47. IS IT POSSIBLE TO SUBMIT RECAPITULATIVE STATEMENTS BY ELECTRONIC MEANS? IF SO, HOW AND USING WHICH TECHNOLOGY? WHO SHOULD BE CONTACTED TO APPLY TO SUBMIT STATEMENTS ELECTRONICALLY?

Yes, by the same method that a VAT return is submitted (see Malta's answer to question number 46).

REQUIREMENTS ON IMPORTATION

48. WHO CAN BE CHOSEN AND RECOGNISED AS REQUIRED TO PAY VAT ON IMPORTS ACCORDING TO ARTICLE 201 OF THE VAT DIRECTIVE?

According to Article 2 of the Value Added Tax Act (Chap. 406), "importer" means the person under whose name the imported good appear at the moment that importation tax should be paid.

49. WHAT ARE THE RULES REGARDING THE DECLARATION AND THE PAYMENT OF VAT ON IMPORTS?

VAT on importation of goods has to be paid to the Comptroller of Customs who collects it on behalf of the Commissioner of VAT and has to be effected in such place and accompanied by such documents as the Comptroller may order.

No goods imported into Malta can be forwarded for consumption in Malta, or taken from, released or collected from any Customs depositry except when the importation of said goods is an exempt importation; or else when VAT on that importation is paid; or when authorised by the Commissioner of VAT.

50. DO YOU OFFER THE POSSIBILITY OF "DELAYED ACCOUNTING", REFERRED TO IN ARTICLE 211 OF THE VAT DIRECTIVE? IF YES, UNDER WHAT CONDITIONS?

Yes, if authorised by the Commissioner of VAT.

ADMINISTRATIVE REQUIREMENTS

51. DO YOU OPERATE A FLAT-RATE SCHEME? IF SO, TO WHOM DOES THE SCHEME APPLY?

No.

52. DO YOU OPERATE SIMPLIFIED ADMINISTRATIVE REQUIREMENTS OTHER THAN THOSE ALREADY MENTIONED? IF SO, PLEASE GIVE A DESCRIPTION.

No.

53. IN WHICH LANGUAGE(S) ARE FORMS (PERIODIC VAT RETURNS AND RECAPITULATIVE STATEMENTS) AVAILABLE OR TRANSLATED INTO?

In Maltese and English.

RIGHT TO DEDUCTION

54. FOR WHICH CATEGORIES OF GOODS AND SERVICES IS THERE NO RIGHT OF DEDUCTION?

There is not right to tax deductions on the following goods and services:

- tobacco or tobacco products;;
- alcoholic drinks;
- artistic works, collectable objects and antiques;
- motor vehicles, vessels or aircraft, including their supply for hire or leasing arrangements;
- objects and services for the use of repairing, maintaining, fueling and upkeep of motor vehicles, vessels or aircraft as detailed above;
- the supply of all intra-Community goods, services or acquisitions or the importation of any object used by that person for receptions, entertainment or hospitality, except when this is provided as compensation during the course of normal economic activity of that person;
- the supply of any intra-Community good or service, or the importation of any object which is used in the supply, by that person, to its employees or, in the case of a group of persons, to his officials or employees, of transport and entertainment; provided that this provision does not apply in the case of transport provided by that person to its employees by means of vehicles seating not less than seven persons.

Dawn l-eskluzjonijiet izda ma japplikawx għal:

- goods supplied to or acquired under an intra-community acquisition or imported by a person for the purpose of resale, whether in the state in which they were

- acquired or imported or after treatment or processing or inclusion in other goods supplied by that person, in the normal course of that person's economic activity;
- motor vehicles, vessels or aircraft supplied to or acquired under an intra-community acquisition or imported by a person and used by him for the purpose of the carriage of goods or passengers for a consideration;
 - vessels and aircraft supplied to or acquired under an intra-community acquisition or imported by a person for the purpose of being provided by him under a charter or hire agreement;
 - motor vehicles supplied to or acquired under an intra-community acquisition or imported by a person for the purpose of being provided by him for hire with a driver or for self-drive hire (excluding fuelling for such self-drive vehicles), or of being used for driving instructions, provided they are so used, in each case, in the normal course of that person's economic activity;
 - motor vehicles designed and manufactured for the carriage of goods and so designed and manufactured with seating accommodation normally adjacent to the driver or with seating accommodation for nine persons or more.

55. ARE THERE CATEGORIES OF GOODS AND SERVICES IN WHICH THERE IS A PARTIAL RIGHT OF DEDUCTION? IF SO, WHAT IS THE PERCENTAGE?

All categories of goods and services may be subject to a partial right of deduction, depending on the use of the good or the services to the economic activity. The percentage is to be calculated on the ratio of taxable to exempt supplies.