

## **Nru. 22**

9. 2. 93

### **MALTA**

#### **KAMRA TAD-DEPUTATI**

ABBOZZ ta' Ligi mressaq mill-Onorevoli George Bonello du Puis, M.P., Ministru għas-Servizzi Ekonomiċi, u moqri għall-Ewwel darba fis-Seduta tad-19 ta' Ottubru, 1992.

**ATT biex jemenda l-Att dwar l-Iżvilupp Industrijali, Kap. 325.**

**RICHARD J. CAUCHI**  
*Skrivan tal-Kamra tad-Deputati*

#### **HOUSE OF REPRESENTATIVES**

A BILL introduced by the Honourable George Bonello du Puis, M.P., Minister for Economic Services, and read the First time at the Sitting of the 19th October, 1992.

**AN ACT to amend the Industrial Development Act, Cap. 325.**

**RICHARD J. CAUCHI**  
*Clerk to the House of Representatives*

**ABBOZZ TA' LIĠI**  
**msejjah**

*ATT biex jemenda l-Att dwar l-Iżvilupp Industrijali, Kap. 325.*

IL-PRESIDENT, bil-parir u l-kunsens tal-Kamra tad-Deputati, mlaqqgħa f'dan il-Parlament, u bl-awtorità tal-istess, hareġ b'liġi dan li ġej:—

1. (1) Dan l-Att jista' jissejjah l-Att ta' l-1992 li jemenda l-Att dwar l-Iżvilupp Industrijali, u għandu jinqara u jftiehem haġa waħda ma' l-Att dwar l-Iżvilupp Industrijali, hawnhekk aktar il' quddiem imsejjah "l-Att prinċipali".

Titolu fil-qosor  
u bidu fis-sehh.  
Kap. 325.

(2) Id-dispożizzjonijiet ta' dan l-Att għandhom jitqiesu li bdew isehħu fl-1 ta' Jannar, 1992.

2. L-artikolu 2 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta'  
l-artikolu 2  
ta' l-Att  
prinċipali.

(a) fit-tifsira ta' "*accountant* u uditur pubbliku ċertifikat" il-kliem "ta' l-1979" għandhom jithassru, u fil-margini għandhom jidhlu l-kliem "Kap. 261";

(b) minnufih wara t-tifsira ta' "*accountant* u uditur pubbliku ċertifikat", għandha tidhol it-tifsira ġdida li ġejja:

“bejgħ esportat” ifisser:

(a) il-valur tal-prodotti esportati minn kumpanija kwalifikanti meqjus *free on board*; jew

(b) il-valur skond il-fattura ta' prodotti jew servizzi mibjugħa jew mogħtija, skond il-każ, minn kumpanija kwalifikanti lil kumpanija kwalifikanti oħra permezz ta' kuntratt bil-miktub li jipprovdri espressament li l-

kumpanija kwalifikanti li qed tixtri l-imsemmija prodotti jew servizzi se tesporthom jew l-istess kif xtrathom, jew soġġetti għall-ipproċessar ulterjuri jew inkorporati fi prodotti jew servizzi oħra, dejjem jekk din l-esportazzjoni tkun fil-fatt saret:

Izda dan l-imsemmi kuntratt irid jipprovdi ukoll li l-*managing director* jew *ic-chief executive* tal-kumpanija li qed tixtri jagħti lil kumpanija li qed tbiegħ dikjarazzjoni bil-miktub li tikkonferma li l-imsemmija prodotti kienu ġew esportati u l-ġhoti ta' xi benefiċċju a bażi ta' dak li jipprovdi dan il-paragrafu huwa sugġett għal kundizzjoni li l-benefiċjarju jipproduċi din id-dikjarazzjoni flimkien ma' ċertifikat ta' l-udituri tal-kumpanija li qed tixtri li jikkonferma li d-dikjarazzjoni tal-*managing director* jew *ic-chief executive* hija sostanzjalment korretta; jew

(ċ) il-valur ta' servizzi mogħtija jew imwettqa minn kumpanija kwalifikanti li jkunu esportati mill-istess kumpanija; jew

(d) il-valur tas-servizzi mogħtija jew imwettqa minn kumpanija kwalifikanti skond il-paragrafu (f) tas-subartikolu (1) ta' l-artikolu 3 ta' dan l-Att;";

(ċ) wara t-tifsira ta' "bejgħ esportat" għandha tidhol din it-tifsira ġdida:

“ “dhul minn bejgħ esportat” ifisser “bejgħ esportat”;”;

(d) fit-tifsira ta' "Korporazzjoni" il-kliem "ta' l-1967" għandhom jithassru, u l-kliem "Kap. 202" għandhom jidhlu fil-margini;

(e) fit-tifsira ta' "kumpanija":

(i) fil-paragrafu (a) tagħha il-kliem "ta' l-1962" għandhom jithassru, u l-kliem "Kap. 168" għandhom jidhlu fil-margini;

(ii) fil-paragrafu (b) tagħha il-kliem "ta' l-1979" għandhom jithassru u l-kliem "Kap. 278" għandhom jidhlu fil-margini;

(f) fit-tifsira ta' "kumpanija Maltija", minflok il-kliem "fi tqassim; u" għandu jidhol il-kliem "fi tqassim; jew";

(g) minnufih wara t-tifsira ta' "preskritt" għandha tidhol it-tifsira li ġejja:

“ “programm ta' riċerka u żvilupp” tfisser programm ta' stharrig jew riċerka sistematiki mwettqa f'kull kamp tax-xjenza jew tat-teknoloġija permezz ta' esperimentazzjoni jew analiżi, u jinkludi:

(a) riċerka bażika li tikkonsisti f'attivitajiet magħmula għall-avvanz tal-għerf xjentifiku jew teknologiku li ssir mingħajr l-iskop finali u speċifiku li din tiġi applikata fil-prattika;

(b) riċerka applikata li ssir bl-iskop li finalment tiġi applikata b'mod speċifiku;

(ċ) żvilupp li jinvolvi l-użu ta' riżultati ta' riċerka bażika u applikata kif imsemmi qabel bl-iskop li jiġi mahluq materjal ġdid jew jiġi mtejjeb materjal, metodi, prodotti jew proċessi eżistenti, iżda ma jinkludix id-disinn, il-provi u l-analiżi ta' rutina jew li jsir minn żmien għal żmien ta' tagħmir jew prodotti għall-fini ta' kontroll tal-kwalità jew tal-kwantità, u t-tibdil ta' rutina jew li jsir minn żmien għal żmien ta' prodotti jew proċessi li diġà jeżistu"; u

(h) fit-tifsira ta' "taxxa fuq l-income" il-kliem "ta' l-1948" għandhom jithassru, u l-kliem "Kap. 123" għandhom jidhlu fil-margini.

3. L-artikolu 3 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta'  
l-artikolu 3  
ta' l-Att  
prinċipali.

(a) fis-subartikolu (1), paragrafu (b) tiegħu, minflok il-kliem "impjant, makkinarju jew tagħmir."; għandu jidhol il-kliem "impjant, makkinarju jew tagħmir; jew"

(b) minnufih wara l-paragrafu (b) tas-subartikolu (1) tiegħu għandhom jidhlu l-paragrafi li ġejjin:

"(ċ) akwakultura fuq skala kbira; jew

(d) ortikoltura fuq skala kbira; jew

(e) l-għoti ta' servizzi minn kumpanija lil persuni mhux residenti, kemm jekk is-servizz jiġi mwettaq jew mogħti f'Malta jew minn Malta, iżda servizz bħal dan irid ikun ġie stabbilit mill-Ministru bħala servizz għall-esportazzjoni kwalifikanti; jew

(f) l-għoti ta' servizz ta' appoġġ kif jista' jiġi stabbilit mill-Ministru; jew

(g) l-esportazzjoni ta' prodotti jew servizzi prodotti jew mogħtija skond il-każ, minn kumpaniji kwalifikanti oħra; jew

(h) programmi ta' riċerka u ta' żvilupp.";

(ċ) is-subartikoli (2), (3), (4) u (5) tiegħu għandhom jiġu enumerati mill-ġdid bħala (5), (6), (7) u (8) rispettivament;

(d) minnufih wara s-subartikolu (1) tiegħu, għandhom jidhlu dawn it-tliet subartikoli ġodda li ġejjin:

“(2) Minkejja kull dispozizzjoni oħra f’dan l-Att, f’każ ta’ attivitajiet imsemmija fil-paragrafi (ċ), (d), (e), (f), (g) u (h) tas-subartikolu (1) ta’ dan l-artikolu, l-inċentivi u l-benefiċċji kontemplati b’dan l-Att ikunu biss dovuti lejn u jinkisbu minn kumpanija wara l-approvazzjoni tal-proġett mill-Korporazzjoni, u fl-ghoti ta’ din l-approvazzjoni kif imsemmi, il-Korporazzjoni tista’ timponi dawk il-kundizzjonijiet li jidhrilha xierqa.

(3) Minkejja kull dispozizzjoni oħra f’dan l-Att, l-inċentivi u l-benefiċċji mogħtija bl-artikolu 4 u 5 ta’ dan l-Att ma jkunux dovuti u ma jinkisbux minn kummerċ jew negozju li jikkwalifika taħt il-paragrafu (g) tas-subartikolu (1) ta’ dan l-artikolu.

(4) Kumpanija li tikkwalifika taħt il-paragrafu (h) tas-subartikolu (1) ta’ dan l-artikolu tikkwalifika biss għal dawk l-inċentivi u benefiċċji kkontemplati b’dan l-Att skond kif jista’ jstabbilixxi l-Ministru. B’zieda ma’ dawn l-inċentivi, il-Ministru jista’ wkoll jstabbilixxi inċentivi u benefiċċji speċjali oħra, li jinkludu għotjiet ta’ flus, li jstgħu jingħataw lil dawn il-kumpaniji.”;

(e) fis-subartikolu (5) tiegħu kif enumerat mill-ġdid, minflok il-kliem “s-servizz imsemmi fil-paragrafu (b) tas-subartikolu (1) ta’ dan l-artikolu”, għandhom jidhlu l-kliem “is-servizzi msemija fil-paragrafi (b), (f) u (g) tas-subartikolu (1) ta’ dan l-artikolu”;

(f) fis-subartikolu (7) tiegħu kif enumerat mill-ġdid, minflok il-kliem “subartikolu (3)” għandhom jidhlu l-kliem “subartikolu (6)”;

(g) fis-subartikolu (8) tiegħu kif enumerat mill-ġdid, minnufih wara l-kliem “magħmul wara dik id-data” għandu jidhol dan il-proviso li ġej:

“iżda, minkejja kull dispozizzjoni oħra ta’ dan l-Att fir-rigward ta’:

(a) proġetti approvati mill-Korporazzjoni taħt il-paragrafi (ċ), (d), (e), (f), (g) u (h) tas-subartikolu (1) ta’ dan l-artikolu; jew

(b) it-thaddim tal-paragrafi (b) u (d) tat-tifsira ta’ “bejgħ esportat” fl-artikolu 2,

l-inċentivi u l-benefiċċji kkontemplati f’dan l-Att ma jkunux dovuti rigward attivitajiet li jseħħu qabel l-1 ta’ Jannar, 1992, u fir-rigward ta’ qliegh jew profitti magħmula qabel dik id-data.”.

Emenda ta’  
l-artikolu 4  
ta’ l-Att  
prinċipali.

4. L-artikolu 4 ta’ l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok il-paragrafu (b) tas-subartikolu (1) tiegħu għandu jidhol dan li ġej:

“(b) bla hsara għad-disposizzjonijiet tas-subartikolu (5) ta’ dan l-artikolu, iddahħhal minn bejgħ esportat mhux anqas minn hamsa u disgħin fil-mija tad-dhul kollu mill-bejgħ, u”;

(b) fis-subartikolu (2) tiegħu, minflok il-kliem “tesporta anqas minn hamsa u disgħin fil-mija tal-produzzjoni” għandhom jidhlu l-kliem “iddahħhal minn bejgħ esportat mhux anqas minn hamsa u disgħin fil-mija tad-dhul mill-bejgħ”;

(ċ) fis-subartikolu (3) tiegħu l-kliem “ta’ l-1948”, kull fejn jidhru, għandhom jithassru; u

(d) fis-subartikolu (5) tiegħu, minflok il-kliem “f’kull linja partikolari ta’ produzzjoni jew manifattura” għandhom jidhlu l-kliem “f’kull linja partikolari ta’ produzzjoni, manifattura jew servizz”.

5. L-artikolu 5 ta’ l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta’  
l-artikolu 5  
ta’ l-Att  
prinċipali.

(a) minnufih wara l-paragrafu (ċ) tas-subartikolu (3) tiegħu, għandu jidhol dan il-paragrafu li ġej:

“(d) fejn kumpanija ma kenetx kostitwita matul sena ta’ stima kompriża fi żmien bażi, il-kumpanija titqies bhala li kellha profitt zero matul dik is-sena ta’ stima.”; u

(b) is-subartikolu (7) tiegħu għandu jiġi mħassar.

6. L-artikolu 7 ta’ l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta’  
l-artikolu 7  
ta’ l-Att  
prinċipali.

(a) fis-subartikolu (3) tiegħu:

(i) fil-paragrafu (a) tiegħu minflok il-kliem “paragrafu (k) tas-subartikolu (1) ta’ l-artikolu 10 ta’ l-Att ta’ l-1948 dwar it-Taxxa fuq l-*Income*” għandhom jidhlu l-kliem “paragrafu (j) tas-subartikolu (1) ta’ l-artikolu 13 ta’ l-Att dwar it-Taxxa fuq l-*Income*”; u

(ii) fil-paragrafu (b) tiegħu minflok il-kliem “id-dispożizzjonijiet ta’ l-artikolu 10B” għandhom jidhlu l-kliem “id-dispożizzjonijiet ta’ l-artikolu 15”; u

(b) minnufih wara s-subartikolu (5) tiegħu għandu jidhol dan is-subartikolu li ġej:

“(6) Kumpanija tista’ tikkwalifika għall-*allowance* taht dan l-artikolu għall-perijodu ta’ hamsa u għoxrin sena konsekuttivi li jibdeu mis-sena ta’ stima 1988 fil-każ ta’ kumpaniji registrati qabel l-1 ta’ Ġunju, 1987 u mill-ewwel sena ta’ stima fil-każ ta’ kumpaniji registrati fi jew wara l-1 ta’ Ġunju, 1987:

Iżda l-Ministru jista’ minn żmien għal żmien b’avviż fil-Gazzetta jżid l-imsemmi perijodu b’perijodu jew perijodi ohra li ma jaqbżux il-hamsa u għoxrin sena.”.

Emenda ta' l-artikolu 8 ta' l-Att prinċipali.

7. L-artikolu 8 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) fis-subartikolu (3) tiegħu minflok il-kliem “tal-paragrafu (g) tas-subartikolu (1) l-artikolu 10 ta' l-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*” għandhom jidhlu l-kliem “tal-paragrafu (f) tas-subartikolu (1) ta' l-artikolu 13 ta' l-Att dwar it-Taxxa fuq l-*Income*”;

(b) minflok is-subartikolu (5) tiegħu għandu jidhol dan li ġej:

“(5) Bla hsara għad-dispożizzjonijiet ta' dan l-artikolu u ta' l-artikolu 7 ta' dan l-Att, *allowances* għall-investment u deprezzament mgħaġġel għandhom jitqiesu għal finijiet ta' l-Att dwar it-Taxxa fuq l-*Income*, li huma tnaqqis mogħti taht il-paragrafi (f) u (j) tas-subartikolu (1) ta' l-artikolu 13 ta' dak l-Att, u għaldaqstant għandhom japplikaw id-dispożizzjonijiet kollha relevanti ta' dak l-Att.”; u

(c) minflok is-subartikolu (7) tiegħu għandu jidhol dan li ġej:

“(7) Għall-finijiet ta' l-artikoli 32 u 33 ta' l-Att dwar it-Taxxa fuq l-*Income*, it-Taxxa mħallsa jew li trid tithallas fuq l-*income* imqassam minn kumpanija lill-membri tagħha bħala dividend tista' tiġi kalkulata fuq talba tal-kumpanija, bhallikieku l-kumpanija ma kellhiex dritt għal tnaqqis taht l-artikolu 7 u dan l-artikolu ta' l-Att, iżda għat-tnaqqis maħsub taht il-paragrafi (f) u (j) tas-subartikolu (1) ta' l-artikolu 13 ta' l-Att dwar it-Taxxa fuq l-*Income*.”.

Emenda ta' l-artikolu 11 ta' l-Att prinċipali.

8. Fis-subartikolu (1) ta' l-artikolu 11 ta' l-Att prinċipali, minflok il-kliem “mija u ghoxrin fil-mija” għandhom jidhlu l-kliem “mija u erbgħin fil-mija”.

Emenda ta' l-artikolu 12 ta' l-Att prinċipali.

9. L-artikolu 12 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) fis-subartikolu (1) tiegħu minflok il-kliem “id-dispożizzjonijiet tal-paragrafi (i) u (j) tas-subartikolu (1) ta' l-artikolu 10 tal-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*”, għandhom jidhlu l-kliem “li ma tkunx kumpanija li taqa' taht il-paragrafu (h) tas-subartikolu (1) ta' l-artikolu 3 ta' dan l-Att, id-dispożizzjonijiet tal-paragrafu (h) u (i) tas-subartikolu (1) tal-artikolu 13 tal-Att dwar it-Taxxa fuq l-*Income*”;

(b) fis-subartikolu (2) tiegħu minflok il-kliem “id-dispożizzjonijiet tal-paragrafi (i) jew (j) tas-subartikolu (1) ta' l-artikolu 10 ta' l-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*” għandhom jidhlu l-kliem “id-dispożizzjonijiet tal-paragrafi (h) jew (i) tas-subartikolu (1) ta' l-artikolu 13 ta' l-Att dwar it-taxxa fuq l-*Income*”;

(c) wara s-subartikolu (3) tiegħu għandu jidhol dan l-artikolu li ġej:

“(4) Meta d-dispożizzjonijiet tal-paragrafi (h) u (i) tas-subartikolu (1) ta' l-artikolu 13 ta' l-Att dwar it-Taxxa fuq l-

*Income* għandhom jiġu mfissra skond id-dispożizzjonijiet tas-subartikolu (2) ta' dan l-artikolu, kull proviso li hemm fl-istess paragrafi ma għandux jittiehed in konsiderazzjoni u ma għandux ikollu effett.”.

10. L-artikolu 13 tal-Att prinċipali għandu jiġi mhassar.

Thassir ta' l-artikolu 13 ta' l-Att prinċipali.

11. Fl-artikolu 14 tal-Att prinċipali, minflok il-kliem “tas-subartikolu (1) ta' l-artikolu 10 u ta' l-artikolu 11 ta' l-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*” għandhom jidhlu l-kliem “tas-subartikolu (1) ta' l-artikolu 13 u ta' l-artikolu 16 ta' l-Att dwar it-Taxxa fuq l-*Income*”.

Emenda ta' l-artikolu 14 ta' l-Att prinċipali.

12. L-artikolu 16 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta' l-artikolu 16 ta' l-Att prinċipali.

(a) fis-subartikolu (1) tiegħu, minflok il-kliem “għall-akkwist ta' mpjant, makkinarju u attivi fissi godda oħra, iżda esklużi art u bini”, għandhom jidhlu l-kliem “għall-akkwist ta' mpjant, makkinarju u attivi fissi oħra, iżda esklużi art u bini”;

(b) minflok il-paragrafu (a) tas-subartikolu (2) tiegħu għandu jidhol dan li ġej:

“(a) ikunu godda u jiġu akkwistati mill-Kumpanija mhux użati u mhux *second hand*, u”;

(ċ) minnufih wara paragrafu (c) tas-subartikolu (2) tiegħu għandu jidhol dan il-proviso li ġej:

“Izda, f'każ ta' kumpaniji kwalifikanti li għandhom il-linja ta' negozju jew kummerċ tagħhom fis-settur ta' l-elettronika *high-tech*, il-Korporazzjoni tista' tagħti self kif provdut fis-subartikolu (1) ta' dan l-artikolu għall-akkwist ta' mpjant, makkinarju u apparat li jkun ġie attrezzat jew kundizzjonat mill-ġdid u sew jekk użat jew *second hand* skond it-termini u l-kundizzjonijiet speċifikati fil-paragrafi (b) u (c) ta' dan is-subartikolu, iżda r-rata ta' imghax mitluba mill-Korporazzjoni fuq self mogħti taht dan il-proviso għandha tkun ir-rata massima li tista' tintalab fuq self bħal dan skond id-direttivi mahruġa minn żmien għal żmien, mill-Ministru responsabli għall-finanzi taht l-Att dwar il-Kummerċ Bankarju.”;

Kap. 215.

(d) minflok is-subartikolu (5) tiegħu għandu jidhol dan li ġej:

“(5) Il-hlas lura tal-kapital kif ukoll il-hlas ta' l-imghax fuq kull self mogħti taht dan l-artikolu għandu jiġi sugġett għal ipoteka ġenerali fuq il-proprjetà tal-kumpanija li tircievi s-self, b'żieda ma' kull garanzija oħra li tista' titlob il-Korporazzjoni:

Izda għall-finijiet tat-*Titolu XXIII* tat-*Taqsim* II tat-*Tieni Ktieb* tal-*Kodiċi Ċivili*, il-Korporazzjoni tista' tippermetti li d-debitu dwar self dovut lil jew faċilità bankarja oħra mogħtija minn istituzzjoni finanzjarja f'Malta għandu jiġi eżatt qabel l-ipoteka ġenerali jew garanzija oħra favur il-Korporazzjoni dwar dak is-self;

Iżda wkoll il-Korporazzjoni tista' wkoll taċċetta garanzija ta' bank ewlieni jew garanzija oħra simili dwar is-self mogħti minnha minflok jew b'żieda ma' l-ipoteka ġenerali msemmija qabel.”;

(e) minflok il-proviso għas-subartikolu (6) tiegħu għandu jidhol dan li ġej:

“Iżda sakemm il-Korporazzjoni ma tipprovdix mod ieħor, tul l-ewwel sentejn wara l-ewwel hlas lura mis-self, il-Kumpanija għandha tħallas biss l-imghax fuq is-self.”; u

(f) fis-subartikolu (10) tiegħu, il-kliem “ta' l-1972” għandhom jithassru u minflokhom għandhom jiżdiedu l-kliem “Kap. 233” fil-margini.

Emenda ta' l-artikolu 17 ta' l-Att prinċipali.

13. Fil-paragrafu (b) tas-subartikolu (1) ta' l-artikolu 17 ta' l-Att prinċipali, minnfih wara l-kliem “fis-subartikolu (1) ta' l-artikolu 3 ta' dan l-Att” għandhom jidhlu l-kliem “u biex jiġu inkorporati f'bejgħ ta' prodotti għall-esportazzjoni magħmul mill-Kumpanija”; u fis-subartikolu (4) tiegħu minflok il-kliem “Att ta' l-1976 dwar id-Dazju tal-Importazzjoni”, għandhom jidhlu l-kliem “Att dwar id-Dazju ta' l-Importazzjoni” u fil-margini għandhom jidhlu l-kliem “Kap. 337”.

Emenda ta' l-artikolu 18 ta' l-Att prinċipali.

14. L-artikolu 18 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) fil-paragrafu (ċ) tas-subartikolu (2) tiegħu il-kliem “ta' l-1959” għandhom jithassru u l-kliem “Kap 158” għandhom jiżdiedu fil-margini; u

(b) minnfih wara s-subartikolu (4) tiegħu għandu jiżdied is-subartikolu li ġej:

Kap. 294

“(5) B'effett mill-1 ta' Jannar, 1993, ebda taxxa ma għandha titħallas taht l-Att dwar it-Taxxa fuq Dokumenti dwar xi kuntratt jew skrittura oħra li permezz tagħhom isir trasferiment ta' art skond id-dispożizzjonijiet ta' dan l-artikolu.”.

Emenda ta' l-artikolu 19 ta' l-Att prinċipali.

15. L-artikolu 19 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) is-subartikoli (2) u (3) tiegħu għandhom jiġu rispettivament enumerati mill-ġdid bhala (6) u (7);

(b) wara s-subartikolu (1) tiegħu għandhom jidhlu dawn is-subartikoli li ġejjin:

“(2) Meta l-Korporazzjoni tkun sodisfatta illi nhar jew wara l-1 ta' Jannar, 1993, persuna impjegata *full time* fi grad ta' *supervisor* jew oghla u li tkun ilha hekk impjegata mal-kumpanija għall mill-inqas tliet snin li tattendi għal programm ta' taħriġ li jwassal għal ċertifikat fit-taħriġ jew fis-sengħa tat-taħriġ approvat minn qabel mill-Korporazzjoni u li għandu x'jaqsam ma' l-attivitajiet tal-Kumpanija, il-Korporazzjoni

tista' tagħti għotja għal taħriġ lill-kumpanija li tkun ekwivalenti għal nofs l-ispiza attwali tat-taħriġ mhallsa mill-kumpanija.

(3) Meta l-Korporazzjoni tkun sodisfatta illi, nhar jew wara l-1 ta' Jannar, 1993, persuna impjegata *full-time* għal perijodu indefinit minn kumpanija kwalifikanti tattendi programm ta' taħriġ sabiex takkwista sengħa ġdida meħtieġa mill-Kumpanija minhabba introduzzjoni ta' teknoloġija jew metodi ta' produzzjoni ġodda u dan il-programm ta' taħriġ jiġi approvat minn qabel mill-Korporazzjoni, il-korporazzjoni tista' tagħti għotja għal taħriġ lill-Kumpanija ekwivalenti għal nofs il-paga minima fil-ġimgħa skond il-liġi għal kull ġimgħa ta' taħriġ attwali sa żmien li ma jkunx aktar minn tmienja u erbghin ġimgħa:

Izda kumpanija għandha tikkwalifika għal għotja bħal din fir-rigward biss ta' impjegati li ma jkunux ibbenefikaw taħt din l-iskema matul is-sentejn li jiġu qabel is-sena li għaliha għandha tithallas din l-għotja.

(4) Meta l-Korporazzjoni tkun sodisfatta illi nhar jew wara l-1 ta' Jannar, 1993, persuna *full-time* impjegata fil-*management* li tkun ilha hekk impjegata ma' kumpanija kwalifikanti għal mill-inqas tliet snin u li jew tkun kwalifikata f'kamp speċifiku ta' *management* jew teknika jew ikollha mhux inqas minn tliet snin ta' esperjenza maniġerjali jew teknika, tattendi għal kors fil-*management development training* jew kors ta' *technical upgrading* li jkun gie approvat minn qabel mill-Korporazzjoni, il-Korporazzjoni tista' tagħti għotja li tkun ekwivalenti għal nofs l-ispiza attwali tat-taħriġ mhallsa mill-kumpanija.

(5) Meta l-korporazzjoni tkun sodisfatta illi nhar jew wara l-1 ta' Jannar, 1993 persuna impjegata *full-time* għal perijodu indefinit minn kumpanija kwalifikanti tattendi għal programm ta' taħriġ li jkun neċessarju minhabba tibdil totali fl-impieg tagħha fil-kumpanija, liema programm ikun gie approvat minn qabel mill-Korporazzjoni, il-Korporazzjoni tista' tagħti għotja lill-kumpanija ekwivalenti għal nofs il-paga minima fil-ġimgħa skond il-liġi għal kull ġimgħa ta' taħriġ attwali magħmul minn dak l-impjegat sa żmien li ma jkunx iktar minn tmienja u erbghin ġimgħa.”;

(ċ) fis-subartikolu (6) tiegħu kif enumerat mill-ġdid, minflok il-kliem “tal-paga minima fil-ġimgħa skond il-liġi” għandhom jidhlu l-kliem “tal-paga minima skond il-liġi jew ta' l-ispiza attwali tat-taħriġ skond il-każ li jkun”; u

(d) fis-subartikolu (7) tiegħu kif enumerat mill-ġdid minflok il-kliem “Att ta' l-1948 dwar it-Taxxa fuq l-*Income*” għandhom jidhlu l-kliem “Att dwar it-Taxxa fuq l-*Income*”.

16. L-artikolu 20 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta' l-artikolu 20 ta' l-Att prinċipali.

(a) fis-subartikolu (1) tiegħu minflok il-kliem “mhux aktar minn Lm350,000” għandhom jidhlu l-kliem “mhux aktar minn Lm600,000”;

(b) fis-subartikolu (3) tiegħu minflok il-kliem “Att ta’ l-1948 dwar it-Taxxa fuq l-*Income*”, għandhom jidhlu l-kliem “Att dwar it-Taxxa fuq l-*Income*”.

Emenda ta’  
l-artikolu 22  
ta’ l-Att  
prinċipali.

17. Fl-artikolu 22 ta’ l-Att prinċipali minflok il-kliem “Att ta’ l-1970 dwar l-Immigrazzjoni” għandhom jidhlu l-kliem “Att dwar l-Immigrazzjoni”, u l-kliem “Kap. 217” għandhom jidhlu fil-margini fejn il-kliem “Att dwar l-Immigrazzjoni” jidhru l-ewwel darba.

Emenda ta’  
l-artikolu 23  
ta’ l-Att  
prinċipali.

18. L-artikolu 23 ta’ l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok is-subartikolu (2) tiegħu għandu jidhol dan is-subartikolu li ġej:

“(2) Il-Korporazzjoni għandha tagħti għotja lil kumpanija Għawdxija biex tkopri l-ispejjeż attwali, addizzjonali u meħtieġa għat-trasport li tkun hallset il-kumpanija biex tittrasporta;

(a) bejn Malta u Għawdex makkinarju, impjant, materjal, merkanzija jew prodotti li għandhom x’jaqsmu ma’ l-attivitajiet tagħha f’Għawdex konnessi ma’ l-espportazzjoni;

(b) minn Malta għal Għawdex materjal li għandu x’jaqsam ma’ l-attivitajiet tagħha f’Għawdex kemm jekk dawn l-attivitajiet ikollhom x’jaqsmu ma’ l-espportazzjoni jew le.”;

(b) is-subartikolu (5) tiegħu għandu jiġi mħassar; u

(c) is-subartikolu (6) tiegħu għandu jiġi enumerat mill-ġdid b’hal s-subartikolu (5).

Emenda ta’  
l-artikolu 24  
ta’ l-Att  
prinċipali.

19. Minflok l-artikolu 24 ta’ l-Att prinċipali għandu jidhol dan li ġej:

“Inċentivi  
lil negozju  
żgħir.

24. (1) Il-Korporazzjoni tista’, fid-diskrezzjoni tagħha, tagħti lil negozju żgħir:

(a) helsien mid-dazju skond l-artikolu 17 ta’ dan l-Att; u

(b) bini, strutturi u art industrijali b’dawk il-kundizzjonijiet li l-Korporazzjoni tista’ minn żmien għal żmien tiddeċiedi;

minkejja li dak in-negozju żgħir ma jkunx kumpanija kwalifikanti.

(2) Għall-finijiet tas-subartikolu (1) ta' dan l-artikolu "negozju żgħir" ifisser persuna li mhix kumpanija, li tmexxi jew teżerċita kummerċ jew negozju maħsuba fil-paragrafi (a) sa (h) tas-subartikolu (1) ta' l-artikolu 3 ta' dan l-Att."

20. L-artikolu 36 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta' l-artikolu 36 ta' l-Att prinċipali.

(a) minflok is-subartikoli (1), (2) u (3) tiegħu għandhom jidhlu dawn is-subartikoli li ġejjin:

“(1) Kumpanija kwalifikanti li tkun qegħda tirċievi xi wiehed mill-inċentivi u benefiċċji msemmija fis-subartikolu (4) ta' dan l-artikolu għandha, fi tmiem il-perijodu ta' konteġġ li matulu l-inċentivi jew il-benefiċċju għandu jitniżżel fil-kotba, tittrasferixxi u turi fil-karta tal-bilanċ tagħha fid-data msemmija riserva li tissejjaħ “Riserva dwar Inċentivi u Benefiċċji” f'somma li tkun daqs l-ammonti li hemm jintwerew. Din ir-riserva għandha tkun murija separatament fuq il-karta tal-bilanċ tal-kumpanija u għandha turi kull ammont trasferit taht il-paragrafu (a) tas-subartikolu (4) u kull ammont trasferit taht il-paragrafu (b) tas-subartikolu (4) ta' dan l-artikolu separatament.

(2) Għall-finijiet tas-subartikolu (1) ta' dan l-artikolu, il-profitti disponibbli għal trasferiment lil dik ir-riserva għandhom ikunu l-profitti kkalkulati skond id-dispożizzjonijiet ta' l-Att dwar it-Taxxa fuq l-*Income* u ta' dan l-Att, u meta fi tmiem ta' xi perjodu ta' konteġġ kif intqal qabel, il-profitti hekk ikkalkulati huma tali li r-riserva, jew l-ammont kollu tagħha, ma jistax jitwarrab f'dak il-perijodu, l-obbligu li jiġu trasferiti l-profitti ġewwa r-riserva għandu jingieb 'il quddiem, f'parti minnu jew kollu kemm hu, skond il-każ, għall-perijodu ta' konteġġ sussegwenti u għandu jitqies bħala obbligu għal dak il-perijodu, u jibqa' għaddej b'dan il-mod għall-perijodi ta' wara:

Iżda meta kumpanija tingħata rata ta' taxxa ta' *income* mnaqqsqa taht l-artikolu 6 ta' dan l-Att u l-kumpanija ma tistax tittrasferixxi għar-Riserva dwar Inċentivi u Benefiċċji somma ekwivalenti għall-ammont totali fir-rigward ta' liema r-rata ta' taxxa mnaqqsqa tkun ingħatat, il-kumpanija minnufih ikollha obbligu li thallas taxxa fuq din id-differenza skond id-differenza bejn ir-rata normali ta' taxxa u r-rata ta' taxxa mnaqqsqa.

Iżda wkoll l-ammont tad-differenza għandu jintwera separatament fil-karta tal-bilanċ bħala *contingent liability* sakemm id-dispożizzjonijiet ta' dan l-artikolu jiġu osservati.

(3) Riserva magħmula skond id-dispożizzjonijiet tas-subartikolu (1) ta' dan l-artikolu għandha, sakemm mhux provdut mod ieħor f'dan l-artikolu, tinzamm separatament fil-karta tal-bilanċ tal-kumpanija u ma għandhiex tiġi distribwita

jew konvertita f'azzjonijiet tal-kumpanija. Anqas ma għandha r-riserva msemmija tiġi ridotta biex issir tpaċija ma' telf tal-kumpanija, kemm jekk dan it-telf ikun ta' natura ordinarja jew ta' natura straordinarja, jew jekk dan it-telf ikun ta' xorta kapitali jew ta' xorta ta' dhul:

Izda minkejja dak kollu li jingħad f'dan is-subartikolu, kull ammont trasferit fir-Riserva dwar Incentivi u Benefiċċji jista', wara li jgħaddu tmien snin mill-egħluq tal-perijodu ta' investiment approvat, jiġi applikat mill-kumpanija biex jithallsu azzjonijiet mhux mahruġa biex jinħarġu bħala *bonus shares* imħallsa għal kollox. Din id-distribuzzjoni ma tkunx taxxabli.”; u

(b) minflok l-ewwel paragrafu tas-subartikolu (5) tiegħu għandu jidhol dan li ġej:

“(5) Tqassim magħmul lill-membri ta' kumpanija fil-kors ta' l-istralċjar tal-kumpanija minn xi riserva mwaqqfa skond id-dispozizzjonijiet ta' dan l-artikolu ma għandux ikun sugġett għal taxa taht l-Att dwar it-Taxxa fuq l-*Income*.”.

Emenda ta'  
l-artikolu 45  
ta' l-Att  
prinċipali.

21. L-artikolu 45 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok il-kliem “Ordinanza ta' l-1959 dwar l-Għajnuna lill-Industriji”, kull fejn jidhru, għandhom jidhlu l-kliem “Ordinanza dwar l-Għajnuna lill-Industriji” u l-kliem “Kap. 159” għandhom jidhlu fil-margġini biswit fejn jinsabu l-kliem “Ordinanza dwar l-Għajnuna lill-Industrija” għall-ewwel darba; u

(b) fis-subartikolu (1) tiegħu minflok il-kliem “fil-paragrafi (a) jew (b) tas-subartikolu (1)” għandhom jidhlu l-kliem “fis-subartikolu (1)”.

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### Għanijiet u Raġunijiet

L-Għanijiet ta' dan l-Abbozz huma prinċipalment illi jiġi emendat l-Att dwar l-Iżvilupp Industrijali biex jingħataw incentivi lil oqsma godda ta' attività ekonomika.

**A BILL  
entitled**

*AN ACT to amend the Industrial Development Act, Cap. 325.*

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the Industrial Development (Amendment) Act, 1992, and shall be read and construed as one with the Industrial Development Act, hereinafter referred to as “the principal Act”.

Citation  
and date of  
commencement.  
Cap. 325.

(2) The provisions of this Act shall be deemed to have come into force on the 1st January, 1992.

2. Section 2 of the principal Act shall be amended as follows:

Amendment of  
section 2  
of the  
principal  
Act.

(a) in the definition “certified public accountant and auditor” the words “1979” shall be deleted, and the marginal note “Cap. 261” shall be added;

(b) in the definition “company”:—

(i) in paragraph (a) thereof the words “1962” shall be deleted, and the marginal note “Cap. 168” shall be added, and

(ii) in paragraph (b) thereof the words “1978” shall be deleted and the marginal note “Cap. 278” shall be added;

(c) in the definition “Corporation” the words “1967” shall be deleted and the marginal note “Cap. 202” shall be added;

(d) immediately after the definition of “Corporation” there shall be added the following new definition:

“Export sales” means:

(a) the value of goods exported by a qualifying company calculated free on board; or

(b) the invoiced value of goods or services sold or rendered, as the case may be, by a qualifying company to another qualifying company under a written contract which clearly stipulates that the said goods or services are to be exported by the latter company whether as so sold, or as subjected to further processing or incorporation in other goods or services, and provided such export has actually taken place:

Provided that the said contract shall also stipulate that the managing director or chief executive of the buying company shall furnish the supplying company with a written declaration confirming that the said goods had been exported and the grant of any benefit on the basis of the provisions of this paragraph shall be conditional upon the production by the beneficiary of such declaration together with a statement by the auditors of the buying company that the declaration of the managing director or chief executive abovementioned is substantially correct; or

(c) the value of services rendered and performed by a qualifying company which are exported by the same company; or

(d) the value of services rendered or performed by a qualifying company in terms of paragraph (f) of subsection (1) of section 3 of this Act;”;

(e) in the definition “income tax” the words “1948” shall be deleted and the marginal note “Cap. 123” shall be added;

(f) in the definition of “Maltese company,” for the words “in a distribution; and” there shall be substituted the words “in a distribution; or”;

(g) after the definition of a “qualifying company” there shall be added the following definition:

“ “research and development programme” means a programme for systematic investigation or research carried out in any field of science or technology through experiment or analysis, and includes:

(a) basic research comprising activities undertaken for the advancement of scientific or technological knowledge without there being a final specific practical application in view;

(b) applied research where a final specific application is in view;

(c) development involving the use of the results of basic or applied research as aforesaid for the purpose of creating new or of improving existing material, devices, products or processes, but excludes routine or periodic design, testing and analysis of equipment or products for the purposes of quality or quantity control, and routine or periodic alterations to existing products or processes"; and

(h) after the definition "research and development programme" there shall be added the following new definition:

" "sales revenue derived from export" means "export sales";".

3. Section 3 of the principal Act shall be amended as follows:

Amendments of  
section 3  
of the  
principal  
Act.

(a) in paragraph (b) of subsection (1) thereof, the words "plant, machinery or equipment." shall be substituted by the words "plant, machinery or equipment; or"

(b) immediately after paragraph (b) of subsection (1) thereof there shall be added the following paragraphs:

"(c) large scale aquaculture; or

(d) large scale horticulture; or

(e) the rendering of a service by a company to non-resident persons, whether the service is performed or rendered in Malta or from Malta, provided such service is prescribed by the Minister to be a qualifying export service; or

(f) the rendering of a qualifying support service as may be prescribed by the Minister; or

(g) the export of goods or services produced or provided, as the case may be, by other qualifying companies; or

(h) research and development programmes.";

(c) subsections (2), (3), (4) and (5) thereof shall be respectively renumbered (5), (6), (7) and (8);

(d) immediately after subsection (1) thereof there shall be inserted the following new subsections:

“(2) Notwithstanding any other provision of this Act, in the case of activities or classes of activities referred to in paragraphs (c), (d), (e), (f), (g) and (h) of subsection (1) hereof, the incentives and benefits contemplated by this Act shall only be due to and obtained by a company subject to the approval of the project by the Corporation, and in granting its approval as aforesaid, the Corporation may impose such conditions as it may deem fit.

(3) Notwithstanding any other provision of this Act, the incentives and benefits granted by section 4 and 5 of this Act shall not be due to or obtained by a trade or business qualifying under paragraph (g) of subsection (1) of this section.

(4) A company qualifying under paragraph (h) of subsection (1) of this section shall qualify only for those incentives and benefits contemplated by this Act as the Minister may prescribe. In addition to such incentives the Minister may also prescribe other special incentives and benefits, including cash grants, that may be given to such companies.”;

(e) in subsection (5) thereof as renumbered, for the words “the services referred to in paragraph (b) thereof” there shall be substituted the words “the services referred to in paragraph (b), (f) and (g) thereof.”;

(f) in subsection (7) thereof as renumbered, for the words “subsection (3)” there shall be substituted the words “subsection (6)”;

(g) in subsection (8) thereof as renumbered, after the words “earned after that date” there shall be added the following proviso:

“Provided that, notwithstanding any other provision of this Act in respect of:

(a) projects approved by the Corporation under paragraphs (c), (d), (e), (f), (g) and (h) of subsection (1) of this section; or

(b) the operation of paragraphs (b) and (d) of the definition of “export sales” in section 2,

the incentives and benefits contemplated by this Act shall not be due in respect of activities happening before 1st January, 1992, and in respect of gains or profits earned before that date.”.

Amendment of  
section 4  
of the  
principal  
Act.

4. Section 4 of the principal Act shall be amended as follows:

(a) paragraph (b) of subsection (1) thereof shall be substituted by the following:

“(b) subject to the provisions of subsection (5) of this section, derives from export sales not less than ninety five per cent of its total sales revenue, and”;

(b) in subsection (2) thereof for the words “exports less than ninety five per cent of its production”, there shall be substituted the words “derives from export sales less than ninety five per cent of its sales revenue,”;

(c) in subsection (3) thereof the words “1948” wherever they occur shall be deleted; and

(d) in subsection (5) thereof for the words “in any particular line of production or manufacture” shall be substituted the words “in any particular line of production, manufacture or service”.

5. Section 5 of the principal Act shall be amended as follows:

Amendment of  
section 5  
of the  
principal  
Act.

(a) immediately after paragraph (c) of subsection (3) thereof there shall be added the following paragraph:

“(d) where a company was not in existence during a year of assessment comprised in a base period, the company shall be deemed to have had zero profits for that year of assessment,”; and

(b) subsection (7) thereof shall be deleted.

6. Section 7 of the principal Act shall be amended as follows:

Amendment of  
section 7  
of the  
principal  
Act.

(a) in subsection (3) thereof:

(i) in paragraph (a) thereof for the words “paragraph (k) of subsection (1) of section 10 of the Income Tax Act, 1948” there shall be substituted the words “paragraph (j) of subsection (1) of section 13 of the Income Tax Act”; and

(ii) in paragraph (b) thereof for the words “the provisions of section 10B” there shall be substituted the words “the provisions of section 15”; and

(b) after subsection (5) thereof there shall be added the following subsection:

“(6) A company may qualify for the allowance granted under this section for a consecutive period of twenty five years commencing from the year of assessment 1988 in case of companies registered before 1st June, 1987 and from the first year of assessment for companies registered on or after 1st June 1987;

Provided that the Minister may from time to time by notice in the gazette increase the said period by a further period or periods not exceeding twenty-five years.”.

Amendment of section 8 of the principal Act.

7. Section 8 of the principal Act shall be amended as follows:

(a) in subsection (3) thereof for the words "paragraph (g) of subsection (1) of section 10 of the Income Tax Act, 1948" there shall be substituted the words "paragraph (f) of subsection (1) of section 13 of the Income Tax Act";

(b) for subsection (5) thereof there shall be substituted the following:

"(5) Saving the provisions of this section and of section 7 of this Act, investment allowances and accelerated depreciation shall for the purposes of the Income Tax Act, be deemed to be deductions granted under paragraphs (f) and (j) of subsection (1) of section 13 of the said Act, and all the relevant provisions of that Act shall accordingly apply."; and

(c) for subsection (7) thereof there shall be substituted the following:

(7) for the purposes of sections 32 and 33 of the Income Tax Act, the tax paid or payable in respect of income distributed by a company by way of dividend to its members may, at the request of the company, be calculated as if the company was not entitled to a deduction under section 7 and this section of the Act, but to the deductions contemplated by paragraphs (f) and (j) of sub-section (1) of section 13 of the Income Tax Act."

Amendment of section 11 of the principal Act.

8. In subsection (1) of section 11 of the principal Act the words "one hundred and twenty per cent" shall be substituted by the words "one hundred and forty per cent".

Amendment of section 12 of the principal Act.

9. Section 12 of the principal Act shall be amended as follows:

(a) in subsection (1) thereof for the words "the provisions of paragraph (i) and (j) of sub-section (1) of section 10 of the Income Tax Act, 1948," there shall be substituted the words "other than a company contemplated in paragraph (h) of subsection (1) of section 3 of this Act, the provisions of paragraphs (h) and (i) of subsection (1) of section 13 of the Income Tax Act,";

(b) in subsection (2) thereof for the words "the provisions of paragraphs (i) or (j) of subsection (1) of section 10 of the Income Tax Act, 1948," shall be substituted by the words "the provisions of paragraphs (h) or (i) of subsection (1) of section 13 of the Income Tax Act,";

(c) after subsection (3) thereof there shall be added the following new subsection:

"(4) In any case where the provisions of paragraphs (h) and (i) of subsection (1) of section 13 of the Income Tax Act

stand to be construed in accordance with the provisions of subsection (2) of this section, the provisos thereto shall be ignored and have no effect.”;

10. Section 13 of the principal Act shall be deleted.

Revocation of section 13 of the principal Act.

11. In section 14 of the principal Act, for the words “subsection (1) of section 10 and of section 11 of the Income Tax Act, 1948” there shall be substituted the words “subsection (1) of section 13 and of section 16 of the Income Tax Act,”.

Amendment of section 14 of the principal Act.

12. Section 16 of the principal Act shall be amended as follows:

Amendment of section 16 of the principal Act.

(a) in subsection (1) thereof for the words “for the acquisition of new plant, machinery and other fixed assets, but excluding land and buildings” there shall be substituted the words “for the acquisition of plant, machinery and other fixed assets, but excluding land and buildings”;

(b) for paragraph (a) of subsection (2) thereof there shall be substituted the following:

“(a) are new and are acquired by the company unused and not second hand, and”

(c) after paragraph (c) of subsection (2) thereof there shall be added the following proviso:—

“Provided that in the case of qualifying companies whose line of business or trade is in the hightech electronics sector, the Corporation may grant loans as provided under subsection (1) of this section for the acquisition of refurbished or reconditioned used or second hand plant, machinery and equipment in accordance with the terms and conditions specified in paragraphs (b) and (c) of this subsection, but the rate of interest charged by the Corporation on loans granted under this proviso shall be the maximum chargeable on such loans in terms of directives issued from time to time by the Minister responsible for Finance under the Banking Act.”.

Cap. 215.

(d) for subsection (5) thereof there shall be substituted the following:

“(5) The repayment of the principal as well as the payment of interest on any loan granted under this section shall be secured by a general hypothec over the property of the company receiving the loan in addition to any other security which the Corporation may require:

Provided that for the purposes of Title XXIII of Part II of Book Second of the Civil Code, the Corporation may allow a hypothecary debt in respect of a loan or other banking facility granted by a financial institution situated in Malta to rank immediately prior to the general hypothec or other security of the Corporation relative to such loan;

Provided further that the Corporation may accept a prime bank guarantee or other similar security in respect of its loan instead of or in addition to a general hypothec as aforesaid.”;

(e) for the proviso to subsection (6) thereof there shall be substituted the following:

“Provided that, unless otherwise stipulated by the Corporation, for the first two years following the first loan payment the Company shall only pay interest on the loan.”; and

(f) in subsection (10) thereof the words “1972” shall be deleted and the marginal note “Cap 233” shall be added thereto.

Amendment of section 17 of the principal Act.

13. In paragraph (b) of subsection (1) of section 17 of the principal Act, immediately after the words “for any of the purposes referred to in subsection (1) of section 3 of this Act” there shall be added the words “and to be incorporated in any export sale made by the Company”; and in subsection (4) thereof for the words “Import Duties Act 1976,” there shall be substituted the words “Import Duties Act”.

Amendment of section 18 of the principal Act.

14. Section 18 of the principal Act shall be amended as follows:

(a) in paragraph (c) of subsection (2) thereof the words “1959” shall be deleted and the marginal note “Cap 158” shall be added thereto; and

(b) immediately after subsection (4) thereof there shall be added the following subsection:

Cap. 294.

“(5) With effect from 1st January, 1993, no duty shall be payable under the Duty on Documents Act in respect of any deed or other instrument whereby any land is transferred pursuant to the provisions of this section.”.

Amendment to section 19 of the principal Act.

15. Section 19 of the principal Act shall be amended as follows:

(a) subsections (2) and (3) thereof shall respectively be renumbered subsections (6) and (7);

(b) after subsection (1) thereof there shall be inserted the following new subsections:

“(2) Where the Corporation is satisfied that, on or after 1st January, 1993, a full-time employee who has been employed in a supervisory or higher capacity by the company for at least three years undergoes a training programme leading to a certificate in instruction or training skills approved by the Corporation in advance and related to the activities of the Company, a training grant may be given by the Corporation to the company equivalent to one half of the actual tuition fees incurred by the Company.

(3) Where the Corporation is satisfied that, on or after 1st January, 1993, a full time employee engaged for an indefinite period by a qualifying Company undergoes a training programme in order to acquire new skills required by the company due to the introduction of new technology or methods of production and such training programme has been approved by the Corporation in advance, a training grant may be given by the Corporation to the company equivalent to one half the statutory weekly minimum wage for every week of actual training undergone by such employee up to a maximum of forty eight weeks:

Provided that the company shall qualify for such grant only in respect of employees who have not benefitted from this scheme during the two years preceeding the year in respect of which such grant shall be paid.

(4) Where the Corporation is satisfied that, on or after 1st January, 1993, a full time management employee who has been so engaged by a qualifying company for at least three years and is either qualified in a specific management or technical area or has not less than three years managerial or technical experience, undergoes a course in management development training or a technical upgrading course which has been approved by the Corporation in advance, a training grant may be given by the Corporation to the Company equivalent to one half of the actual tuition fees incurred by the company.

(5) Where the Corporation is satisfied that, on or after 1st January, 1993, a full time employee employed by a qualifying company for an indefinite period undergoes a training programme which is necessary in view of a complete change in his employment within the Company, which programme has been approved by the Corporation in advance, a training grant may be given by the Corporation to the Company equivalent to one half of the statutory weekly minimum wage for every week of actual training undergone by such employee up to a maximum of forty eight weeks.”;

(c) in subsection (6) thereof as renumbered, for the words “statutory weekly minimum wage” there shall be substituted the words “statutory weekly minimum wage or of the actual tuition fees, as the case may be”; and

(d) in subsection (7) thereof as renumbered for the words “Income Tax Act, 1948”, there shall be substituted the words “Income Tax Act”.

**16.** Section 20 of the principal Act shall be amended as follows:

Amendment of section 20 of the principal Act.

(a) in subsection (1) of section 20 the words “not exceeding Lm350,000” shall be substituted by the words “not exceeding Lm600,000”; and

(b) in subsection (3) thereof for the words "Income Tax Act, 1948", there shall be substituted the words "Income Tax Act".

Amendment of section 22 of the principal Act.

17. In section 22 of the principal Act for the words "Immigration Act, 1970", there shall be substituted the words "Immigration Act", and the marginal note "Cap 217" shall be added to the section where the words "Immigration Act" first occur.

Amendment of section 23 of the principal Act.

18. Section 23 of the principal Act shall be amended as follows:

(a) For subsection (2) thereof there shall be substituted the following subsection:

"(2) The Corporation shall give a grant to a Gozo company to cover the actual, additional and necessary transport costs incurred by the Company in transporting:

(a) between Malta and Gozo machinery, plant, materials, goods or products connected with its activities in Gozo related to export;

(b) from Malta to Gozo material connected with its activities in Gozo whether such activities are related to export or not.";

(b) Subsection (5) thereof shall be deleted; and

(c) Subsection (6) thereof shall be renumbered as subsection (5).

Substitution of section 24 of the principal Act.

19. For section 24 of the principal Act there shall be substituted the following:

<sup>"Incentives to small business"</sup> 24 (1) The Corporation may, at its discretion, grant to a small business:

(a) relief from customs duty as provided in section 17 of this Act; and

(b) industrial buildings, structures and land on such conditions as the Corporation may from time to time determine;

notwithstanding that that small business is not a qualifying company.

(2) In subsection (1) of this section "small business" means a person other than a company, who carries on or carries out a trade or business contemplated under paragraphs (a) to (h) of subsection (1) of section 3 of this Act."

Amendment to section 36 of the principal Act.

20. Section 36 of the principal Act shall be amended as follows:

(a) for subsection (1), (2) and (3) thereof, there shall be substituted the following subsections:

“(1) A qualifying company in receipt of any of the incentives and benefits indicated in subsection (4) of this section shall, at the end of the accounting period during which the incentive or benefit stands to be accounted for, transfer to and show in its balance sheet as on the said date a reserve to be called the “Incentives and Benefits Reserve” in a sum equal to the amounts therein specified. This reserve shall be shown separately on the balance sheet of the company and shall show separately any amounts transferred under paragraph (a) of subsection (4) and any amounts transferred under paragraph (b) of subsection (4) of this section.

(2) For the purposes of subsection (1) of this section, profits available for transfer to that reserve shall be the profits computed in accordance with the provisions of the Income Tax Act, and of this Act, and where at the end of any accounting period as aforesaid the profits so computed are such that the reserve, or the full amount thereof, cannot be set aside in that period, the obligation to transfer profits to a reserve shall be, in part or in full, as the case may be, carried forward to the subsequent accounting period and deemed to be an obligation for that period, and so on for subsequent periods:

Provided that where a company has been allowed reduced rates of tax in accordance with section 6 of this Act and the Company is unable to transfer to the Incentives and Benefits Reserve a sum equal to the aggregate amount on which reduced rates of tax were allowed within a period of two years following the relevant investment period, the Company shall be immediately liable to tax on this shortfall at the difference between the standard rate and the reduced rate of tax.

Provided further that the amount of the shortfall shall be shown separately in the Balance Sheet by way of Contingent Liability until such time as the provisions of this section have been complied with.

(3) A reserve created under the provisions of subsection (1) of this section shall, except as otherwise provided for in this section, be retained separately in the balance sheet of the company and shall not be distributable or convertible into share capital of the company. The said reserve shall also not be reduced to take account of any losses incurred by the company, whether such losses are of an ordinary or extraordinary nature, or capital or revenue in character:

Provided that, notwithstanding anything in this subsection, any amount transferred to the “Incentives and Benefits Reserve” may, after the lapse of eight years from the end of the approved investment period, be applied by the company in paying up unissued shares of the company to be allotted to members of the company as fully paid bonus shares. Such distribution shall not be chargeable to tax.”; and

(b) for the first paragraph of subsection (5) thereof there shall be substituted the following:—

“(5) Distributions made to the members of a company in the course of winding up the company out of any reserve created in accordance with the provisions of this section shall not be liable to tax under the Income Tax Act:”.

Amendment to  
section 45 of the  
principal Act.

21. Section 45 of the principal Act shall be amended as follows:

(a) for the words “Aids to Industries Ordinance, 1959” wherever they occur therein there shall be substituted the words “Aids to Industries Ordinance” and the marginal note “Cap. 159” shall be inserted where the words “Aids to Industries Ordinance” first occur; and

(b) in subsection (1) thereof the words “paragraphs (a) or (b) of” shall be deleted.

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### Objects and Reasons

The Purpose of the Bill is mainly to amend the Industrial Development Act, 1988 to give incentives to new areas of economic activity.