

**Nru. 172**

30. 1. 87

**MALTA**

**KAMRA TAD-DEPUTATI**

**HOUSE OF REPRESENTATIVES**

ABBOZZ ta' Ligi mressaq mill-Onorevoli Wistin Abela, M.P., Deputat Prim Ministru u Ministru tal-Finanzi u tad-Dwana u moqri għall-Ewwel darba fis-Seduta tas-7 ta' Jannar, 1987.

A BILL introduced by the Honourable Wistin Abela, M.P., Deputy Prime Minister and Minister of Finance and Customs and read the First time at the Sitting of the 7th January, 1987.

ATT biex ikompli jemenda l-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*.

AN ACT further to amend the *Income Tax Act, 1948*.

**P. MUSCAT TERRIBILE**

*Agent Skrivan tal-Kamra tad-Deputati*

**P. MUSCAT TERRIBILE**

*Acting Clerk to the House of Representatives*

## ABBOZZ TA' LIĠI

### msejjaħ

*ATT biex ikompli jemenda l-Att ta' l-1948 dwar it-Taxxa fuq l-Income.*

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

1. (1) Dan l-Att jista' jissejjaħ l-Att ta' l-1987 li jemenda l-Att dwar it-Taxxa fuq l-*Income*, u għandu jinqara u jiftiehem haġa wahda ma' l-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*, hawnhekk iżjed 'il quddiem imsejjaħ "l-Att prinċipali".

Titolu  
fil-qosor u  
bidu fis-seħh.

Att Nru. LIV  
ta' l-1948.

(2) Id-dispożizzjonijiet ta' dan l-Att għandhom jibdw isehhu kif ġej:—

(a) id-dispożizzjonijiet ta' dan l-artikolu u ta' l-artikolu 4 għandhom jibdw isehhu hekk kif dan l-Att jiġi ppublikat fil-Gaz-zetta;

(b) id-dispożizzjonijiet ta' l-artikoli 2, 3, 5 u l-paragrafi (a) u (ċ) ta' l-artikolu 6 għandhom jibdw isehhu mill-ewwel ta' Jannar, 1988 dwar is-sena ta' stima li tibda f'dik id-data u dwar is-snin ta' stima ta' wara;

(ċ) id-dispożizzjonijiet tal-paragrafu (b) ta' l-artikolu 6 għandhom jitqiesu li dahlu fis-seħh mill-ewwel ta' Jannar, 1976 dwar is-sena ta' stima li bdiet f'dik id-data u dwar snin ta' stima ta' wara.

2. Minflok il-proviso li hemm mal-paragrafu (ċ) tas-subartikolu (1) ta' l-artikolu 5 ta' l-Att prinċipali għandu jidhol dan li ġej:

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

"Izda ebda *income* ma għandu jkun sugġett għal taxxa taht dan il-paragrafu fil-każ ta' —

(i) xi ndividwu li kien ordinarjament residenti u

domiciljat f'Malta fis-sena li taħbat minnufih qabel is-sena ta' stima;

(ii) xi proprjetà li tikkonsisti fi knejjes u xi proprjetà li għandhom pussess u użu tagħha, jew jokkupawha, d-djoċesi ta' Malta jew ta' Għawdex għall-finijiet rispettivi tagħhom;

(iii) xi kommunità ekklesjastika li hi ntitolata għal tnaqqis personali taħt id-dispożizzjonijiet tas-subartikolu (6) ta' l-artikolu 22 ta' dan l-Att.”.

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

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

(a) fil-proviso li hemm mas-subartikolu (4) tiegħu minflok il-kliem “izjed minn hames mija u hamsa u erbghin lira Maltija” għandhom jidhlu l-kliem “izjed minn hames mija u hamsa u tmenin lira Maltija”;

(b) fil-paragrafu (b) tas-subartikolu (5) tiegħu —

(i) minflok il-kliem “tal-paragrafi (ċ), (d), (e) u (f)” għandhom jidhlu l-kliem “tal-paragrafi (d), (e) u (f)”;

(ii) fis-sub-paragrafu (iii) tiegħu minflok il-kliem “izjed minn hames mija u hamsa u erbghin lira Maltija” għandhom jidhlu l-kliem “izjed minn hames mija u hamsa u tmenin lira Maltija”.

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

**4. Minflok il-paragrafu (b) tal-proviso li hemm mas-subartikolu (1) ta' l-artikolu 16 ta' l-Att prinċipali għandu jidhol dan li ġej:**

“(b) ebda ordni mahruġ taħt dan is-subartikolu ma għandu jkollu effett —

(i) meta jkun magħmul dwar xi profitti taxxabli f'idejn il-kumpannija dwar xi sena ta' stima qabel dik li tibda fl-1 ta' Jannar, 1976, jekk tkun saret likwidazzjoni għal dik is-sena jew, meta ma tkun saret ebda likwidazzjoni kif intqal qabel, jekk l-ordni isir wara l-31 ta' Diċembru, 1979;

(ii) meta jkun magħmul dwar xi profitti taxxabli f'idejn il-kumpannija dwar xi sena ta' stima qabel dik li tibda fl-1 ta' Jannar, 1984, jekk dan isir wara l-31 ta' Diċembru, 1986; u

(iii) meta jkun magħmul dwar xi profitti hekk taxxabli għal xi sena ohra ta' stima, jekk isir wara li jgħaddu tmien snin minn meta tispicċa s-sena ta' stima li fiha l-profitti li għalihom jirreferi l-ordni kienu sugġetti għat-taxxa”.

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

**5. L-artikolu 22 ta' l-Att prinċipali għandu jiġi emendat kif ġej:**

(a) fil-paragrafu (a) tas-subartikolu (1) tiegħu minflok il-kliem “elf mitejn u tletin lira Maltija” għandhom jidhlu l-kliem “elf seba' mija u tletin lira Maltija”;

(b) fis-subartikolu (2) tiegħu —

(i) minflok il-kliem “seba' mija u tletin lira Maltija” għandhom jidhlu l-kliem “elf u tletin lira Maltija”;

(ii) fil-proviso li hemm għalih minflok il-kliem “hames mitt lira Maltija” għandhom jidhlu l-kliem “seba’ mitt lira Maltija”; u

(ċ) fis-subartikolu (6) tiegħu minflok il-kliem “hames mija u hamsa u erbghin lira Maltija” għandhom jidhlu l-kliem “hames mija u hamsa u tmenin lira Maltija”.

6. L-artikolu 25 ta’ l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok is-subartikolu (1) tiegħu għandu jidhol dan li ġej:

Emenda ta’  
l-artikolu 25  
ta’ l-Att  
prinċipali.

“Rati  
normali ta’  
taxxa fuq  
individwi  
u ċerti  
korpjiet  
ta’ nies.

(1) Bla hsara għad-dispożizzjonijiet l-oħra ta’ dan l-artikolu, it-taxxa fuq l-*income* taxxabli ta’ kull persuna tkun intaxxata bir-rati li ġejjin:

(a) fil-każ ta’ individwu li jkun intitolat għal tnaq-qis taht il-paragrafu (a) tas-subartikolu (1) ta’ l-artikolu 22 ta’ dan l-Att għall-istess sena ta’ stima —

Għal kull Lm fuq l-ewwel Lm100	10c
Għal kull Lm fuq il-Lm200 ta’ wara	15c
Għal kull Lm fuq il-Lm200 ta’ wara	20c
Għal kull Lm fuq l-Lm400 ta’ wara	22c
Għal kull Lm fuq is-Lm700 ta’ wara	25c
Għal kull Lm fuq l-Lm1,500 ta’ wara	30c
Għal kull Lm fuq is-Lm700 ta’ wara	40c
Għal kull Lm fuq is-Lm700 ta’ wara	50c
Għal kull Lm fuq l-Lm2,000 ta’ wara	60c
Għal kull Lm mill-bqija	65c

(b) fil-każ ta’ kull persuna oħra —

Għal kull Lm fuq l-ewwel Lm100	5c
Għal kull Lm fuq il-Lm100 ta’ wara	8c
Għal kull Lm fuq l-Lm400 ta’ wara	15c
Għal kull Lm fuq il-Lm500 ta’ wara	20c
Għal kull Lm fuq is-Lm700 ta’ wara	25c
Għal kull Lm fuq l-Lm1,500 ta’ wara	30c
Għal kull Lm fuq is-Lm700 ta’ wara	40c
Għal kull Lm fuq is-Lm700 ta’ wara	50c
Għal kull Lm fuq l-Lm2,000 ta’ wara	60c
Għal kull Lm mill-bqija	65c”;

(b) minflok is-subartikolu (3A) tiegħu għandu jidhol dan li ġej:

“L-ogħla  
rata ta’  
taxxa  
f’ċerti  
każijiet.

(3A) Bla hsara għad-dispożizzjonijiet tas-subartikolu (6) ta’ dan l-artikolu, it-taxxa li għandha tiġi ntaxxata skond id-dispożizzjonijiet l-oħra ta’ dan l-artikolu m’għandha f’ebda każ tkun iżjed mir-rata ta’ —

(a) 10c fuq kull lira Maltija ta’ l-*income* taxxabli ta’ kull *trade union* jew partit politiku; u

(b) 30c fuq kull lira Maltija ta’ l-*income* taxxabli ta’ kull każin jew istituzzjoni oħra simili li ma tkun proprjetà ta’ hadd jekk il-Kummissarju jkun sodisfatt li ebda parti mill-*income* ma jkun jista’ jitqassam lil, jew

xort'ohra jkun disponibbli għall-benefiċċju personali ta' xi sid jew membru bħala tali.”;

(ċ) minflok is-subartikolu (4) tiegħu għandu jidhol dan li ġej:

“Rati  
speċjali  
ta' taxxa  
u l-inqas  
taxxa li  
għandha  
tithallas.

(4) Minkejja d-dispożizzjonijiet tas-subartikolu (1) ta' dan l-artikolu, it-taxxa fuq l-*income* taxxabli ta' kull individwu li jkun inghata permess għal residenza taht l-artikolu 7 ta' l-Att ta' l-1970 dwar l-Immigrazzjoni, fl-erbatax jew wara l-erbatax ta' Novembru, 1972, għandha tigi ntaxxata bir-rati li ġejjin:

(a) fil-każ ta' dak l-individwu li jkun intitolat għal tnaqqis taht il-paragrafu (a) tas-subartikolu (1) ta' l-artikolu 22 ta' dan l-Att għall-istess sena ta' stima —

Għal kull Lm fuq l-ewwel Lm100	10c
Għal kull Lm fuq il-Lm200 ta' wara	15c
Għal kull Lm fuq il-Lm200 ta' wara	20c
Għal kull Lm fuq l-Lm400 ta' wara	22c
Għal kull Lm fuq is-Lm700 ta' wara	25c
Għal kull Lm mill-bqija	30c

(b) fil-każ ta' kull individwu ieħor bħal dak —

Għal kull Lm fuq l-ewwel Lm100	5c
Għal kull Lm fuq il-Lm100 ta' wara	8c
Għal kull Lm fuq l-Lm400 ta' wara	15c
Għal kull Lm fuq il-Lm500 ta' wara	20c
Għal kull Lm fuq is-Lm700 ta' wara	25c
Għal kull Lm mill-bqija	30c:

Izda l-inqas taxxa li għandha tithallas minn xi individwu bħal dak dwar xi sena ta' stima tkun elf lira Maltija.”.

### Għanijiet u Raġunijiet

L-Għan ta' dan l-Abbozz hu li jdahħal fis-sehħ il-proposti li saru fil-Budget u sabiex jagħmel dispożizzjonijiet konsegwenzjali għar-rigward ta' l-ghoti ta' tnaqqis personali u r-rati ta' taxxa applikabbli għal finijiet ta' taxxa fuq l-*Income*.

**A BILL**  
**entitled**

*An Act further to amend the Income Tax Act, 1948*

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 Income Tax (Amendment) Act, 1987, and shall be read and construed as one with the Income Tax Act, 1948, hereinafter referred to as “the principal Act”

Short title and commencement.  
Act No. LIV  
of 1948.

(2) The provisions of this Act shall come into force as follows:—

(a) the provisions of this section and of section 4 shall come into force upon the publication of this Act in the Gazette;

(b) the provisions of sections 2, 3, 5 and paragraphs (a) and (c) of section 6 shall come into force as from the 1st January, 1988 in respect of the year of assessment commencing on that date and of subsequent years of assessment;

(c) the provisions of paragraph (b) of section 6 shall be deemed to have come into force as from the 1st January, 1976 in respect of the year of assessment commencing on that date and of subsequent years of assessment.

2. For the proviso to paragraph (c) of subsection (1) of section 5 of the principal Act there shall be substituted the following:

Amendment of section 5 of the principal Act.

“Provided that no income shall be subject to tax under this paragraph in the case of —

(i) any individual who was ordinarily resident and domiciled in Malta in the year immediately preceding the year of assessment;

(ii) any property which consists of churches and of any property owned and used, or occupied, by the diocese of Malta or of Gozo for their respective purposes;

(iii) any ecclesiastical community entitled to personal deductions under the provisions of subsection (6) of section 22 of this Act.”.

Amendment of section 14A of the principal Act.

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

(a) in the proviso to subsection (4) thereof for the words “in excess of five hundred and forty-five Maltese liri” there shall be substituted the words “in excess of five hundred and eighty-five Maltese liri;”

(b) in paragraph (b) of subsection (5) thereof —

(i) for the words “paragraphs (c), (d), (e) and (f)” there shall be substituted the words “paragraphs (d), (e) and (f)”; and

(ii) in sub-paragraph (iii) thereto for the words “in excess of five hundred and forty-five Maltese liri” there shall be substituted the words “in excess of five hundred and eighty-five Maltese liri”.

Amendment of section 16 of the principal Act.

4. For paragraph (b) of the proviso to subsection (1) of section 16 of the principal Act there shall be substituted the following:

“(b) no order issued under this subsection shall have effect —

(i) where it is made in respect of any profits chargeable in the company’s hands in respect of any year of assessment prior to that beginning on 1st January, 1976, if an assessment has been raised for that year or, where no such assessment has been raised, if the order is made after 31st December 1979;

(ii) where it is made in respect of any profits chargeable in the company’s hands in respect of any year of assessment prior to that beginning on 1st January, 1984, if it is made after 31st December, 1986; and

(iii) where it is made in respect of any profits so chargeable for any other year of assessment, if it is made after the lapse of eight years from the end of the year of assessment in which the profits to which the order relates were chargeable to tax;”.

Amendment of section 22 of the principal Act.

5. Section 22 of the principal Act shall be amended as follows:

(a) in paragraph (a) of subsection (1) thereof for the words “one thousand two hundred and thirty Maltese liri” there shall be substituted the words “one thousand seven hundred and thirty Maltese liri”;

(b) in subsection (2) thereof —

(i) for the words “seven hundred and thirty Maltese liri” there shall be substituted the words “one thousand and thirty Maltese liri”;

(ii) in the proviso thereto for the words "five hundred Maltese liri" there shall be substituted the words "seven hundred Maltese liri"; and

(c) in subsection (6) thereof for the words "five hundred and forty-five Maltese liri" there shall be substituted the words "five hundred and eighty-five Maltese liri".

6. Section 25 of the principal Act shall be amended as follows:

Amendment of section 25 of the principal Act.

(a) for subsection (1) thereof there shall be substituted the following:

"Normal rates of tax on individuals and certain bodies of persons.

(1) Saving the other provisions of this section, the tax upon the chargeable income of every person shall be charged at the following rates:

(a) in the case of an individual who is entitled to a deduction under paragraph (a) of subsection (1) of section 22 of this Act for the same year of assessment —

For every Lm of the first Lm100	10c
For every Lm of the next Lm200	15c
For every Lm of the next Lm200	20c
For every Lm of the next Lm400	22c
For every Lm of the next Lm700	25c
For every Lm of the next Lm1,500	30c
For every Lm of the next Lm700	40c
For every Lm of the next Lm700	50c
For every Lm of the next Lm2,000	60c
For every Lm of the remainder	65c

(b) in the case of any other person —

For every Lm of the first Lm100	5c
For every Lm of the next Lm100	8c
For every Lm of the next Lm400	15c
For every Lm of the next Lm500	20c
For every Lm of the next Lm700	25c
For every Lm of the next Lm1,500	30c
For every Lm of the next Lm700	40c
For every Lm of the next Lm700	50c
For every Lm of the next Lm2,000	60c
For every Lm of the remainder	65c";

(b) for subsection (3A) thereof there shall be substituted the following:

"Maximum rate of tax in certain cases.

(3A) Saving the provisions of subsection (6) of this section, the tax chargeable under the other provisions of this section shall in no case exceed the rate of —

(a) 10c on every Maltese lira of the chargeable income of every trade union or political party; and

(b) 30c on every Maltese lira of the chargeable income of every club or other similar non-proprietary institution if the Commissioner is satisfied that no part

of the income is distributable to, or is otherwise available for the personal benefit of any proprietor or member thereof in his capacity as such.”;

(c) for subsection (4) thereof there shall be substituted the following:

“Special rates of tax and minimum tax liability.

(4) Notwithstanding the provisions of subsection (1) of this section, the tax upon the chargeable income of any individual who has been granted a residence permit under section 7 of the Immigration Act, 1970, on or after the fourteenth day of November, 1972, shall be charged at the following rates:

(a) in the case of such an individual who is entitled to a deduction under paragraph (a) of subsection (1) of section 22 of this Act for the same year of assessment —

For every Lm of the first Lm100	10c
For every Lm of the next Lm200	15c
For every Lm of the next Lm200	20c
For every Lm of the next Lm400	22c
For every Lm of the next Lm700	25c
For every Lm of the remainder	30c

(b) in the case of any other such individual —

For every Lm of the first Lm100	5c
For every Lm of the next Lm100	8c
For every Lm of the next Lm400	15c
For every Lm of the next Lm500	20c
For every Lm of the next Lm700	25c
For every Lm of the remainder	30c

Provided that the minimum liability of any such individual in respect of any year of assessment shall be one thousand Maltese liri.”.

### Objects and Reasons

The Object of the Bill is to give effect to the proposals in the Budget and to make consequential provisions concerning the granting of personal deductions and the applicable rates of tax for income tax purposes.