

Naghti l-kunsens tiegħi.

(L.S.)

**MARIE LOUISE  
COLEIRO PRECA  
President**

31 ta' Ottubru, 2014

**ATT Nru. XXXVII tal-2014**

*ATT li jemenda l-Att dwar it-Taxxa fuq l-Income, Kap.123, u biex jipprovdi għal hwejjeġ ancillari jew konnessi ma' dan.*

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

**1.** It-titolu fil-qosor ta' dan l-Att huwa l-Att tal-2014 li jemenda l-Att dwar it-Taxxa fuq l-*Income*, u dan l-Att għandu jinqara u jinftiehem haġa waħda mal-Att dwar it-Taxxa fuq l-*Income*, hawn iżjed 'il quddiem imsejjaħ "l-Att prinċipali".

Titolu fil-qosor.

Kap. 123.

**2.** Minnufih wara l-paragrafu (w) tas-subartikolu (1) tal-artikolu 12 tal-Att prinċipali għandu jiżdied il-paragrafu ġdid li ġej:

Emenda tal-artikolu 12 tal-Att prinċipali.

"(x) l-imghax li jithallas lil individwu f'ismu minn:

(i) persuna li qed tmexxi negozju ta' *banking* skont il-ligijiet ta' kull Stat Membru tal-Unjoni Ewropea fir-rigward ta' somma ta' flus depożitata f'kont speċjali tat-tifdil tal-individwu rikonoxxut bħala tali mill-Kummissarju, u

(ii) l-imghax li jithallas lil individwu f'ismu minn Gvern ta' Stat Membru tal-Unjoni Ewropea jew minn aġenzija tiegħu, minn korporazzjoni jew awtorità stabbilita bil-ligi, jew fir-rigward ta' hrug għall-pubbliku minn kumpannija, entità jew persuna ġuridika oħra hi kif inhi kostitwita u kemm jekk residenti f'Malta jew xort'oħra,

fejn it-titoli relevanti li jagħtu l-imgħax huma akkreditati għall-benefiċċju tal-individwu f'kont speċjali ta' tiffidil tal-individwu rikonoxxut bħala tali mill-Kummissarju:

Iżda l-ammont totali tad-depożiti f'dan il-kont u l-valur tat-titoli relevanti li jagħtu l-imgħax għall-benefiċċju ta' individwu f'tali kont ma għandhomx jaqbżu flimkien l-elf euro (€1,000) f'sena waħda jew ammont ieħor kif jista' jkun preskritt mill-Ministru minn żmien għal żmien."

Emenda tal-artikolu 31D tal-Att prinċipali.

**3.** Minnufih wara s-subartikolu (6) tal-artikolu 31D tal-Att prinċipali, għandu jizjed is-subartikolu ġdid li ġej:

"(6A) Meta individwu jkun naqas li jiddikjara *income* li ġej mill-kiri ta' fond mikri bħala fond residenzjali jew bħala garaxx matul il-perjodu relevanti f'xi prospett tat-taxxa u dak l-individwu jagħżel li jiddikjara dak l-*income* mill-kiri fuq il-formula relevanti li hemm referenza għaliha fl-artikolu 42(4)(ċ) tal-Att dwar l-Amministrazzjoni tat-Taxxa, li hi meħtieġa li tiġi sottomessa sa mhux aktar tard mit-30 ta' Ġunju 2015, u jhallas it-taxxa msemmija fis-subartikolu (2) ta' dan l-artikolu, għandu jitqies għall-finijiet tal-Atti dwar it-Taxxi li dak l-*income* mill-kiri kien ġie riċevut matul is-sena bażi 2014. L-individwu li jagħmel din l-għażla għandu jhallas lill-Kummissarju t-taxxa b'dak il-mod kif jista' jiġi preskritt skont id-dispożizzjonijiet tal-artikolu 42 tal-Att dwar l-Amministrazzjoni tat-Taxxa:

Iżda meta individwu jeżerċita l-għażla msemmija u jiddikjara *income* mill-kiri għal aktar minn sena, l-ammont totali taxxabbli msemmi fis-subartikolu (2) ta' dan l-artikolu ma għandux jeċċedi ammont determinat kif ġej:

$$Y = (a / b) \times 2$$

Fejn -

(a) "Y" jirrappreżenta l-ammont li għandu jiġi determinat;

(b) "a" huwa l-*income* totali mill-kiri li ġie dikjarat fl-imsemmija formula relevanti;

(ċ) "b" huwa n-numru ta' snin li jkun hemm fil-perjodu relevanti li dwarhom qed jiġi dikjarat l-*income* mill-kiri:

Iżda wkoll fejn wara stħarriġ ikun hemm evidenza li individwu li jeżerċita l-għażla msemmija f'dan

is-subartikolu esagera l-ammont ta' *income* mill-kiri dikjarat fuq il-formula rilevanti sabiex jikseb vantaġġ fir-rigward tat-taxxa, il-proviso ta' qabel dan m'għandux japplika u l-ammont totali ta' *income* mill-kiri dikjarat fl-imsemmija formula jkun taxxabbli bir-rata ta' 15%.

Għall-finijiet ta' dan is-subartikolu "perjodu rilevanti" tfisser il-perjodu ta' tmien snin qabel is-sena bażi 2013."

4. Minnufih wara l-artikolu 56 tal-Att prinċipali għandu jizdied l-artikolu ġdid li ġej:

Żjieda tal-artikolu 57 ġdid mal-Att prinċipali.

"Skema għal min jirtira personali,

57. (1) Ammont li huwa daqs l-anqas ta':

Kap. 450.

(a) il-hmistax fil-mija (15%) tal-aggregat ta' kull kontribuzzjoni li ssir jew *premiums* imħallsa minn persuna matul is-sena minnufih qabel is-sena ta' stima fir-rigward ta' shubija fi kwalunkwe skema għal min jirtira personali kif imfissra fl-Att li jirregola Fondi Speċjali jew kwalunkwe Att li jissostitwixxi l-imsemmi Att, jew polza ta' assigurazzjoni ma' kumpannija awtorizzata sabiex tmexxi negozju *long term* taht l-Att dwar il-Kummerċ tal-Assigurazzjoni; u

Kap. 403.

(b) mija u ħamsin euro (€150) jew ammont ieħor b'dak il-mod kif jista' jiġi preskritt mill-Ministru minn żmien għal żmien,

għandu jiġi permess bħala kreditu kontra t-taxxa fuq id-dħul taxxabbli f'Malta lil kwalunkwe persuna li hi membru ta', u tagħmel kontribuzzjonijiet lil, waħda jew aktar skemi personali għal min jirtira jew thallas *premium* fir-rigward ta' polza ta' assigurazzjoni f'dik is-sena minnufih qabel is-sena ta' stima, u l-ammont ta' taxxa fuq id-dħul hekk taxxabbli għandu jiġi mnaqqas minn dak l-ammont ta' kreditu:

Iżda l-kreditu jkun biss permess fir-rigward ta' skemi li jikkwalifikaw jew poloz ta' assigurazzjoni kif jistgħu jiġu preskritti mill-Kummissarju u jekk id-dettalji ta' tali persuna u ammonti kontribwiti minnha fl-iskema/i personali għal irtirar jew *premiums* imħallsa minnha fir-rigward ta' polza ta' assigurazzjoni fis-sena relevanti huma konfermati minn ċertifikat maħruġ minn detentur tal-liċenzja f'dik il-forma u kontenut kif stabbilit mill-Kummissarju.

(2) F'każ ta' koppja miżżewġa li hija residenti f'Malta, u irrispettivament jekk il-konjuġi responsabbli għażilx jew le komputazzjoni separata skont id-dispożizzjonijiet tal-artikolu 50, kull wieħed mill-koppja miżżewġa jista' jitlob il-kreditu msemmi f'dan l-artikolu.

(3) Il-kreditu msemmi f'dan l-artikolu għandu jingħata biss fir-rigward ta' taxxa fuq id-dhul taxxabbli matul is-sena li fiha saret il-kontribuzzjoni minn persuna fl-iskema jew skemi personali għal min jirtira jew il-*premiums* imħallsa minnha fir-rigward tal-polza tal-assigurazzjoni, u tali kreditu ma jkunx jista' jingiebu 'il quddiem għas-snin sussegwenti jekk ma jiġix hekk utilizzat.

(4) Id-dhul li fir-rigward tiegħu jingħata kreditu taħt dan l-artikolu għandu jitqies li jikkostitwixxi l-ewwel parti tat-total tad-dhul ta' tali persuna għas-sena ta' stima relattiva.

(5) L-ebda talba għal rifużjoni ta' taxxa m'għandha ssir minn persuna għal ammont li huwa daqs il-kreditu permess taħt dan l-artikolu meta dik ir-rifużjoni kienet tkun xort'oħra dovuta b'konsegwenza li l-persuna tkun ibbenefikat minn kreditu skont dan l-artikolu.

- (6) Ghall-finijiet ta' dan l-artikolu, detentur ta' liċenza tfisser kull persuna, kemm jekk naturali jew xort'ohra, illi għandha liċenza taht l-Att li jirregola Fondi Speċjali jew kwalunkwe Att li jissostitwixxi l-imsemmi Att, jew li tmexxi negozju *long term* taht l-Att dwar il-Kummerċ tal-Assigurazzjoni, u hi rikonoxxuta mill-Kummissarju għall-finijiet li jinħarġu ċertifikati skont dan l-artikolu."
- Kap. 450.
- Kap. 403.

5. Is-subartikolu (4) tal-artikolu 42 tal-Att dwar l-Amministrazzjoni tat-Taxxa għandu jiġi emendat kif ġej:

Emenda tal-artikolu 42 tal-Att dwar l-Amministrazzjoni tat-Taxxa, Kap. 372.

(a) fil-paragrafu (ċ) tiegħu, minflok il-kliem "jinkiseb l-*income* gross mill-kirjiet." għandhom jidhlu l-kliem "jinkiseb l-*income* gross mill-kirjiet."; u

(b) minnufih wara l-paragrafu (ċ) tiegħu għandu jizjed il-proviso ġdid li ġej:

"Izda fil-każ ta' individwu li jeżerċita l-għażla msemmija fl-artikolu 31D(6A) tal-Att dwar it-Taxxa fuq l-*Income*, il-ħlas tat-taxxa għandu jsir sa mhux aktar tard mit-30 ta' Ġunju 2015."

Mgħoddi mill-Kamra tad-Deputati fis-Seduta Nru. 190 tat-22 ta' Ottubru, 2014.

ANGLU FARRUGIA  
*Speaker*

RAYMOND SCICLUNA  
*Skrivan tal-Kamra tad-Deputati*

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I assent.

(L.S.)

**MARIE LOUISE  
COLEIRO PRECA  
President**

31st October, 2014

**ACT No. XXXVII of 2014**

*AN ACT to amend the Income Tax Act, Cap. 123, and to provide for matters ancillary or connected therewith.*

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:-

Short title.

**1.** The short title of this Act is the Income Tax (Amendment) Act, 2014, and this Act shall be read and construed as one with the Income Tax Act, hereinafter referred to as "the principal Act".

Cap. 123.

Amendment of article 12 of the principal Act.

**2.** Immediately after paragraph (w) of sub-article (1) of article 12 of the principal Act there shall be added the following new paragraph:

"(x) interest payable to an individual in his own name by:

(i) a person carrying on the business of banking in accordance with the laws of any European Union Member State in respect of a sum of money deposited into a special individual saving account recognised as such by the Commissioner, and

(ii) interest payable to an individual in his own name by the Government of a European Union Member State or by any agency thereof, by a corporation or authority established by law, or in respect of a public issue by a company, entity or other legal person howsoever constituted and whether resident in Malta or otherwise, where the relevant interest-bearing securities are credited for the benefit of the individual to a special individual

saving account recognised as such by the Commissioner:

Provided that the aggregate amount of the deposits into such account and the value of the interest-bearing securities credited for the benefit of the individual into such account do not together exceed one thousand euro (€1,000) in any year or such other amount as may be prescribed by the Minister from time to time."

3. Immediately after sub-article (6) of article 31D of the principal Act, there shall be added the following new sub-article:

Amendment of article 31D of the principal Act.

"(6A) Where an individual has failed to declare rental income derived from a tenement leased as a residence or garage during the relevant period in any return and such individual opts to declare such rental income in the relevant form referred to in article 42(4)(c) of the Income Tax Management Act, which is required to be submitted by not later than the 30th June 2015, and pays the tax referred to in sub-article (2) of this article on such rental income, it shall be deemed for the purpose of the Income Tax Acts that such rental income was received during basis year 2014. The individual exercising the said option shall pay to the Commissioner the tax in such manner as may be prescribed in accordance with the provisions of article 42 of the Income Tax Management Act:

Provided that where an individual exercises the said option and declares rental income for more than one year, the total amount subject to the tax referred to in sub-article (2) of this article shall not exceed an amount determined as follows:

$$Y = (a / b) \times 2$$

Where –

- (a) "Y" represents the amount to be determined;
- (b) "a" is the total rental income declared in the said relevant form;
- (c) "b" is the number of years comprised in the relevant period in respect of which rental income is declared:

Provided also that where following an enquiry there is evidence that an individual who exercises the option referred to in this sub-article has overstated the amount of rental income declared in the relevant form for

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the purpose of obtaining a tax advantage, the preceding proviso shall not apply and the total amount of rental income declared in the said form shall be subject to tax at the rate of 15%.

For the purpose of this sub-article "relevant period" means the period of eight years preceding basis year 2013."

Addition of new article 57 to the principal Act.

**4.** Immediately after article 56 of the principal Act there shall be added the following new article:

"Personal retirement schemes.

57. (1) An amount which is equal to the lower of:

(a) fifteen *per centum* (15%) of the aggregate of any contributions made or premiums paid by a person during the year immediately preceding a year of assessment in respect of membership in any personal retirement schemes as defined in the Special Funds (Regulation) Act or any Act substituting the said Act, or a policy of insurance held with a company authorised to carry on long term business under the Insurance Business Act; and

Cap. 450.

Cap. 403.

(b) one hundred and fifty euro (€150) or such other amount as may be prescribed by the Minister from time to time,

is to be allowed as a credit against the income tax chargeable in Malta to any person who is a member of, and makes contributions to, any one or more personal retirement schemes or pays a premium in relation to a policy of insurance in the year immediately preceding the year of assessment, and the amount of the income tax so chargeable shall be reduced by the amount of the credit:

Provided that the credit shall only be allowed in respect of qualifying schemes or policies of insurance as may be prescribed by the Commissioner and if the details of such person and amounts contributed by him to the personal retirement scheme/s or the premiums paid by him in relation to the policy of insurance in the relevant year are confirmed by a certificate issued by a licence holder in such format and content as determined by the Commissioner.

(2) In the case of a married couple resident in Malta, and irrespective of whether or not the responsible spouse has opted for a separate computation in terms of article 50, each of the spouses may claim the credit referred to in this article.

(3) The credit referred to in this article shall only be available in respect of the income tax chargeable for the year during which the contribution was made by a person to personal retirement scheme/s or the premiums paid by him in relation to the policy of insurance, and such credit may not be carried forward to subsequent years if it is not so utilised.

(4) The income in respect of which a credit is granted under this article shall be deemed to constitute the first part of that person's total income for the relative year of assessment.

(5) No refund of tax may be claimed by a person for an amount which is equal to the credit allowed under this article where such refund would have been otherwise due as a result of the person having availed himself of the credit in terms of this article.

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(6) For the purposes of this article, a licence holder shall mean any person, whether a natural person or otherwise, who holds a licence under the Special Funds (Regulation) Act or any Act substituting the said Act, or to carry on long term business under the Insurance Business Act, and is recognised by the Commissioner for the purpose of issuing certificates in terms of this article."

Cap. 450.

Cap. 403.

Amendment of article 42 of the Income Tax Management Act, Cap. 372.

**5.** Sub-article (4) of article 42 of the Income Tax Management Act shall be amended as follows:

(a) in paragraph (c) thereof, for the words "gross rental income is received." there shall be substituted the words "gross rental income is received:"; and

(b) immediately after paragraph (c) thereof, there shall be added the following new proviso:

"Provided that in the case of an individual who exercises the option referred to in article 31D(6A) of the Income Tax Act, payment of tax shall be made by not later than the 30th June 2015."

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Passed by the House of Representatives at Sitting No. 190 of the 22nd October, 2014.

ANĠLU FARRUGIA

*Speaker*

RAYMOND SCICLUNA

*Clerk of the House of Representatives*