

MALTA BUDGET 2023



TRI·MER
SERVICES LTD.

24TH OCTOBER 2022

*Independent
Member of*

BKR
INTERNATIONAL

General Overview

THE MINISTER FOR FINANCE HON. CLYDE CARUANA, PRESENTED THE BUDGET SPEECH FOR 2023 ON THE 24TH OF OCTOBER 2022. IN THIS DOCUMENT, YOU WILL FIND THE LATEST ECONOMIC FORECASTS, COMPARATIVES AND INDICATORS AS WELL AS THE MAIN MEASURES WHICH WILL BE IMPLEMENTED IN 2023.

HIGHLIGHTS OF MALTA BUDGET 2023

CERTAINTY AND STABILITY

- COLA increase of €9.90 weekly
- Pensioners to receive a weekly €12.50 COLA increase
- Around 80,000 vulnerable people to receive an average of €300 per recipient Christmas Cheque
- There will be no increase in water and electricity bills as these will continue to be subsidized at a cost of €600 million.
- First time buyers to receive €10,000 grant
- Pension income tax rebate threshold to increase, making social security pension not taxable.
- €200 increase in services pensions will be exempt from tax
- Widowers' pensioners will be equal to same amount that would be due to deceased
- One-stop-shop for start-ups to be setup
- Extension of 1.5% reduced stamp duty rate on transfers of shares in family businesses
- 2-year credits in social security contributions for mental health patients
- Children's allowances will increase €90 per annum per child
- Tax deduction to parents for children's sports, arts and cultural activities to increase to €300
- Proposals will also be put forward for changes to the various residency programmes

Economic Indicators



A deficit of 5.8% of GDP is expected for 2022 whilst a deficit 5.6% of GDP is forecasted for 2023.



Unemployment rate to stabilize at a low of 3.1%



National debt to GDP ratio closing at 57% in 2022, increasing to 59.1% in 2023



GDP growth of 6% in 2022. Projected GDP growth in real terms for 2023 of 3.5%. Inflation in 2022 expected at 5.7% and projected at 3.7% in 2023

Fiscal and Other Measures

Property

First time buyer scheme, second time buyer scheme and schemes to acquire a property in Gozo have been extended.

Family Reorganisation

The 1.5% stamp duty on the donation of family business to be extended.

Capital Allowances

Extension of the measure allowing for capital allowances to be surrendered to group undertakings.

Economy

Business Enhance to assist investment with over €40m in cash grants.

Technology Extension Support will assist in research and development projects.

Government Property

Shops outside of Valletta rented or leased from the Lands Department, will be extended giving tenants a 45 year lease.

Income Tax

Tax rates to remain the same with no reduction in this budget.

Royalty income for authors to be taxed at the rate of 7.5%.

The Micro Invest scheme will be extended to social enterprises

Green Economy

The €11,000 financial benefit when buying an electric vehicle will be extended.

Investment in a 1,200 Charging Point network.

Health and Education

Increase in Carer's Grant with parents caring for children with severe disability to receive €4,500 per year paid quarterly,

Tax credits for therapy of €200 for every child per year with severe disability

Persons with disability will receive a subsidy of not more than 10% on the purchase of a motor vehicle

ESG

Tax credits for projects that reduce the carbon footprint or reduce energy and water consumption.

Malta Enterprise to issue guidelines to local companies on how to reach their ESG targets.

About Us

TRI-MER SERVICES LIMITED OFFERS A COMPLETE RANGE OF SERVICES TO INTERNATIONAL CLIENTS WISHING TO RELOCATE TO MALTA OR SET-UP THEIR BUSINESS IN MALTA, FOCUSING INTENTLY ON PROVIDING SEVERAL CORPORATE AND PERSONAL TAX SOLUTIONS.

Established in 2005, and licensed by the Malta Financial Services Authority, we aspire to provide personalized, tailor-made full care services to all of our clients, and maintaining the highest professional and ethical standards.

Providing services to a list of prestigious clients, the firm enjoys an excellent reputation which stems from our dedication, professionalism and enthusiasm to serve our clients.

Tri-Mer Services Limited is a member of Finance Malta and the Institute for Financial Service Providers of Malta.

Tri-Mer Services Limited is a member of BKR International, a Global Association of more than 130 independent accounting firms in 64 countries. At Tri-Mer we seek to provide tailor-made full care services, in order to cater for your requests, and exceed your expectations.

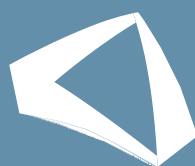
Our team put dedication into guiding clientele, through the numerous opportunities which Malta can offer.

Tri-Mer Services Ltd.
International House, Mdina Road, Mriehel
Tel.: +356 2347 9900
Fax.: +356 2347 9950
Email: info@trimerservices.com
www.trimerservices.com



MALTA BUDGET | 2023

24TH OCTOBER, 2022



TRI·MER
SERVICES LTD.

*Independent
Member of*

BKR
INTERNATIONAL