

MALTA BUDGET 2024



TRI·MER
SERVICES LTD.

30TH OCTOBER 2023



General Overview

THE MINISTER FOR FINANCE HON. CLYDE CARUANA, PRESENTED THE BUDGET SPEECH FOR 2024 ON THE 30TH OF OCTOBER 2023.

IN THIS DOCUMENT, YOU WILL FIND THE LATEST ECONOMIC FORECASTS, COMPARATIVES AND INDICATORS AS WELL AS THE MAIN MEASURES WHICH WILL BE IMPLEMENTED IN 2024.

HIGHLIGHTS OF MALTA BUDGET 2024

Righteous Malta

- COLA increase of €12.81 weekly.
- 95,000 people will be eligible for the additional COLA next year. Those who are eligible will receive two payments: one in December this year, and one in May next year. The help will range between €100 and €1,500 depending on household income and size.
- Pensioners to receive a weekly €15 COLA increase - €780/year.
- Pensioners born prior to 1962 will have a pension increase accordingly to their wages increase and inflation to make up for previous discrepancies – around 10,000 people will benefit.
- Minimum wage increases from €192.73/weekly to €213.54/weekly.
- Extra bonus of €50 to those who paid social security benefits of 1 to 9 years
- Once again, in 2023 there will be no increase in water and electricity bills as these will continue to be subsidized at a cost of €320 million.
- First time buyers will continue to receive €10,000 grant over 10 years. Purchase of property in UCA and Gozo will get an additional €10,000.
- Pension income tax rebate threshold to increase from 40% to 60%, making social security pension not taxable.
- Carer at Home scheme will increase by €1,000 to €8,000 as from 2024
- €200 increase in services pensions will be exempt from tax.
- Pensions to widows under the age of 61 will no longer be taxable.
- 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 will continue and will benefit from an invalidity pension if they have paid at least 50 social security contributions.
- Children's allowances will increase €250 per annum per child.
- Tax Rebate from €60 to €140 based on the individual's income.

Economic Indicators



A deficit of 5.0% of GDP is expected for 2023 whilst a deficit of 4.5% of GDP is forecasted for 2024.



Unemployment rate decreased to a low of 2.7%



National debt to GDP ratio closing at 52.8% in 2023, increasing to 55.3% in 2024



GDP growth of 4.1% in 2023. Projected GDP growth in real terms for 2024 of 4.2%. Inflation in 2023 expected at to reach 5.7% and projected at 3.7% in 2024

Fiscal and Other Measures

Property

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

Reduced rate of 2% on stamp duty to purchase property in Gozo not extended for 2024.

VAT Refund for individual buyers will be the same benefit as couples on expenses for completion or rehabilitation of first homes.

Family Reorganisation

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

Economy

Business Enhancement Programme €15m grant for businesses and self-employed.

Venture Capital Fund, Skills Development Scheme, Stat-up Finance and Seed Investment Scheme for start-ups.

HQP Rules to be revised according to current economic needs.

Third Country Nationals Workers

TCN Workers – changes to official fees of new and renewal of single permits will differ. Operators bringing TCN workers in Malta will be licensed.

Statutory Audits

Alignment on the requirements imposed on businesses by the Companies Act and the Income Tax Act – qualifying entities may not require statutory audits.

Merchant Shipping Act

Implementation of the new policies for superyachts are expected to be introduced.

Income Tax

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

Tax credit of up to €500 on donations to qualifying voluntary organisations.

Malta shall not be introducing any top-up tax measures under Pillar 2 in 2024 and opted to benefit from a delay of up to 6 years. Tax measures and incentives shall be introduced in the form of grants or qualified refundable tax credits in line with the global minimum tax framework. Additionally, the full imputation system will remain as is.

Green Economy

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

Ekick scooter benefit to be introduced.

Investment in a 1,200 Charging Point network – 372 installed to date.

Health and Education

Increase in Carer's Grant with parents caring for children with severe disability to receive almost €5,000 per year paid quarterly.

Tax credits for therapy of €500 for every child per year with severe disability.

ESG

Malta Enterprise to continue issuing 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.



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