

CHAPTER 116

RENT RESTRICTION (DWELLING HOUSES) ORDINANCE

To restrict the rent of dwelling houses, and to make certain provisions in respect of the letting thereof.

(2nd October, 1944)*

ORDINANCE XVI of 1944, as amended by Ordinance XXIX of 1947; Acts: V of 1947, I of 1957; Emergency Ordinance XIV of 1958; Ordinances: VI of 1959 and XXV of 1962; Legal Notices: 4 of 1963 and 46 of 1965; Acts: XXII of 1976, XI of 1977, [XIII of 1983](#), [VIII of 1990](#) and [XXXI of 1995](#) and [XXIV of 2021](#); and Legal Notice [409 of 2007](#).

1. The short title of this Ordinance is the Rent Restriction (Dwelling Houses) Ordinance.

Short title.
Amended by:
V. 1947.5.

2. In this Ordinance -

"agricultural land" does not include the garden of a house or building, or land within the precincts of a house or building;

Interpretation.
Amended by:
[XXIX. 1947.3](#);
[V. 1947.2](#); [I. 1957.2](#);
[XXV. 1962.5](#);
[L.N. 4 of 1963](#).
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"Board" means the Board constituted under the [Reletting of Urban Property \(Regulation\) Ordinance](#). For the purposes of this Ordinance the Board shall have the same powers and shall proceed in accordance with the same rules of procedure, so far as applicable, as are provided in the said Ordinance;

"dwelling house" means a building, a part of a building separately let, or a room separately let, which is let mainly as a dwelling or place of residence, and includes land occupied with the premises under the tenancy, but does not include a building, part of a building or room when let with agricultural land;

"fair rent" means -

- (i) in respect of an old house, the rent which might reasonably be expected in respect of an old house regard being had to the average rents prevalent on the 31st March, 1939, as shown on the registers of the Land Valuation Office in respect of comparable dwelling houses in the same or in comparable localities:

Provided that where, after the 31st March, 1939, structural alterations or additions in a house, whether old or new, have been carried out which, in the opinion of the Board, have enhanced the rental value of the house and in respect of which or, as the case may be, of a part of which, no compensation has been paid or is payable under the provisions of the War Damage

* See article 1 of the Ordinance, as originally enacted, part of which has been omitted under the [Statute Law Revision Act](#), 1980, and Proclamation No. VII of 29th September, 1944.

Ordinance, 1943*, and no amount has been paid or is payable by way of a grant by the Government of Malta, the rent shall be increased by an amount which, in the opinion of the Board, corresponds to the enhancement of the rental value and which shall in no case exceed a return of three and one quarter *per centum* a year on the capital outlay on the alterations or additions (excluding any interest on loans or in respect of idle capital) or, as the case may be, on the part thereof in respect of which compensation has not been paid and is not payable under the provisions of the War Damage Ordinance, 1943*, and no amount has been paid or is payable by way of grant by the Government of Malta, in every case as proven by the landlord to the satisfaction of the Board or, in default, as assessed by the Board; and

- (ii) in respect of a new house, a sum equivalent to a return of three *per centum* a year on the freehold value of the site and of three and one quarter *per centum* on the capital outlay on construction (excluding any sum which has been paid or is payable by way of a grant by the Government of Malta and any interest on loans or in respect of idle capital) as proven by the landlord to the satisfaction of the Board or, in default, as assessed by the Board:

Provided that where a payment under the War Damage Ordinance, 1943*, is made by or is due from the war damage account in respect of a former building out of which or on the site of which a new house is erected in whole or in part, for the purpose of computing the fair rent of that new house the return on that part of the capital outlay thus contributed by or due from the war damage account shall in no case exceed one year's fair rent of the former building as on 31st March, 1939, or three and one quarter *per centum* for one year on that part of the capital outlay, whichever is the less;

- (iii) in respect of a scheme house, an annual sum to be determined by agreement as provided in article 5(4);

"landlord" includes any person deriving title under the original landlord;

"Land Valuation Officer" means the officer appointed as such by the Prime Minister for the purposes of the [Developed Land \(Valuation\) Ordinance](#);

"let" includes sub-let;

*Repealed by Act XXIX of 1980 ([Chapter 289](#)).

"new house" means any dwelling house which, apart from fittings, decoration and alterations, even if structural, was not complete or ready for use on the 31st March, 1939;

"old house" means any dwelling house which, apart from fittings, decoration and alterations, even if structural, was complete or ready for use on the 31st March, 1939;

"scheme house" means a privately owned new dwelling house designed to be separately let towards the construction of which the Government has made a grant under a house building scheme;

"tenant" includes sub-tenant, and "tenancy" includes sub-tenancy.

3. Any repair or rebuilding of a dwelling house, effected under a temporary works payment or under a cost of works payment or under or in view of a value payment, each as defined in the War Damage Ordinance, 1943*, or any addition to or alteration of the structure of a dwelling house shall not operate so as to change the old or new nature of the house, notwithstanding that the plan of the structure but not the nature and general dimensions thereof may have been materially altered.

Repair, rebuilding and alteration of a house or additions thereto, paid for under War Damage Ordinance, do not change its nature.
Added by:
XXIX. 1947.4.

4. (1) The fair rent of an old house may be established provisionally or definitely.

Fair rent.
Amended by:
I. 1957.3;
VI. 1959.3;
XXII. 1976.4;
XIII. 1983.4,5;
L.N. 409 of 2007.

(2) The fair rent of an old house is established definitely -

- (a) by the Board under article 5(1) or under article 6;
- (b) by the effluxion of time as provided in article 5(1).

(3) The fair rent of an old house is established provisionally in the appropriate cases -

- (a) by the Land Valuation Officer; or
- (b) by the Accountant General or by one of the officers specified in sub-article (5).

(4) On application accompanied by a fee of twelve cents (0.12), the Land Valuation Officer shall issue, in respect of any one particular old house, a certificate stating what is the rent of that particular old house, finally accepted as such in the books of the Land Valuation Office, and the rent so stated shall be deemed the provisional fair rent of that house.

(5) In the case of old dwelling houses the whole legal interest in which, other than any letting, is vested in the Government of Malta, the fair rent shall be established provisionally at the rent of the particular dwelling house on the 31st March, 1939, or at the rent of that particular dwelling house at any time within one month of that day, in each case as declared in writing by the Accountant General. If that particular old dwelling house was not let on the 31st March, 1939, or within one month of that day then the fair rent shall be established only definitely by the Board.

(6) The fair rent of a new house may be established only

*Repealed by Act XXIX of 1980 ([Chapter 289](#)).

definitely, only by the Board under article 5(2).

(7) The fair rent of a scheme house may be established only definitely and only by agreement as provided in article 5(4).

Renewals of
tenancy and new
tenancies.

Amended by:
I. 1957.4;
XIV. 1958.2;
XXV. 1962.5;
XI. 1977.2;
XIII. 1983.5;
L.N. 409 of 2007.

5. (1) When a landlord intends to let or to renew the letting of -

- (a) a dwelling house at a rent higher than or on conditions different to the rent and conditions at which that dwelling house was let on the 31st March, 1939; or
- (b) an old house which was not let on the 31st March, 1939 -

- (i) the landlord and the tenant may come to an agreement concerning the rent and the conditions but they may not agree that the rent shall exceed the provisionally established fair rent nor that the letting shall be on more onerous conditions than those at which that dwelling house was let on the 31st March, 1939, or, in default of any such conditions, on conditions more onerous than the ordinary conditions. During the twenty-eight working days following the day of the agreement either the landlord or the tenant may apply to the Board for an adjustment of the rent or of the conditions so agreed to and any adjustment thereupon made by the Board shall be retrospective to the initial day of the agreement, or, alternatively,
- (ii) the landlord, before the commencement or renewal of the tenancy, may apply to the Board to fix the fair rent definitely.

(2) When the landlord intends to let a new house -

- (i) the landlord and the tenant may come to a provisional agreement concerning the rent and the conditions, but so that that agreement shall be made definite only by a decision of the Board on the application of either the landlord or the tenant, which decision shall in every case have retrospective effect to the initial date of the agreement. It shall be an offence for the landlord not to make such application within two months from the initial day of the agreement, unless the tenant will have previously made the application. Alternatively,
- (ii) the landlord, before the commencement of the tenancy, may apply to the Board to fix the fair rent definitely.

(3) In every case the applicant to the Board shall disclose the terms and conditions of the proposed letting and all the circumstances which to his knowledge affect the fair rent of the dwelling house.

(4) Before a grant is made towards the construction of a scheme house or simultaneously with the making thereof an agreement shall be entered into by means of a notarial deed between the Minister for the time being in charge of the War Damage Commission or some other person from time to time delegated by him in that behalf and the grantee, determining the fair rent of the proposed scheme house.

(5) In respect of a house whether old or new, repaired or rebuilt under or in view of a value payment as defined in the War Damage Ordinance, 1943*, or repaired under a temporary works payment or under a cost of works payment, each as defined in the War Damage Ordinance, 1943*, of which the landlord does not want to retain possession for occupation by himself, the last former tenant as defined in the [Reletting of Urban Property \(Regulation\) Ordinance](#) who held the last preceding letting of the house, shall be preferred in the new letting to any other tenant who is not any ascendant or descendant related to the landlord by consanguinity or affinity or adoption or a brother or a sister of the landlord:

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Provided that such house was not already let on the date of the enactment of this Ordinance, and provided further that, on notice being given by the landlord to the last former tenant in accordance with the provisions of article 1597 or 1598 of the [Civil Code](#), the last former tenant signifies his intention of availing himself of the right of preference granted by this sub-article within the time and in the manner set forth in article 1596 of the [Civil Code](#).

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(6) If any person infringes or fails to comply with the provisions of sub-article (1) or (3), or if a landlord commits the offence specified in sub-article (2)(i), the offender shall be guilty of an offence against this Ordinance, punishable as laid down in article 14, except that the minimum fine awardable shall be of ninety-three euro and seventeen cents (93.17).

6. The landlord or the tenant may apply at any time to the Board to determine the fair rent of the dwelling house concerned (other than a scheme house) unless -

Applications to the Board.
Amended by:
I. 1957.5.

- (i) the fair rent of the dwelling house has already been established by the Board; or
- (ii) the provisional fair rent of an old house has been acquiesced in by the landlord and the tenant in accordance with article 5(1)(i) and the period agreed upon in the tenancy agreement is still current; or
- (iii) proviso (i) of article 7(1) is applicable.

7. (1) Where at any time after the commencement of this Ordinance the rent of any dwelling house exceeds the fair rent as determined by the Board or acquiesced in terms of article 5(1)(i), or agreed as provided in sub-article (4) of that article, the amount of such excess shall, notwithstanding any agreement to the contrary whether made before or after the commencement of this Ordinance,

Excessive rents.
Amended by:
I. 1957.6.

*Repealed by Act XXIX of 1980. ([Chapter 289](#)).

be irrecoverable from the tenant, and, if it is paid by the tenant, shall be recoverable by him or by any person claiming through him from the person to whom it was paid or his heirs, and may, without prejudice to any other method of recovery, be deducted from any rent or money due or subsequently becoming due by the tenant to the landlord:

Provided that:

Tenancy agreements with effect from 31st March, 1939, or from prior date.

(i) in the case of a dwelling house let at the commencement of this Ordinance under a tenancy agreement made on or before the 31st March, 1939, or made *bona fide* after that date but with effect retrospective to that date or to a prior date, this sub-article shall not operate to render irrecoverable from the tenant or recoverable by the tenant or any person claiming through him, or deductible, any rent payable under the tenancy agreement during the period of tenancy established by that agreement;

Tenancy agreements with effect from 1st April, 1939, or from later date, made before enactment of this Ordinance.

(ii) in the case of a dwelling house let at the commencement of this Ordinance under a tenancy agreement made on or after the 1st April, 1939, but not so that it should *bona fide* have effect retrospective to a prior date, this sub-article shall not operate to render irrecoverable from the tenant or recoverable by the tenant or any person claiming through him, or deductible, any rent payable or paid under the tenancy agreement up to the date of filing of the requisite application in the registry of the Board, but this limitation shall not in any case apply to rent payable or paid in advance in respect of any period in excess of three months. The further payment of rent shall be governed by the following sub-article (2).

(2) When proviso (ii) of article 7(1) applies, the rent which next falls due after an application has been filed in the registry of the Board shall be the fair rent provisionally established under article 4; but if the Board makes any adjustment thereof, such adjustment shall be retrospective to the day as from which that provisional fair rent became payable.

(3) If any landlord knowingly receives any rent which is by this Ordinance made irrecoverable by the landlord, he shall be guilty of an offence against this Ordinance, and if a landlord is convicted of any such offence the court in which the conviction is obtained may, without prejudice to any other right which the tenant may have to recover the rent overpaid, order the landlord to repay the same with interest from the day of the order.

Restriction on demand of premiums.

8. (1) A person shall not, as a condition of the grant, renewal, or continuance of a tenancy of any dwelling house, require or accept the payment of any premium or other like sum or the giving of any consideration in addition to the rent, and where any such

payment or consideration shall be made or given after the commencement of this Ordinance, the amount or value thereof shall be recoverable by the person by whom it was made or given or by his heirs.

(2) Any person after the commencement of this Ordinance requiring any payment or the giving of any consideration in contravention of this article, shall be guilty of an offence against this Ordinance, and, if a person convicted of requiring or accepting any payment or any consideration as aforesaid has received such payment or consideration, the court in which the conviction is obtained may order him to repay to the person from whom it was received or to the heirs of that person, the amount or value of the same with interest from the day on which it was received.

9. (1) The provisions contained in this Ordinance shall apply to any dwelling house let furnished, without any regard being had to the furniture, and the difference between the rent so established and the rent agreed upon between landlord and tenant shall be deemed to be the rent of the furniture.

Dwelling houses
let furnished.
Amended by:
XXIX. 1947.5;
V. 1947.3.

(2) Any tenant of a furnished dwelling house at his option may at any time apply to the Board to establish the fair rent of the furniture, provided that any adjustment of rent that may be decided upon by the Board shall not be effective except as from the first due day of rent falling after the tenant's application has been filed; and provided that the option so granted may not be availed of more than once by the same tenant in respect of the same tenancy, whether as originally agreed upon or as renewed from time to time.

(3) On such an application being made, the Board shall, in every case, appoint an appraiser to value the net proceeds that would probably accrue from a free sale at auction of the furniture. The appraiser's fee and outgoings shall be borne provisionally by the tenant, over and above any fee that he may be required to pay under article 10.

(4) The Board shall fix the fair rent of the furniture at fifteen *per centum* a year of the appraised value thereof:

Provided that in no case shall such fair rent of the furniture exceed -

- (i) in the case of an old house in which no structural alterations or additions not chargeable to the war damage account have been effected after 31st March, 1939, the fair rent of the house as unfurnished, assessed in accordance with the provisions of this Ordinance;
- (ii) in the case of an old house in which structural alterations or additions not chargeable to the war damage account have been effected after 31st March, 1939, the fair rent of the house as unfurnished increased by seven *per centum* of the increase of rent, if any, which the Board under the provisions of this Ordinance may assess or have assessed in view of those structural

alterations or additions;

- (iii) in the case of a new house the fair rent of the house as unfurnished assessed in accordance with the provisions of this Ordinance increased by seven *per centum*:

Provided further that in assessing the rent of a furnished house the Board, at the request of the tenant and after hearing the landlord, may at its discretion order that for purposes of computation of the rent of the furniture no consideration shall be taken of any one or more articles of furniture specified by it which are neither reasonably necessary to the furnishing of the house nor in keeping, with regard to quality and to commercial value, with the greater part of the other articles of furniture in the same house; and on such an order being made by the Board, the landlord shall have the option to remove from the house in question at his own expense and at any reasonable hour of which he shall give not less than twenty-four hours' notice in writing to the tenant the article or articles not taken into consideration in connection with the computation of the rent.

(5) Bearing in mind the extent to which the rent fixed under the provisions of this article approximates or otherwise to the rent previously paid or agreed upon, the Board shall determine whether the fee and outgoings of the appraiser shall be borne finally by the tenant or by the landlord or in specified proportions by both.

(6) The provisions of articles 3, 8, 9, 10, 11, 13, 15 and 27 article 25(2) of the [Reletting of Urban Property \(Regulation\) Ordinance](#) shall apply to dwelling houses let furnished.

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Fees on filing.
Amended by:
XXIX. 1947.6;
XIII. 1983.4,5;
L.N. 409 of 2007.
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10. The provisions contained in article 29 of the [Reletting of Urban Property \(Regulation\) Ordinance](#) shall apply to an application filed either by the landlord or by the tenant, but in every case of a dwelling house let furnished the registry fee on filing the application shall be of three euro and forty-nine cents (3.49) where the rent of the dwelling house let furnished does not exceed eleven euro and sixty-five cents (11.65) a month or of four euro and sixty-six cents (4.66) where the rent of the dwelling house let furnished exceeds eleven euro and sixty-five cents (11.65) a month, and in either case there shall be paid in addition the transport fees for the service of the application, in accordance with the appropriate Tariffs annexed to the [Code of Organization and Civil Procedure](#).

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Brokerage.
Added by:
XXIX. 1947.7.

11. (1) Brokerage in respect of the letting of a dwelling house, whether furnished or unfurnished, shall not in any case exceed one moiety of a month's rent of the house as fixed by the Board.

(2) Any agreement whereby a person, under any title, directly or indirectly, agrees to pay by way of brokerage any sum of money or other consideration in excess of the sum assessed under the provisions of the last preceding sub-article shall be null and void in respect of such excess.

(3) Any person who, whether knowingly or by mistake, pays any such excess shall be entitled to claim the refund of such excess

notwithstanding any agreement, any undertaking or any other law to the contrary.

(4) An action under sub-article (3) shall be barred by the lapse of five years from the date when the payment was made.

12. Any claim by a tenant against the landlord under the provisions of this Ordinance shall be barred by the lapse of one year from the date of termination of the tenancy, or from the date on which this Ordinance ceases to be in force, whichever shall be the earlier date.

Limitation of claims by tenant.

13. The Minister for the time being in charge of the War Damage Commission or some other person from time to time delegated by him in that behalf shall, as soon as practicable after the execution of any deed under article 5(4) or, as the case may be, after any grant is made by the Government under any housing scheme, cause an entry of such deed or grant containing such particulars as the Minister may from time to time determine to be registered at the Land Valuation Office and the Land Valuation Officer shall register such entry accordingly.

Registration of deed or grant.
Added by:
I.1957.7.
Amended by:
XIV. 1958.2;
XXV. 1962.5.

14. (1) Any person who shall be guilty of an offence against this Ordinance shall be liable to a fine (*multa*) of from forty-six euro and fifty-nine cents (46.59) to four hundred and sixty-five euro and eighty-seven cents (465.87), or to imprisonment for not longer than three months, or to both such fine and such imprisonment:

General penalty.
Amended by:
L.N. 46 of 1965;
XIII. 1983.5;
L.N. 409 of 2007.

Provided that the courts shall not apply the penalty of imprisonment, otherwise than on failure to pay a fine, until after the date of a resolution to that effect passed by the House of Representatives in respect of offences committed thereafter.

(2) Where the offence is committed by a company, association of persons or any other corporate body, each person who, at the time of the commission of the offence, was a director or officer of such company, association or corporate body, shall be deemed to be guilty of that offence unless he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of the offence.

15. (1) Any offence against this Ordinance shall be triable by the Court of Magistrates in accordance with the provisions of the [Criminal Code](#):

Jurisdiction and limitation of prosecution.
Amended by:
XXII. 1976.4;
XI. 1977.2;
VIII. 1990.3.

Provided that the prosecutor shall have a right of appeal to the Court of Criminal Appeal in each of the cases set out in article 413 of the [Criminal Code](#) and also whenever in his opinion the sentence containing a conviction is not adequate.

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(2) Whenever the chairman of the Board sees reason to believe that an offence against this Ordinance has been committed by any party to proceedings before the Board, he shall thereupon cause the suspected offence to be reported to the Commissioner of Police.

(3) Proceedings in respect of an offence against this Ordinance may be commenced at any time within two years from the day when the offence was committed.

Effect of
Ordinance.
Amended by:
XXIV.2021.41.

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Act No. XXIV of
2021

Operativeness of
this Ordinance.
Added by:
XXXI.1995.3.

16. The provisions of this Ordinance shall be in addition to and, except where inconsistent therewith, not in derogation of the provisions of the [Reletting of Urban Property \(Regulation\) Ordinance](#):

Provided that no provision of this Ordinance shall be interpreted in such a way as to prevent the application of the Controlled Residential Leases Reform Act, 2021.

***17.** (1) The foregoing provisions of this Ordinance shall not apply to the lease of any dwelling house entered into on or after the 1st June, 1995.

(2) For the purposes of this article -

- (a) lease includes a sublease; and
- (b) the renewal of a lease on or after the 1st June, 1995, (whether such renewal be conventional, legal, customary or otherwise) shall not be deemed to be a lease entered into on or after the 1st June, 1995.

*Article 5 of Act XXXI of 1995 *inter alia* provides:

5. Nothing in article 17 of the Rent Restriction (Dwelling Houses) Ordinance shall be deemed to restrict any of the powers of the Director of Social Housing under the Housing Act, ([Cap. 125](#)) and the provisions of the Ordinance as in force immediately before the coming into force of this Act (1st June, 1995) shall, in as far as applicable, continue to apply with regard to the relationship between the said Director and any owner of premises in possession of the said Director on that date, or between the said Director and any person legally in occupation of such premises. The provisions of the said Ordinance as aforesaid shall also continue to regulate the relationship between any person in occupation of such premises and the owner thereof.