CHAPTER 328

HOME OWNERSHIP (ENCOURAGEMENT) ACT

To make provision for the granting of certain incentives for the encouragement of home ownership.

(28th October, 1988)*

ACT XXVIII of 1988, as amended by Legal Notice 424 of 2007.

Short title.

1. The short title of this Act is the Home Ownership (Encouragement) Act.

Interpretation.

2. In this Act, unless the context otherwise requires -

"beneficiary" means the person to whom any of the incentives referred to in article 3 are granted;

"dwelling-house" has the same meaning assigned to it under the Housing (Decontrol) Ordinance; Cap. 158.

"Housing Authority" means the authority established by article 3 of the Housing Authority Act; Cap. 261.

"Housing Secretary" has the same meaning assigned to it by the Housing Act; Cap. 125.

"Minister" means the Minister responsible for housing, and includes any Parliamentary Secretary with responsibility for housing; and

"usufruct" has the same meaning assigned to it in article 2 of the Death and Donation Duty Act†. Cap. 239.

Incentives for home ownership.

3. The Housing Authority or the Housing Secretary may make regulations, with the approval of the Minister, providing for schemes for the encouragement of home ownership in Malta, whereby persons are encouraged to acquire a dwelling-house for their own residence by being granted all or any one or more of the following incentives:

(*a*) relief from the duty chargeable under the Duty on Documents Act‡; Cap. 294.

(*b*) relief from the duty chargeable under the Death and Donation Duty Act†; Cap. 239.

(*c*) the right to register the dwelling-house as a decontrolled dwelling-house under the Housing (Decontrol) Ordinance. Cap. 158.

Evidence of the grant of incentives. *Amended by: L.N. 424 of 2007.*

4. (1) The grant of any of the incentives under article 3 shall be made and shall be evidenced by a certificate which shall be issued by the Housing Authority or the Housing Secretary, as the case may require.

(2) Except tor the purposes of article 5(*b*) a certificate issued

**See* Government Notice No. 716 of the 28th October, 1988.
†Repealed by Act XVI of 1993.
‡Repealed by Act XVII of 1993.

under subarticle (1) shall have effect only if it is annexed to the deed whereby the dwelling-house to which it refers is acquired.

(3) A certificate issued under subarticle (1) shall contain the full particulars of the beneficiary, a full description of the dwelling-house for the acquisition of which the incentives under this Act are being granted and the specific incentives being granted in accordance with the scheme.

(4) Without prejudice to any liability under any other law, any person who forges a certificate purporting to be issued under subarticle (1), or who shall knowingly make use of such forged document or of a copy thereof, shall be guilty of an offence and shall, on conviction, be liable to a fine (*multa*) of two thousand and three hundred and twenty-nine euro and thirty-seven cents (2,329.37) or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.

Relief from duty on documents. Cap. 294.

5. A relief from duty under the Duty on Documents Act*, may consist in all or in any one or more of the following exemptions from the duties chargeable under the said Act, that is to say:

(*a*) an exemption from the duty chargeable under Title III of Part III of the said Act, on the deed whereby the dwelling-house which is being acquired under the scheme is transferred to the beneficiary;

(*b*) an exemption from the duty chargeable under Title IV of Part III of the said Act, on any appraisement or valuation of the dwelling-house which is being acquired under the scheme in connection with -

(i) its transfer to the beneficiary;

(ii) the grant of any loan by any bank or other institution to the beneficiary for the purpose of the acquisition of such dwelling-house;

(*c*) an exemption from the duty chargeable under Title V of Part III of the said Act, on the receipt for the payment of the price or other consideration for which the dwelling-house which is being acquired under the scheme is transferred to the beneficiary;

and where relief has been so granted the duties aforesaid shall, to the extent of the relief, not be chargeable.

Relief from death and donation duty. *Amended by: L.N. 424 of 2007.* Cap. 239.

6. (1) Where relief from duty under the Death and Donation Duty Act†, is granted, on the death of the beneficiary, and where the beneficiary is married at the time of the acquisition of the dwelling-house, also on the death of the beneficiary's spouse, no duty shall be payable under the said Act, on account of or in relation to the dwelling-house acquired under the scheme on any of the following:

(*a*) on the transmission through devolution by law or under a testamentary disposition by universal or

*Repealed by Act XVII of 1993.
†Repealed by Act XVI of 1993.

particular title of the rights of the beneficiary or of the beneficiary's spouse over the dwelling-house;

(*b*) on the transmission *causa mortis* of the usufruct of the dwelling-house or share therein, in favour of the beneficiary or the widow or widower of the beneficiary; and

(*c*) on the consolidation of the usufruct referred to in paragraph (*b*) hereof with the *nuda proprietas* of the dwelling-house on the termination of the usufruct.

(2) The exemption granted under subarticle (1) shall not apply to any part of the value of such dwelling-house in excess of sixteen thousand and three hundred and five euro and sixty-one cents (16,305.61).

Right to register as a decontrolled dwelling-house. Cap. 158.

7. Where the right to register the dwelling-house as a decontrolled dwelling-house under the Housing (Decontrol) Ordinance, is granted, such dwelling-house shall be capable of being registered as a decontrolled dwelling-house under and in accordance with article 3(*e*) of the said Ordinance.

Schemes made before the coming into force of this Act.

8. The Schemes published by Government Notices numbers 127, 128, 129 and 130 in the Government Gazette of the 16th February, 1988 shall be deemed to be made by regulations made in virtue of and according to article 3.