SUBSIDIARY LEGISLATION 573.07

REDEMPTION OF LAND BELONGING TO THE GOVERNMENT OR TO THE LANDS AUTHORITY UNDER A TITLE OF REVISABLE PERPETUAL EMPHYTEUSIS REGULATIONS

27th August, 2019

LEGAL NOTICE 216 of 2019, as amended by Legal Notices 249 of 2020 and 50 of 2025.

Title.

1. The title of these regulations is the Redemption of Land belonging to the Government or to the Lands Authority under a Title of Revisable Perpetual Emphyteusis Regulations.

Interpretation.

2. In these regulations, unless the context otherwise requires:

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"Authority" means the Authority established in accordance with article 5 of the Lands Authority Act or any person or any other entity that has been entrusted by contract or by law to administer Government land; and

Cap. 563.

"Board of Governors" means the Board of Governors of the Lands Authority established by article 10 of the Lands Authority Act.

Qualification.
Substituted by: L.N. 50 of 2025.

3. Any person who holds a property of the Government or of the Authority under a title of revisable perpetual emphyteusis may, subject to what is stated in the other provisions of these regulations, request the Authority to redeem the said property at any time:

Provided that if the contract of concession establishes a time for the redemption to take place, the conditions of the contract shall prevail:

Provided further that if the property is not yet registered with the Land Registry and the property is not an Ecclesiastical property, the applicant shall register the property with the Land Registry:

Provided further that any emphytuesis described as a temporary emphyteusis *ad infinitum* shall be regulated in accordance with these regulations.

Exclusion.

4. The redemption of perpetual and revisable ground rent does not terminate all other conditions imposed on the emphyteuta in the original perpetual emphyteusis contract.

Eligibility.
Amended by: L.N. 50 of 2025.

5. The applicant must:

(a) be a natural or a legal person:

Provided that if the applicant is not listed in article 3 of the Immovable Property (Acquisition by Non-Residents) Act, the provisions relating to the acquisition of the immovable property permit shall be adhered to;

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(b) be recognised by the Authority as an emphyteuta of the building or have submitted an application to be recognised as such and is still awaiting such recognition. The application process cannot start prior to recognition of the applicant by the Authority; and

(c) prove that there are no arrears due to the Authority of ground rent payment on the property for which the application is being submitted under these regulations.

Value for the redemption of perpetual and revisable ground rent on property belonging to the Government or to the Authority. *Amended by: L.N. 249 of 2020; L.N. 50 of 2025.*

6. (1) When property belonging to the Government or to the Authority has been granted under a title of perpetual and revisable emphyteusis, the emphyteuta has the option to redeem the ground rent as provided in the following regulations, unless the contract itself provides differently as to how the redemption may be carried out.

(2) The sum to be paid for the redemption of the perpetual and revisable ground rent before the first revision, shall be equivalent to the amount of the ground rent payable at the time of the submission of the application, adjusted according to the index of inflation taken from the year preceding the submission of the application in accordance with these regulations and the index of inflation taken from the year prior to the commencement of the contract of perpetual emphyteusis capitalised at the rate of five per cent (5%):

Provided that in cases where the application for redemption has been submitted in the year preceding the date of the first revision of the ground rent, the sum to be paid for the redemption of the perpetual and revisable ground rent shall be equivalent to the amount of the ground rent payable at the time of the submission of the application adjusted according to the index of inflation taken from the year preceding the last revision capitalised at the rate of five per cent (5%):

Provided further that if the contract had already been subject to revision, the redemption of the perpetual and revisable ground rent shall be equivalent to the amount of the ground rent payable at the time of the submission of the application adjusted according to the index of inflation taken from the year preceding the last revision capitalised at the rate of five per cent (5%):

Provided further that this sub-regulation shall apply irrespective of the method used to revise the perpetual ground rent.

(3) If the revisable perpetual emphyteusis was made before 1946, the index of inflation for 1946 as indicated in the Housing (Decontrol) Ordinance, capitalised at the rate of five per cent (5%), should be taken as a basis for determining the amount of ground rent due. Cap. 158.

Every redemption shall be made by public contract.

7. Any redemption of perpetual and revisable ground rent made by virtue of these regulations shall be made through a public contract.

Change of applicant. *Substituted by: L.N. 50 of 2025.*

8. Any person who acquires a property on which there is a pending redemption application under these regulations, shall request the Authority to be recognised as the new empytheuta and subsequently shall be able to continue with the redemption application submitted by the original applicant, without prejudice to the payment of *laudemium*:

Provided that the name of the applicant shall also be changed in case when the rights over the property for which there is a pending redemption application have passed to the new person by means of a *causa mortis* declaration.

Application process. *Amended by: L.N. 249 of 2020. Substituted by: L.N. 50 of 2025.*

9. (1) Any application submitted to the Authority in accordance with these regulations shall be considered valid only after all the necessary requirements listed in the application form as prescribed by the Authority have been satisfied.

(2) The Authority shall have the right to request any other information or documentation which it deems necessary to process the application.

(3) Without prejudice to regulation 15, the Authority shall have the right to suspend, and where it deems necessary deny, any application submitted in accordance with these regulations where it results that there is a legal challenge in respect of the property to which the application relates..

Payment of arrears.

10. Before the processing of any application made pursuant to these regulations can start, the applicant shall pay all arrears owed by them according to regulation 5(c).

Sworn statement.

11. (1) Each applicant submitting an application pursuant to these regulations shall submit the requested information together with their sworn statement declaring that the entire content of the application is truthful and that they have not omitted any information or other relevant facts whereby, had these been known to the Authority, the application would have been rejected and dismissed.

(2) No applicant may justify such omission based on the fact that the Authority already had knowledge of that information or those facts.

Consent and approval of the Board of Governors.

12. Any contract made by virtue of these regulations shall be subject to the approval of the Board of Governors and to such conditions imposed by the said Board. These conditions shall be published in the said contract.

Payment due to the Lands Authority.

13. The amount of five hundred euro (€500) or any other amount that the Authority may declare is payable to it by each applicant pursuant to these regulations, by notice published in the Gazette not later than two (2) months prior to the submission of the application pursuant to these regulations, shall be paid with each application made by virtue of these regulations.

Costs.

14. The Authority shall ensure that all costs involved in effecting the redemption of the perpetual and revisable ground rent are paid by the applicant and that no redemption contract may be concluded before those costs are paid in their entirety.

Reserves.

15. (1) The Authority has the right to refuse and reject any application submitted pursuant to these regulations at its absolute discretion only. That refusal or rejection shall be in writing and shall include detailed reasons for its decision.

(2) The Authority has the right to terminate the process of an application made by virtue of these regulations at any stage or to refuse to accept any application made by virtue of these regulations if in its opinion such property is located at a site of national importance. In that case, the applicant shall only be entitled to receive the costs they paid to apply pursuant to these regulations. The Authority is exempt from any damages or any request for the payment of any kind of compensation made by the applicant in this regard.

The Authority has the right to bring an action before the court if it considers that one of the provisions of these regulations has been breached.

16. The Authority has the right to bring an action before the Honourable First Hall, Civil Court if it is of the opinion that there has been a breach of any of the provisions of these regulations, even after the corresponding contract has been signed, against any person involved and to ask the court to declare the redemption null and void even if the property has been transferred to third parties. No person against whom the Authority brings an action shall have the right to request or to receive any damages of any kind or any sort of compensation for all the improvements they have made or could have made to that building.

Transitory provisions. *Substituted by: L.N. 50 of 2025.*

17. Any request for redemption of perpetual and revisable ground rent of property belonging to the Government or to the Authority before the coming into force of these regulations, shall be

examined and decided in accordance with the laws in force at the time the application was submitted:

Provided that any request for redemption of perpetual and revisable ground rent of property belonging to the Government or to the Authority after the coming into force of these regulations shall be examined and decided in accordance with these regulations:

Provided further that any rights acquired by any applicant by virtue of these regulations shall not be detracted from.

Regularisation of contracts concluded before the entry into force of these regulations.

18. Any contract concluded before the entry into force of these regulations whereby a property of the Government or of the Authority held under a title of perpetual and revisable emphyteusis has been redeemed is hereby being validated by virtue of these regulations.