

L.N. 39 of 1997

**VALUE ADDED TAX ACT, 1994  
(ACT NO. XII OF 1994)**

**Value Added Tax (Accommodation and Beverages in  
Licensed Premises for Tourist Accommodation)  
Regulations, 1997**

IN exercise of the powers conferred by sections 19, 46 and 61 of the Value Added Tax Act, 1994, hereinafter referred to as "the Act", the Minister for Economic Affairs and Finance has made the following regulations:—

1. (1) These regulations may be cited as the Value Added Tax (Accommodation and Beverages in Licensed Premises for Tourist Accommodation) Regulations, 1997. Citation and commencement.

(2) These regulations shall come into force on the 1st April, 1997.

2. In these regulations, unless the context otherwise requires— Interpretation.

"accommodation" means the letting of or the provision of accommodation to be used by tourists, in any premises which, for the purpose of the said letting or accommodation or for the purpose of the use for which the said letting or the provision of accommodation is made, is required to be licensed in terms of the Hotels and Catering Establishments Act, or in terms of the Guest Houses and Furnished Premises Act, but excluding the catering element forming part of such accommodation; Cap. 197.

"beverages" means beverages sold from any premises which provides accommodation to tourists, and which for the purpose of the said accommodation is required to be licensed in terms of the Hotels and Catering Establishments Act or in terms of the Guest Houses and Furnished Premises Act;

"pre-booked accommodation and catering" means the letting of or the provision of accommodation to be used by tourists, which includes food, beverages, if any, and airport transfers, which is included in the price of such accommodation, which has been pre-booked in the normal course of business for an irrevocable and fixed price, in any premises which, for the purpose of the said letting or accommodation or for the purpose of the use for which

the said letting or the provision of accommodation is made, is required to be licensed in terms of the Hotels and Catering Establishments Act or in terms of the Guest Houses and Furnished Premises Act.

Place of supply.

3. The supply of accommodation or of pre-booked accommodation and catering shall be treated as taking place in the country where the person who makes the supply is established:

Provided that where a supply of accommodation or of pre-booked accommodation and catering is supplied to or for the benefit of a person to be used by that person outside Malta, it shall be treated as a supply made outside Malta.

Time of supply.

4. The time of supply of accommodation or of pre-booked accommodation and catering shall be determined in accordance with the provisions of subsection (4) of section 9 of the Act.

Rate of tax.

5. The tax payable on a supply of accommodation and on a supply of pre-booked accommodation and catering shall be at the rate of five per cent of the taxable value of that supply, and the tax payable on a supply of beverages shall be at the rate of ten per cent of the taxable value of that supply.

Records.

6. A supplier of accommodation, pre-booked accommodation and catering, and beverages shall keep, in addition to the records required in terms of the Act, records which clearly identify the said services.

Applicability of the Act.

7. Save as otherwise provided in these regulations, the provisions of the Act and of any regulations made under the Act shall apply to supplies of accommodation, pre-booked accommodation and catering, and beverages.