L.N. 110 of 1997

INDUSTRIAL DEVELOPMENT ACT (CAP. 325)

Small Enterprises (Threshold Levels) Regulations, 1997

IN exercise of the powers conferred upon him by section 24(2)(b) of the Industrial Development Act, the Minister for Economic Affairs and Industry has made the following regulations: —

1. These regulations may be cited as the Small Enterprises (Threshold Levels) Regulations, 1997. Title.

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

"the Act" means the Industrial Development Act;

"balance sheet total" shall consist of the fixed assets, the current assets, prepayments and accrued income;

"Corporation" means the Malta Development Corporation;

"employee" means a person who has entered into, or works under, a contract of service, or who has undertaken personally to execute any work or labour for another person, and includes a part-time worker or an out-worker;

"Minister" means the Minister responsible for industry;

"number of employees" means the average number of employees during the last preceding three years;

"total investment" means the capital expenditure for plant and machinery incurred during the last preceding three years;

"turnover" shall comprise the amounts derived from the sale of products and the provision of services falling within the ordinary activities of the small enterprise, after deduction of sales rebates and taxes directly linked to the turnover.

3. The threshold levels in terms of the provisions of paragraph (b) of subsection (2) of section 24 of the Act are being determined by the Minister as follows: Threshold levels.

(a) an annual turnover not exceeding Lm250,000;
(b) a number of employees not exceeding ten;
(c) a balance sheet total not exceeding Lm130,000;
(d) a total investment not exceeding Lm80,000.

Approval by Corporation.

4. A small enterprise qualifying in terms of the provisions of paragraph (b) of subsection (2) of section 24 of the Act, and of regulation 3 of these regulations, shall not obtain any benefit or incentive under the Act unless its request for assistance is approved in advance by the Corporation, and shall thereafter only qualify for such benefit or assistance insofar as it complies with all conditions and obligations of such approval.

Groups of companies etc.

5. Groups of companies, partnerships, co-operatives or businesses, with the same ownership or control, shall be deemed to be one entity for the purposes of these regulations.

Disqualification.

6. A small enterprise which is more than 25 *per centum* owned by one or more enterprise which does not qualify in terms of the provisions of paragraph (b) of subsection (2) of section 24 of the Act, shall be disqualified from acquiring any incentive or benefit under the Act as a small enterprise.

Written authorisation.

7. In these regulations, any reference to any authorisation or approval by or from the Corporation shall only be valid if given in writing by the Corporation.

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