

L.N. 6 of 2012

**MOTOR VEHICLES REGISTRATION
AND LICENSING ACT
(CAP. 368)**

**Exemption from Motor Vehicles
Registration Tax (Amendment) Rules, 2012**

IN exercise of the powers conferred by articles 18 and 19 of the Motor Vehicles Registration and Licensing Act, the Minister for Infrastructure, Transport and Communications has made the following rules:

1. (1) The title of these rules is the Exemption from Motor Vehicles Registration Tax (Amendment) Rules, 2012, and they shall be read and construed as one with the Exemption from Motor Vehicles Registration Tax Rules, 2009, hereinafter referred to as “the principal rules”.

Citation and
commencement.

L.N. 196 of 2009.

(2) These rules shall be deemed to have come into force on the 1st January, 2012.

2. Rule 2 of the principal rules shall be amended as follows:

Amends rule 2 of the
principal rules.

(a) immediately after the definition “the Authority” there shall be inserted the following new definition:

“ “the Board” means the Board appointed by the Minister responsible for finance to assess applications related to exemptions under article 19(3)(f) of the Act;”;

(b) for the definition “cycle” there shall be substituted the following:

“ “cycle” shall have the same meaning assigned to it in the Act;”;

(c) the definition “habitual residence” shall be deleted;

(d) immediately after the definition “Member State” there shall be inserted the following new definition:

“ “M1 motor vehicle” shall have the same meaning assigned to it in the Act;”;

(e) in the definition “normal residence”, for the words “article 18 of the Act” there shall be substituted the words “article 18(5) of the Act”;

(f) the definition “owner” shall be deleted;

(g) for the definition “private motor vehicle” there shall be substituted the following:

“ “private vehicle” means an M1 motor vehicle, including its trailer, if any, a motor caravan, a motor home or a cycle;”;

(h) the definition “public highway” shall be deleted;

(i) immediately after the definition “relief” there shall be inserted the following new definition:

“ “road” has the same meaning as is assigned to it in the Authority for Transport in Malta Act;”;

Cap. 499.

(j) for the definition “transfer of residence” there shall be substituted the following:

“ “transfer of residence” means the actual transfer of the normal residence of a person from a place outside Malta to a place in Malta;” and

(k) immediately after the definition “transfer of residence” there shall be added the following new definition:

“ “Tribunal” means the Administrative Review Tribunal established by the Administration Justice Act.”.

Cap. 490.

Amends rule 3 of the principal rules.

3. Rule 3 of the principal rules shall be amended as follows:

(a) in sub-rule (1) thereof, for the words “Where a motor which” there shall be substituted the words “A motor vehicle which”, and for the words “Provided the vehicle” there shall be substituted the words “Provided that vehicle”; and

(b) in sub-rule (3) thereof, in the English text, for the words “on the public highway” there shall be substituted the words “on the road”.

4. For rule 4 of the principal rules there shall be substituted the following:

Substitutes rule 4 of the principal rules.

“Transfer of residence.

(1) For the purpose of this rule “date” shall mean the date on which the decision of the Board is published on the website of the Ministry responsible for finance.

(2) The exemption under article 19 (3)(f) of the Act shall be granted in respect of an M1 motor vehicle or a cycle which is the personal property of an individual and which is being brought or imported into Malta by that individual when he is transferring his normal residence from a place outside Malta to a place in Malta.

(3) For a vehicle to qualify for an exemption under sub-rule (2) –

(a) it shall have been registered in the name of the individual transferring his normal residence for a period of at least twenty four months immediately before the date of his transfer of residence to Malta and is still so registered when the vehicle is imported or brought into Malta;

(b) it shall have been acquired under the general conditions of taxation in force in the domestic market of the State from which it is being imported or brought into Malta, and is not the subject, on the grounds of exportation, of any exemption from or any refund of excise duty, value added tax or any other consumption tax;

(c) the person applying for the exemption shall have been residing outside Malta for a continuous period of at least twenty-four months immediately before the date on which he ceases to have his normal residence outside Malta;

(d) the vehicle is declared for exemption not earlier than two months before the date on which applicant becomes normally resident in Malta and not later than twelve months following that date; and

(e) if the vehicle has already arrived in Malta, the application for exemption is made by the person transferring his residence within thirty days from the arrival of the vehicle in Malta.

(4) The exemption under sub-rule (2) shall not be granted where –

(a) the vehicle and, or the applicant do not satisfy the requirements established under sub-rule (3); or

(b) the applicant has already availed himself of an exemption under this rule; or

(c) a vehicle is imported or brought into Malta by a person who had gone to live outside Malta primarily for the purpose of pursuing a course of studies of a duration of less than five years, or

(d) the applicant provides a false declaration or false or incorrect information willfully.

(5) An exemption under this rule shall apply to no more than one vehicle owned by the person transferring his residence, whether the vehicle is an M1 motor vehicle or a cycle.

(6) The application for the exemption shall be submitted to the Authority on the appropriate form and the applicant shall produce sufficient proof, in the Maltese or English language, showing –

(a) that he has been residing outside Malta for a continuous period of at least twenty-four months immediately before his transfer of residence to Malta and that he is taking up residence in Malta. Such proof may include –

(i) documents relating to transactions carried out in the course of day-to-day living,

(ii) utility bills,

(iii) tax returns,

(iv) social insurance records,

(v) documents relating to employment,

(vi) documents relating to the acquisition and disposal of property

(vii) documents relating to the acquisition of property in Malta, if any, and

(viii) any other documentation which the Board may request;

(b) that he has had the vehicle registered in his name for at least twenty-four months immediately before the date of his transfer of residence to Malta. Such proof may include -

(i) the vehicle registration certificate,

(ii) the vehicle insurance certificate,

(iii) documents which clearly establish that any relevant taxes in terms of sub-rule (3)(b) have been paid and have not been refunded;

(c) the date of the vehicle's arrival in Malta; and

(d) any other documentation which the Board may request.

(7) An application for exemption under this rule shall be processed and decided by the Board and the decision of the Board shall be published on the website of the Ministry responsible for finance. The Board shall also send a copy of that decision by registered mail to the applicant at the address specified in the application and, where provided, also by electronic means.

(8) Where an application is approved by the Board, the applicant shall apply to the Authority to have the vehicle registered by the Authority in accordance

with the provisions of the Registration and Licensing of Motor Vehicles Regulations, 2009 and, apart from the circulation licence and administrative fees established under those regulations, he shall also pay an exemption application processing fee of one hundred euro (€100).

(9) Where an application for an exemption under this rule is rejected by the Board, the applicant –

(a) may, if the vehicle has already been brought or imported into Malta, re-export or scrap the vehicle without paying any registration tax on it, or

(b) shall, if the vehicle is already in Malta and he intends to keep it in Malta, apply to the Authority to have the vehicle registered, and also licensed if he intends to use the vehicle on the road, in accordance with the provisions of the Registration and Licensing of Motor Vehicles Regulations, 2009 whether or not he intends to appeal the decision of the Board under sub-rule (10). If he intends to appeal the said decision, he shall pay to the Authority an exemption application processing fee of one hundred euro (€100).

(10) On the registration of the vehicle under sub-rule (9)(b), the applicant shall pay thereon the circulation licence fee, unless he intends to garage the vehicle, and any other administration fees established under the Registration and Licensing of Motor Vehicles Regulations, 2009. He shall also be charged thereon the appropriate registration tax which, if he intends to appeal, shall be deferred and debited on account of the applicant until the Tribunal decides the appeal.

(11) An applicant who feels aggrieved by the decision of the Board may appeal to the Tribunal in accordance with the provisions of the Administration Justice Act within twenty-one days from the date that decision is published as provided for in sub-rule (7).

(12) Where an appeal entered by an applicant is rejected by the Tribunal and the applicant had already registered the vehicle in terms of sub-rule (9), the

applicant may apply to the Authority to have the vehicle deregistered to be re-exported or scrapped, and he shall forthwith be refunded by the Authority the total amount of administrative and application processing fees paid on the registration of the vehicle and no amount of registration tax shall be paid by applicant.

(13) Where an appeal entered by an applicant is upheld by the Tribunal and the applicant had already registered the vehicle in terms of sub-rule (9), the amount of registration tax charged on the registration of the vehicle shall not be paid by applicant.

(14) The exemption application processing fee of one hundred euro (€100) paid under sub-rules (8) and (9) shall be on account of the Government.

(15) A motor vehicle in respect of which an exemption has been granted under this rule, shall not be sold, assigned, transferred, hired out, lent or disposed of in any manner in Malta, unless it is scrapped in accordance with the provisions of the Registration and Licensing of Motor Vehicles Regulations, 2009, following its importation or its bringing into Malta unless the vehicle registration tax to which the exemption aforesaid relates is paid thereon in accordance with the provisions of the Second Schedule to the Act.”.

Amends rule 5 of the principal rules.

5. Rule 5 of the principal rules shall be amended as follows:

(a) in sub-rule (1) thereof, for the words “to a motor vehicle” there shall be substituted the words “to a private vehicle”;

(b) in sub-rule (2) thereof, for the words “Where a motor vehicle is exempted under article 18(1)(a) and (b)” there shall be substituted the words “Where a private vehicle is exempted under article 18(1)(a)”.

Amends rule 6 of the principal rules.

6. Rule 6 of the principal rules shall be amended as follows:

(a) for sub-rule (1) thereof, there shall be substituted the following:

“(1) An exemption under article 18(1)(b) of the Act, for a period not exceeding twelve consecutive months, shall be given to an M1 motor vehicle or cycle brought in or imported for private use by a person whose normal residence is outside Malta and who comes to Malta under a work contract of a duration of at least twelve months.”;

(b) in sub-rule (2) thereof, for the words “fifteen days” there shall be substituted the words “twenty days”;

(c) immediately after sub-rule (2) thereof, there shall be inserted the following:

“(2A.) A vehicle in respect of which an application is made under the provisions of this rule shall be registered in the name of the applicant and for the purposes of the provisions of this rule, the applicant shall provide evidence of ownership in terms of the provisions of rule 4(5)(b).”; and

(d) in sub-rule (4) thereof, for the words “by the owner of the vehicle” there shall be substituted the words “by the applicant”.

Amends rule 7 of the principal rules.

7. Rule 7 of the principal rules shall be amended as follows:

(a) in sub-rule (1) thereof, for the words “article 18(1)(a)” there shall be substituted the words “article 18(1)(c)”, for the words “private motor vehicle” there shall be substituted the words “M1 motor vehicle or cycle”, for the words “for his own use” there shall be substituted the words “for his own private use”, and for the proviso thereto there shall be substituted the following:

“Provided the vehicle is registered in the name of the student:

Provided further the student does not engage in full-time employment during the period of temporary exemption:

Provided further that the vehicle shall continue to satisfy the provisions of rule 5(2) while it is so exempt.”.

Amends rule 8 of the principal rules.

8. Rule 8 of the principal rules shall be amended as follows:

(a) in sub-rule (1) thereof, for the words “under article 19(2)(d)(iv), (v), (vi) and (vii)” there shall be substituted the words “under article 19(3)(c), (d) and (e)”;

(b) for sub-rule (2) thereof, there shall be substituted the following:

“(2) When an exemption is given under this rule, the vehicle shall be registered and licensed by the Authority in accordance with the Registration and Licensing of Motor Vehicles Regulations, 2009, provided that the original approval issued by the Ministry responsible for foreign affairs is submitted to the Authority.”.

Amends rule 9 of the principal rules.

9. Rule 9 of the principal rules shall be amended as follows:

(a) for the marginal note thereto, there shall be substituted the following:

“Reliefs granted under other schemes.”;

(b) for sub-rule (1) thereof, there shall be substituted the following:

“(1) An application for relief under –

(a) the Exemptions/Subsidies Related to Motor Vehicles for Persons with Disability Scheme, or

(b) the Exemptions/Subsidies Related to Motor Vehicles for Philanthropic Organisations/Charitable Institutions Scheme,

each established by an Order of the Minister responsible for finance, shall be made, on the prescribed form, to the National Commissions Persons with Disability in respect of an application for relief under paragraph (a), and to the Ministry responsible for finance in respect of an application for relief under paragraph (b).”;

(c) in sub-rule (2) thereof for the words “The said application” there shall be substituted the words “The application for relief under sub-rule (1)(a)”.

