

L.N. 42 of 2012**INCOME TAX ACT
(CAP. 123)****High Net Worth Individuals - Non-EU/Non-EEA/Non-Swiss
Nationals (Amendment) Rules, 2012**

IN exercise of the powers conferred by articles 56(23) and 96 of the Income Tax Act, the Minister of Finance, the Economy and Investment has made the following rules:

Citation and
coming into
force.

S.L. 123.130

1. (1) The title of these rules is the High Net Worth Individuals - Non-EU/Non-EEA/Non-Swiss Nationals (Amendment) Rules, 2012, and these rules shall be read and construed as one with the High Net Worth Individuals - Non-EU/Non-EEA/Non-Swiss Nationals Rules, hereinafter referred to as "the principal rules".

(2) These rules shall be deemed to have come into force on 1st January, 2011.

Amends rule 2
of the principal
rules.

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

(a) in the definition "authorised mandatory", for the words "a person who is a member of the Malta Institute of Management;" there shall be substituted the words "a person who is a member of the Malta Institute of Accountants or a person who is a member of the Institute of Management:", and immediately thereafter there shall be added the following new proviso:

"Provided that a person that is not an individual, having at least 75% (directly or indirectly) of its shareholders, partners or other members, as the case may be, who are persons in possession of the above-mentioned warrants or being a member of the above-mentioned institutes, shall also be considered to be an authorised mandatory;"

(b) in the definition "qualifying owned property", for the words "after 14 September 2011" there shall be substituted the words "after 1 January 2011"; and

(c) in the definition "qualifying rented property" for the words "per annum;" there shall be substituted the words "per annum:", and immediately thereafter there shall be added the

following new proviso:

"Provided that, for the purposes of this definition, the Commissioner shall have discretion, upon good cause being shown, to treat a property covered by a lease agreement entered into prior to 14 September 2011 for an amount of not less than €4,150 per annum, by a person who filed an application under the Residents Scheme Regulations which was duly received and acknowledged by the Commissioner before 14 September 2011, as a leased property by an applicant as aforesaid if a copy of the relative lease agreement, attested by a notary or advocate, is deposited with the Commissioner by not later than 31 March 2012;"

3. In sub-rule (1) of rule 3 of the principal rules, for the words "An individual, as duly represented" there shall be substituted the words "An individual who is not a long-term resident, as duly represented".

Amends rule 3 of the principal rules.

4. Rule 4 of the principal rules shall be amended as follows:

Amends rule 4 of the principal rules.

(a) paragraph (b) thereof shall be substituted by the following new paragraph:

"(b) in the case of a person who declares that he does not intend to become a long-term resident, he does not spend more than nine months in Malta in any calendar year;"

(b) paragraphs (c) to (j) thereof shall be renumbered as paragraphs (d) to (k) respectively; and

(c) immediately after paragraph (b) thereof, there shall be added the following new paragraph:

"(c) in the case of a person who declares that he intends to become a long-term resident, he is a party to a qualifying contract;"

5. Sub-rule (1) of rule 6 of the principal rules shall be amended as follows:

Amends rule 6 of the principal rules.

(a) paragraph (e) thereof shall be substituted by the following new paragraph:

"(e) if such person had declared that he does not intend to become a long-term resident and spends more

than nine months in Malta in a calendar year;"

(b) paragraph (g) thereof shall be deleted;

(c) paragraph (f) thereof shall be renumbered as paragraph (g);

(d) immediately after paragraph (e) thereof, there shall be added the following new paragraph:

"(f) if such person had declared that he intended to become a long-term resident, is granted long-term residency status and ceases to be a party to the qualifying contract;" and

(e) in paragraph (i) thereof the words "and fails to provide documentary proof to this effect" shall be deleted.

