

L.N. 432 of 2013

**MALTA ENTERPRISE ACT
(CAP. 463)**

Enterprise Support Incentives (Amendment) Regulations, 2013

IN exercise of the powers conferred upon him by article 5 of the Malta Enterprise Act, the Minister for the Economy, Investment and Small Business, in consultation with the Malta Enterprise Corporation, has made the following regulations:-

1. The title of these regulations is the Enterprise Support Incentives (Amendment) Regulations, 2013, and these regulations shall be read and construed as one with the Enterprise Support Incentives Regulations, hereinafter referred to as "the principal regulations".

Citation.

S.L. 463.04

2. Regulation 2 of the principal regulations shall be amended as follows:

Amends regulation 2 of the principal regulations.

(a) immediately after the definition "Guidelines" there shall be added the following new definition:

" "regulatory licences and permits" shall mean any licence, permit or authorisation issued by law by a local authority as a prerequisite for eligibility to assistance as defined in the respective guidelines regulating the assistance;" and

(b) the definition "undertaking" shall be substituted by the following:

" "undertaking" means an undertaking as defined in the Act, except for the purposes of regulations 14 and 16 where undertaking shall mean:

- Cap. 386. (a) a limited liability company constituted under the Companies Act; or
- (b) a limited liability company incorporated or registered as an overseas company in accordance with the Companies Act."
- Cap. 386.

3. In regulation 5 the principal regulations, for the words "in regulation 16", there shall be substituted the words "in regulation 17".

Amends regulation 5 of the principal regulations.

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Amends
regulation 6 of
the principal
regulations.

4. In regulation 6 the principal regulations, for the words "in regulation 16", there shall be substituted the words "in regulation 17".

Amends
regulation 13 of
the principal
regulations.

5. Immediately after sub-regulation (7) of regulation 13 of the principal regulations, there shall be added the following new sub-regulation:

"(8) Notwithstanding the provisions of sub-regulation (7), where the Corporation is satisfied that an undertaking that qualified for the benefit under sub-regulations (1) and (2), has incurred eligible costs between 1st July 2012 and 31st December 2012, applied for regulatory licences and permits as required by the Guidelines before the 31st March 2013 and attained these regulatory licences and permits after 31st March 2013, the Corporation may provide such an undertaking with a tax credit under this regulation, provided that applications shall reach the Corporation by not later than 31st December 2013."

Re-numbers
regulations 15
and 16 of the
principal
regulations.

6. Regulations 15 and 16 of the principal regulations shall be re-numbered as regulations 16 and 17 thereof respectively.

Adds new
regulation to the
principal
regulations.

7. Immediately after regulation 14 of the principal regulations there shall be added the following new regulation:

"Tax credits
for
undertakings
and the self-
employed for
capital
investment and
job creation.

15. (1) Where the Corporation is satisfied that an undertaking carrying out a trade or business requires assistance to expand, innovate or invest in its business in Malta, the Corporation may provide such an undertaking with a tax credit. The intensity of the tax credit shall be in accordance with the terms and conditions set out in the Guidelines:

Provided that this benefit shall be calculated on the eligible costs incurred as from 1st January 2013 till the 31st December 2013:

Provided further that the total amount of tax credits that may be granted in terms of this regulation and any amount of tax credit granted to an undertaking in terms of regulation 13 shall not exceed twenty-five thousand euro (€25,000).

(2) In order to qualify for the benefit under sub-regulation (1), the undertaking:

(a) shall not have in its employ more than thirty full-time employees, or equivalent, in its trade or business as on the 30th November 2012:

Provided that apprentices and students shall not be treated as employees for the purpose of this paragraph; and

(b) shall have a turnover or annual balance sheet total that does not exceed ten million euro (€10,000,000).

(3) The tax credit referred into this regulation shall be due as a deduction from tax payable by an undertaking on its chargeable income derived from its trade or business for that year of assessment commencing on the 1st January of the year immediately following the year in which the eligible costs are undertaken, and, where the tax credit, for that year of assessment, exceeds the income tax payable by such an undertaking for that year, the excess in the tax credit shall be allowed to be carried forward to the subsequent year of assessment and deemed to be a tax credit for that year:

Provided that a tax credit shall not give rise to a right to a refund of tax:

Provided further that unutilised tax credits can only be availed of until year of assessment 2017.

(4) Sub-regulations (4), (5) and (6) of regulation 13 shall apply *mutatis mutandis* to tax credits under this regulation.

(5) Applications for assistance under this regulation shall reach the Corporation by not later than the 31st March 2014."

8. In regulation 17 of the principal regulations, as re-numbered, immediately after the words "on the application of Articles 87 and 88 of the Treaty to *de minimis* aid", there shall be added the words ", or any other regulation that may substitute it".

Amends
regulation 17 of
the principal
regulations.

