

I assent.

(L.S.)

**MARIE-LOUISE
COLEIRO PRECA
President**

13th April, 2017

ACT No. XVI of 2017

AN ACT to implement Budget measures for the financial year 2017 and other administrative measures.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same as follows:-

1. The short title of this Act is the Budget Measures Implementation Act, 2017. Short title.

PART I

2. The provisions of this Part shall be deemed to have come into effect on the 1st January, 2017. Coming into force of this Part.

3. For the purpose of this Part, "revenue" has the same meaning as is assigned to it in article 2 of the Financial Administration and Audit Act, but does not include proceeds from loans. Interpretation. Cap. 174.

4. (1) Subject to the provisions of this Act, the Authority to raise loan.

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Government of Malta may raise in Malta, by way of loan, a sum of money not exceeding six hundred million Euro (€600,000,000).

Cap. 161. (2) For the purpose of raising the aforesaid loan the Minister for Finance is hereby authorised to issue stock in Malta under the provisions of the Local Loans (Registered Stock and Securities) Ordinance or under the provisions of any other new law to be enacted by this present Parliament to replace the current Local Loans (Registered Stock and Securities) Ordinance, on such terms and conditions as the said Minister may approve.

Purpose. 5. Any money borrowed under the authority of this Part shall be appropriated and applied for the purpose of:

(a) meeting excess expenditure over revenue incurred in the Consolidated Fund for year 2017 and, or subsequent years;

(b) redeeming registered stocks which are due for redemption during 2017; and

(c) effecting portfolio changes in relation to amounts raised through Treasury Bills, amounts raised through Government Stocks, and in respect of loans raised outside Malta as and when required in line with Government's debt management policies.

PART II

Amendments to
the Customs
Ordinance.
Cap. 37.

6. This Part amends the Customs Ordinance and it shall be read and construed as one with the Customs Ordinance, hereinafter in this Part referred to as "the Ordinance".

Amendment of
article 6 of the
Ordinance.

7. Article 6 of the Ordinance shall be amended as follows:

(a) sub-article (1) thereof shall be substituted by the following:

"(1) (a) Without prejudice to any other obligation under any other law, the master of every vessel, whether laden or in ballast, shall make due report of such vessel to the port authority not later than the moment the vessel enters Maltese territorial seas.

(b) Without prejudice to any other obligation under any other law, the master of every vessel with goods, shall also make due report of such ladened goods to the port authority not later than the moment the vessel enters Maltese territorial seas. This obligation shall not apply

when the goods have already been declared to the Commissioner.";

(b) sub-article (2) thereof shall be substituted by the following:

"(2) The provisions of sub-article (1) shall not apply to any vessel that enters Maltese territorial waters solely to receive orders or take on board stores for use of such vessel; but if any such vessel does not depart within forty-eight hours after her arrival, the master shall make due report of such vessel and of her cargo.";

(c) sub-article (3) thereof shall be substituted by the following:

"(3) At the time of making report, the master shall answer all such questions relating to the ship, cargo, crew and voyage as shall be put to him by the Commissioner or by the port authority or by other proper officer."

8. Immediately after article 6 of the Ordinance there shall be added the following new article 6A:

Addition of new article 6A to the Ordinance.

"Possession of declarable items which have not been declared.

6A. Without prejudice to any obligation under any other law, any person who comes into possession of declarable items which have not been declared and which have been found in Maltese territorial waters, shall immediately make due report of such items to the port authorities or to the Commissioner, and failing this will be liable on conviction to the punishment provided for in article 6(4)."

9. Article 60 of the Ordinance shall be amended as follows:

Amendment of article 60 of the Ordinance.

(a) in paragraph (b) thereof, for the words "if any prohibited goods are imported" there shall be substituted the words "if any prohibited goods or goods the importation of which is restricted are imported"; and

(b) in paragraph (d) thereof, for the words "or so that the same are not duly warehoused; or" there shall be substituted the words "or so that the same are not duly warehoused; or where in any other manner, except in the case of *force majeure*, the conveyance of the goods after landing is not according to the instructions given by the Customs officers, or".

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Amendment of
article 62 of the
Ordinance.

10. Article 62 of the Ordinance shall be amended as follows:

(a) in paragraph (j) thereof, for the words "or in the seizing of any goods liable to forfeiture under this Ordinance; or" there shall be substituted the words "or in the seizing of any goods liable to forfeiture under this Ordinance, or fails to do anything he is requested to do by a Customs officer in the performance of his duties; or";

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

"(o) knowingly or negligently registers or presents for the second time or more a customs declaration of the same objects; or";

and immediately after there shall be added the following new paragraphs:

"(p) except where any other law provides otherwise for this offence, knowingly or negligently fails to perform his duties within the time limit given to him by the Customs officer or imposed upon him by any Customs legislation, or knowingly or negligently fails to pay the duty or taxes due within the time limit granted to him by any Customs officer or imposed by law; or

(q) knowingly or negligently fails to give to the Customs officer information required by law, or knowingly or negligently fails to give to the Customs officer any document requested according to law or knowingly or negligently neither places the goods under any Customs procedure nor exports them within the given time limit; or

(r) knowingly or negligently presents an incomplete declaration to the Customs officer,"; and

(c) for the words "shall for each such offence be liable" there shall be substituted the words "shall, on conviction, for each such offence be liable".

Amendment of
article 63 of the
Ordinance.

11. Article 63 of the Ordinance shall be amended as follows:

(a) in paragraph (g) thereof, for the words "a penalty of two hundred euro (€200)" there shall be substituted the words "a penalty of two hundred euro (€200) or 10% of the value of the goods, whichever is the higher. Where the value of the goods

cannot be established, the Commissioner may impose a penalty of two hundred euro (€200)"; and

(b) immediately after sub-article (2) thereof there shall be added the following new sub-article:

"(3) For the purposes of this article, when any irregularity leads to loss of duties and the Commissioner would have imposed an excise duty penalty under the Excise Duty Act, with the concurrence of the person committing the irregularity, the Commissioner shall not impose another excise duty penalty under this Ordinance."

12. Immediately after the second item of the Second Schedule to the Ordinance there shall be added the following new items:

Amendment of the Second Schedule to the Ordinance.

"- in the case of an offence under article 62(p) of this Ordinance

- in the case of an offence under article 62(r) of this Ordinance."

PART III

13. (1) This Part amends the Income Tax Act, and it shall be read and construed as one with the Income Tax Act, hereinafter in this Part referred to as "the principal Act".

Amendments to the Income Tax Act.
Cap. 123.

(2) The provisions of article 14 shall come into force as from the year of assessment 2017 and articles 15, 17(b), 19 and 21 of this Part shall come into force as from year of assessment 2018.

14. In the definition of "collective investment scheme", in sub-article (1) of article 2 of the principal Act, the words "licensed under the Investment Services Act;" shall be substituted by the words "licensed under the Investment Services Act or notified in terms of the Investment Services Act (List of Notified AIFs) Regulations;"

Amendment of article 2 of the principal Act.

15. Paragraph (b) of sub-article (6) of article 5 of the principal Act shall be amended as follows:

Amendment of article 5 of the principal Act.

(a) for the words "transfer of shares listed on a stock exchange" there shall be substituted the words "transfer of shares listed, or in consequence of a listing, on a stock exchange";

(b) for the words "in a collective investment scheme:" there shall be substituted the words "in a collective investment

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scheme"; and

(c) the three provisos to the said paragraph shall be deleted.

Amendment of
article 5A of the
principal Act.

16. Paragraph (c) of sub-article (5) of article 5A of the principal Act shall be substituted by the following:

"(c) When a transfer to which this article applies is a transfer of property that was acquired by the transferor in terms of a transfer *causa mortis* and -

(i) the said acquisition *causa mortis* happened before the 25th November 1992; or

(ii) the said acquisition *causa mortis* happened on or after the 25th November 1992, and the property is transferred by means of a judicial sale by auction,

the tax thereon shall be chargeable at the rate of 7% of the transfer value."

Amendment of
article 12 of the
principal Act.

17. Sub-article (1) of article 12 of the principal Act shall be amended as follows:

(a) in sub-paragraph (iii) of paragraph (c) thereof, for the words "the relevant threshold is €21,200;" there shall be substituted the words "the relevant threshold is €21,200:", and immediately thereafter there shall be added the following new provisos:

"Provided that this sub-paragraph (iii) shall not apply in the case of dividends arising out of shares listed on a stock exchange recognised under the Financial Markets Act and distributed to an individual whose holding of such shares in a company represents less than 0.5% of the paid-up share capital of the said company:

Provided also that the preceding proviso shall only apply to distributions of dividends made out of profits derived in the year preceding the year of assessment 2018 or later;" and

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

"(w) the income from employment (other than employment derived from the holding of an office of

director) of a married person who is over forty years of age and starts in employment after having been absent from any gainful occupation for at least five years, and whose name was not during the said time on the unemployment register (Parts 1 and 2) as established by JobsPlus, and where such income does not exceed the amount mentioned in rule 2(a) of the Deduction (Income from Employment) Rules and the said person is chargeable to tax jointly with her or his spouse at the rates specified in article 56(1)(a):

Provided that this paragraph shall apply for a period of five consecutive years of assessment commencing from the basis year in which the person started work;".

18. Sub-article (1) of article 14 of the principal Act shall be amended as follows:

Amendment of article 14 of the principal Act.

(a) in paragraph (n) thereof, for the words "up to a maximum of nine hundred and thirty-five Euro (€935) per child." there shall be substituted the words "up to a maximum of nine hundred and thirty-five Euro (€935) per child;" and

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

"(o) such sums in respect of risk capital as are aimed at approximating neutrality between debt and equity financing, as the Minister may prescribe."

19. Immediately after article 31D of the principal Act, there shall be added the following new article:

Addition of new article to the principal Act.

"Housing
Authority
Schemes.

31E. (1) Notwithstanding any other provision of the Income Tax Acts except for article 31B, this article shall apply, in such manner as may be prescribed, where any person who is an owner of immovable property rents such property to another person for at least seven years under a scheme administered by the Housing Authority, and the said owner is registered with the Housing Authority for this purpose and complies with any conditions imposed by the Housing Authority.

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(2) The tax chargeable in the circumstances mentioned in sub-article (1) shall be at the rate of 5% of the gross rental income received. Such tax shall be final and not be available as a credit against the tax liability of the said person or refundable to him in any way."

Amendment of article 43 of the principal Act.

20. Paragraph (c) of sub-article (6) of article 43 of the principal Act shall be substituted by the following:

"(c) Where an individual resident in Malta is beneficially entitled, directly or indirectly, to the profits (whether or not distributed) of a company which has applied the provisions of article 12(1)(u) to any of its income or gains or has applied any deduction in terms of rules issued pursuant to article 14(1)(o) in determining its chargeable income or gains, such individual shall be deemed to have received, at the time that the said company has submitted its tax return in which the said income or gains would have been charged to tax but for the fact that it applied the said exemption or deduction, or the last date on which such a tax return is due to be submitted, whichever is the earlier, so much of that income or gains as corresponds to his, direct or indirect, entitlement to receive that income or gains by way of dividend or other means through or from any person or entity in any manner whatsoever and for the purpose of this paragraph if the company would have already distributed such income or gains or part thereof it shall be deemed that no such distribution has been made."

Amendment of article 56 of the principal Act.

21. Sub-article (22) of article 56 of the principal Act shall be deleted.

PART IV

Amendments to the Social Security Act. Cap. 318.

22. (1) This Part amends the Social Security Act, and it shall be read and construed as one with the Social Security Act, hereinafter in this Part referred to as "the principal Act".

(2) The provisions of this Part shall have effect as from 7th January, 2017.

Amendments to the Arrangement of Act of the principal Act.

23. The Part relating to the Schedules in the "Arrangement of Act" of the principal Act shall be amended as follows:

(a) for the words "Age Pension and Carer's Pension" in the third column relating to Part IV of the Second Schedule in the said "Arrangement of Act", there shall be substituted the words "Age Pension and Carer's Allowance";

(b) for the words "Disability Pension and Pension for the Visually Impaired" in the third column relating to Part V of the Second Schedule in the said "Arrangement of Act", there shall be substituted the words "Severe Disability Assistance, Disability Assistance and Assistance for the Visually Impaired";

(c) for the words "Highest Rate of Disability Pension and Pension for the Visually Impaired per week, inclusive of any increase under the provisions of article 90A" in the third column relating to Part III of the Sixth Schedule in the said "Arrangement of Act", there shall be substituted the words "Highest Rate of Increased Disability Assistance, Severe Disability Assistance, Disability Assistance and Assistance for the Visually Impaired per week, inclusive of any increase under the provisions of article 90B";

(d) for the words "Highest Rate of Carer's Pension per week, inclusive of any increase under the provisions of article 90A" in the third column relating to Part IV of the Sixth Schedule in the said "Arrangement of Act", there shall be substituted the words "Highest Rate of Carer's Allowance and Increased Carer's Allowance per week, inclusive of any increase under the provisions of article 90B"; and

(e) for the words "Highest Rate of Allowance per week in lieu of Age Pension, Disability Pension and Pension for the Visually Impaired" in the third column which refers to Part III of the Sixth Schedule in the said "Arrangement of Act", there shall be substituted the words "Rate of Allowance per week in lieu of Age Pension, Increased Severe Disability Assistance, Severe Disability Assistance, Disability Assistance and Assistance for the Visually Impaired".

24. (a) In the definition "severely disabled person" in article 2 of the principal Act, for the words "means a person who still has a reasonable expectancy of life and who is incapable of supporting himself through full-time employment or self-occupation, or who will be rendered so incapable when of age to do so, owing to a permanent disability arising from" there shall be substituted the words "means a person who still has a reasonable expectancy of life or who will be rendered so incapable when of age to do so, owing to a permanent disability arising from"; and

Amendment of
article 2 of the
principal Act.

(b) in paragraph (c) thereof, the words "Leopard's Syndrome; or" shall be substituted with the words "Leopard's Syndrome;" and immediately after there shall be added the words "Amyotrophic Lateral Sclerosis (ALS); or".

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Amendment of
article 16 of the
principal Act.

25. Article 16 of the principal Act shall be amended as follows:

(a) in paragraph (e) of sub-article (2) thereof, for the words "of such level." there shall be substituted the words "of such level;", and immediately thereafter there shall be added the following new paragraph:

"(f) persons in insurable employment who terminate their employment so as to partake of an early retirement scheme, as may be approved by the Minister responsible for Finance, or are prior to the said date recognized as such by the Director, from the age of 60 until they reach pension age."; and

(b) paragraph (a) of sub-article (3) thereof shall be amended as follows:

(i) for the words "or for any calendar week during which he is entitled to a Carer's Pension under article 68 and at any time prior to his becoming entitled to a Carer's Pension as aforesaid in this paragraph was employed in insurable employment or was self-occupied and immediately prior to his becoming entitled to such Carer's Pension had" there shall be substituted the words "or for any calendar week during which he is entitled to a Carer's Allowance or Increased Carer's Allowance under article 68 and at any time prior to his becoming entitled to a Carer's Allowance or Increased Carer's Allowance as aforesaid in this paragraph was employed in insurable employment or was self-occupied and immediately prior to his becoming entitled to such Carer's Allowance or Increased Carer's Allowance had"; and

(ii) for the words from "So however that" to the words "under article 30(8);" there shall be substituted the following:

"So however that, with effect from the 5th January 2013, the provisions of this sub-article shall also apply to persons who are not entitled to a Carer's Allowance who fail to satisfy the conditions of Part IV of the Second Schedule of this Act but fulfil the criteria stipulated by the provisions of article 106(a);".

26. In sub-article (2) of article 20 of the principal Act, for the words "or a Carer's Pension under this Act" there shall be substituted the words "or a Carer's Allowance under this Act".

Amendment of article 20 of the principal Act.

27. Immediately after sub-article (3) of article 23 of the principal Act there shall be added the following new two sub-articles:

Amendment of article 23 of the principal Act.

"(4) With effect from the 1st January 2017, a person who qualifies for an Increased Severe Disability Assistance in accordance with the provisions of article 27, shall be eligible for Free Medical Aid without the need to satisfy the means test as per provisions of Part III of the Second Schedule.

(5) With effect from the 1st January 2017, any income from gainful employment or self-occupation of the person qualifying for a Severe Disability Assistance in accordance with the provisions of article 27, shall not be considered for the calculation of the income or privilege as explained in Part III of the Second Schedule."

28. Article 27 of the principal Act shall be amended as follows:

Amendment of article 27 of the principal Act.

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

"Increased Severe Disability Assistance, Severe Disability Assistance, Disability Assistance and Assistance for the Visually Impaired.";

(b) in the paragraph immediately after paragraph (c) of sub-article (1) thereof, for the words "shall be entitled to a Disability Pension under this Act" there shall be substituted the words "shall be entitled to a Severe Disability Assistance under this Act"; and for the words "and with the provisions of sub-article (3)" there shall be substituted the words "and with the provisions of sub-article (5)";

(c) in the paragraph immediately after paragraph (c) of sub-article (2) thereof, for the words "shall be entitled to a Pension for the Visually Impaired under this Act" there shall be substituted the words "shall be entitled to an Assistance for the Visually Impaired under this Act"; and for the words "and with the provisions of sub-article (3)" there shall be substituted the words "and with the provisions of sub-article (5)"; and

(d) sub-article (3) thereof shall be substituted by the following new sub-articles:

"(3) Save as provided for in article 96 and subject to the other provisions of this Act, a person who -

(a) has attained the age of sixteen years; and

(b) is certified to be suffering from a mental severe sub-normality or to be a severely disabled person in accordance with the provisions of this Act, or to be suffering from cerebral palsy; and

(c) satisfies the Barthel Index score 0 - 4, after the Director will have acted in accordance with the advice given by the multi-disciplinary panel appointed under article 106(f); and

(d) shows to the satisfaction of the Director that he is a citizen of Malta and normally resides in Malta,

shall be entitled to an Increased Severe Disability Assistance under this Act in accordance with Part III of the Sixth Schedule.

(4) Save as provided for in article 96 and subject to the other provisions of this Act, a person who -

(a) has attained the age of sixteen years; and

(b) is certified to be suffering from a permanent total paralysis or permanent total severe malfunction or permanent total disease, whether through amputation or otherwise of one of the upper or lower limbs; and

(c) shows to the satisfaction of the Director that he is a citizen of Malta and normally resides in Malta,

shall be entitled to a Disability Assistance under this Act in accordance with Part III of the Sixth Schedule and with the provisions of sub-article (5).

(5) (a) The rate of assistance of a person who becomes entitled to such under sub-articles (1) or (2) or (4) shall be such weekly amount as will bring the total weekly means of the person with the disability, calculated in accordance with Part V of the Second Schedule, up to the scale rate applicable to that person,

as determined by Part III of the Sixth Schedule.

(b) Saving the provisions of article 96 and of the second proviso to paragraph 4 of Part V of the Second Schedule, where a married person and the spouse both qualify for an assistance under the provisions of this article or of article 66, any such assistance as is payable to one of the spouses shall cease to be payable.

(c) With effect from the 1st January 2005, where a married person qualifies for an assistance under the provisions of this article, the applicable rate shall be that payable in accordance with Part III of the Sixth Schedule.

(d) With effect from the 1st January 2016, when a person who qualifies for an assistance under sub-articles (1) and (2) reaches the age of sixty years, the applicable weekly rate shall be that indicated in Part II of the Sixth Schedule."

29. Sub-article (8) of article 30 of the principal Act shall be deleted. Amendment of article 30 of the principal Act.

30. Article 68 of the principal Act shall be substituted by the following: Substitution of article 68 of the principal Act.

"Carer's Allowance and Increased Carer's Allowance.

68. (1) (a) Subject to the provisions of this Act, a single person who has not yet reached pension age in accordance with the provisions of this Act and who proves to the satisfaction of the Director that he is a citizen of Malta or of the European Union and is regularly residing in Malta, shall be entitled to a Carer's Allowance in accordance with sub-article (2)(a), if such person proves to the satisfaction of the Director that he is taking care, all by himself, on a full-time basis and regularly of his parent or brother, sister, grandparent, uncle, aunt, father or mother-in-law, or brother or sister-in-law and who is living in the same household as that of such person.

(b) Subject to the provisions of this Act, a single or a married person who has not yet reached pension age in accordance with the provisions of this Act and who proves to the satisfaction of the Director that he is a citizen of Malta or of the European Union and is regularly residing in Malta, shall be entitled to an Increased Carer's Allowance in accordance with sub-article (2)(b), if such person proves to the satisfaction of the Director that he is taking care, all by himself, on a full-time basis and regularly of his spouse or parent, brother, sister, grandparent, uncle, aunt, father or mother-in-law, or brother or sister-in-law and who is living in the same household as that of such person.

(2) A person becomes entitled to -

(a) a Carer's Allowance, if his yearly means, calculated according to the provisions of Part IV of the Second Schedule, do not exceed the highest rate of a Carer's Allowance as specified in Part IV of the Sixth Schedule and according to the points referred to in sub-article (3)(i) after the Director will have acted on the advice given by the multi-disciplinary panel appointed under article 106(f);

(b) an Increased Carer's Allowance, as specified in Part IV of the Sixth Schedule and according to the points referred to in sub-article (3)(ii) after the Director will have acted in accordance with the advice given by the multi-disciplinary panel appointed under article 106(f).

(3) The Allowance referred to in sub-article (2) shall be paid in the following manner:

(i) Carer's Allowance

Barthel Index 9 - 12 (Medium Dependency)

Mini-Mental State Examination 10 - 19 (Medium Weakening)

(ii) Increased Carer's Allowance

Barthel Index 0 - 8 (High Dependency)

Mini-Mental State Examination 0 - 9
(High Weakening).".

31. In article 73 of the principal Act, for the words "in the aforementioned Fourteenth Schedule." there shall be substituted the words "in the aforementioned Fourteenth Schedule:", and immediately thereafter there shall be added the following new proviso:

Amendment of
article 73 of the
principal Act.

"Sohowever that with effect from the 1 January 2017, the provisions of this article are also applicable in the case of a person who is not a head of household and who is also in an insurable employment earning the national minimum wage."

32. Immediately after sub-article (4) of article 85 of the principal Act there shall be added the following new sub-article:

Amendment of
article 85 of the
principal Act.

"(5) Notwithstanding the provisions of sub-article (4), with effect from January 2017, the rate due to persons who have reached pension age according to the definition "pension age" in article 2, but have not yet reached the age of 75, who have retired from employment and are not in receipt of a Contributory Pension, but have paid between 50 and 259 social security contributions shall be €150 per year whereas the rate due to persons who have reached pension age according to the definition "pension age" in article 2, but have not yet reached the age of 75, who have retired from employment and are not in receipt of a Contributory Pension, but have paid more than 260 social security contributions shall be €250 per year."

33. Article 90 of the principal Act shall be amended as follows:

Amendment of
article 90 of the
principal Act.

(a) for the words "an Age Pension and a Carer's Pension payable under this Act" there shall be substituted the words "an Age Pension, a Carer's Allowance and an Increased Carer's Allowance payable under this Act"; and

(b) in paragraph (c) thereof, for the words "shall not be deemed to qualify for a Disability Pension or a Pension for the Visually Impaired in terms of article 27" there shall be substituted the words "shall not be deemed to qualify for an Assistance in terms of article 27".

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Amendment of
article 90B of
the principal
Act.

34. Article 90B of the principal Act shall be amended as follows:

(a) the present article shall be re-numbered as sub-article (1) thereof; and

(b) immediately after sub-article (1) thereof, as re-numbered, there shall be added the following new sub-article:

"(2) Without prejudice to any other provision of this Act, whenever Government awards a cost-of-living increase in the rate of the national minimum wage as is payable to persons of eighteen years of age or over under the provisions of the Employment and Industrial Relations Act, any allowance or assistance payable under the provisions of articles 68 and 27 shall, from such date when such allowance or assistance is due, be automatically increased by the full cost-of-living increase in the case of an Increased Carer's Allowance, Increased Severe Disability Assistance, Severe Disability Assistance, Assistance for the Visually Impaired and by an amount equivalent to two-thirds of the cost-of-living increase in the case of a Carer's Allowance and Disability Assistance."

Amendment of
article 97 of the
principal Act.

35. In paragraph (b) of sub-article (2) of article 97 of the principal Act, for the words "a Disability Pension, a Pension for the Visually Impaired, a Carer's Pension" there shall be substituted the words "an Increased Severe Disability Assistance, Severe Disability Assistance, Disability Assistance, an Assistance for the Visually Impaired, a Carer's Allowance, Increased Carer's Allowance".

Amendment of
article 106 of
the principal
Act.

36. The proviso to article 106 of the principal Act shall be amended as follows:

(a) in paragraph (a) thereof, for the words "payable under the provisions of article 30(4) and (8), a Carer's Pension, a Pension for the Visually Impaired, a Disability Pension" there shall be substituted the words "payable under the provisions of article 30(4), a Carer's Allowance, Increased Carer's Allowance, an Assistance for the Visually Impaired, an Increased Severe Disability Assistance, Severe Disability Assistance, Disability Assistance";

(b) in paragraph (f) thereof, for the words "has not led to the conclusive determination of the work capacity of the applicant, as provided in the preceding paragraphs of this proviso" there shall be substituted the words "has not led to the

conclusive determination of the work capacity of the applicant, or in claims for a Carer's Allowance and an Increased Carer's Allowance, according to the provisions of article 68 or in claims for an Increased Severe Disability Assistance according to the provisions of article 27 as provided in the preceding paragraphs of this proviso"; and

(c) in sub-paragraph (i) of paragraph (f) thereof, for the words "a psychiatrist" there shall be substituted the words "a psychiatrist or a geriatrician".

37. In paragraph (i) of sub-article (4) of article 108 of the principal Act, for the words "a Pension for the Visually Impaired or a Disability Pension" there shall be substituted the words "an Assistance for the Visually Impaired, Increased Severe Disability Assistance, Severe Disability Assistance or Disability Assistance".

Amendment of article 108 of the principal Act.

38. The Second Schedule to the principal Act shall be amended as follows:

Amendment of the Second Schedule to the principal Act.

(a) the heading thereof shall be substituted by the following:

"Calculation of means for the purposes of an exemption from the payment of Class Two Contributions and for the award of Social Assistance, Sickness Assistance, Free Medical Aid, an Age Pension, Severe Disability Assistance, Disability Assistance, an Assistance for the Visually Impaired, a Carer's Allowance, Children's Allowance, a Supplementary Allowance, and a Disabled Child Allowance";

(b) the proviso to paragraph (a) of Part III thereof shall be amended as follows:

(i) for the figure "€9,320" in sub-paragraph (i) thereof, there shall be substituted the figure "€14,000"; and

(ii) for the figure "€16,310" in sub-paragraph (ii) thereof, there shall be substituted the figure "€23,300";

(c) Part IV thereof shall be amended as follows:

(i) in the heading thereof, for the words "and Carer's Pension" there shall be substituted the words "and Carer's Allowance";

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(ii) in paragraph 1 thereof, for the words "for the purposes of articles 66 and 68" there shall be substituted the words "for the purposes of articles 66 and 68(2)(a)"; and for the words "or a Carer's Pension" there shall be substituted the words "or a Carer's Allowance"; and

(iii) in paragraph 3 thereof, for the words "or a Carer's Pension" there shall be substituted the words "or a Carer's Allowance";

(d) Part V thereof shall be amended as follows:

(i) for the heading thereof there shall be substituted the following:

"Severe Disability Assistance, Disability Assistance and Assistance for the Visually Impaired"; and

(ii) in paragraph 4 thereof, for the words "for the purposes of awarding a Disability Pension or a Pension for the Visually Impaired" there shall be substituted the words "for the purposes of awarding a Severe Disability Assistance, Disability Assistance or an Assistance for the Visually Impaired".

Amendment of
the Fifth
Schedule to the
principal Act.

39. Part I of the Fifth Schedule to the principal Act shall be amended as follows:

(a) item 9 thereof ("Miscellaneous:") shall be re-numbered as item 11 thereof; and

(b) immediately after item 8 thereof there shall be added the following new items:

"9. Chronic lymphedema disease

10. Fibrous Dysplasia".

Amendment of
the Sixth
Schedule to the
principal Act.

40. The Sixth Schedule to the principal Act shall be amended as follows:

(a) Part III thereof shall be substituted by the following:

"PART III

Highest Rate of Increased Severe Disability Assistance, Severe Disability Assistance, Disability Assistance and Assistance for the Visually Impaired per week, inclusive of any increase under the provisions of article 90B

Increased Severe Disability Assistance
€120.00
Severe Disability Assistance
€102.13
Disability Assistance
€76.60
Assistance for the Visually Impaired
€102.13

"; and

(b) Part IV thereof shall be substituted by the following:

"PART IV

Highest Rate of Carer's Allowance and Increased Carer's Allowance per week inclusive of any increase under the provisions of article 90B

Highest Rate of Carer's Allowance per week
€90.00
Highest Rate of Increased Carer's Allowance per week
€140.00

".

PART V

41. This Part amends the Malta Financial Services Authority Act and it shall be read and construed as one with the Malta Financial Services Authority Act, hereinafter in this Part referred to as "the principal Act".

Amendments to the Malta Financial Services Authority Act. Cap. 330.

42. In article 2 of the principal Act, the definition "Consumer Complaints Manager" shall be deleted.

Amendment of article 2 of the principal Act.

43. Sub-article (1) of article 13 of the principal Act shall be amended as follows:

Amendment of article 13 of the principal Act.

(a) for the words "Directors, a Consumer Complaints

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Manager and such other officers", there shall be substituted the words "Directors, Deputy Directors and such other officers"; and

(b) for the words "the Chief Operations Officer, Directors and the Consumer Complaints Manager" there shall be substituted the words "the Chief Operations Officer, Directors and Deputy Directors".

Deletion of article 20 of the principal Act.

44. Article 20 of the principal Act shall be deleted.

Amendment of article 26 of the principal Act.

45. Sub-article (1) of article 26 of the principal Act shall be substituted by the following:

"(1) The Authority shall establish a Reserve Fund to which the surplus for the year established in the Audited Income Statement shall be appropriated:

Provided that the said fund shall not at any time exceed the equivalent of the Operational Expenses registered in the preceding financial year as disclosed in the Audited Financial Statements."

PART VI

Amendments to the Import Duties Act. Cap. 337.

46. This Part amends the Import Duties Act and it shall be read and construed as one with the Import Duties Act, hereinafter in this Part referred to as "the principal Act".

Amendment of article 10 of the principal Act.

47. In sub-article (2) of article 10 of the principal Act, for the words "relating to the purchase, importation or sale of such goods" there shall be substituted the words "relating to the purchase, importation, sale, storage or processing of such goods".

Amendment of article 35 of the principal Act.

48. Article 35 of the principal Act shall be amended as follows:

(a) in paragraph (e) thereof, for the words "in terms of such procedures; and" there shall be substituted the words "in terms of such procedures;";

(b) paragraph (f) thereof shall be re-numbered as paragraph (g); and

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

"(f) providing for rules relating to guarantees

required by law, which guarantees secure the payment of any amount due; and".

49. In Form 13 of the Fourth Schedule to the Customs Regulations, and in any other legislation relating to Customs, the Department of Customs emblem shall be substituted by the following:

Amendment of the Customs Regulations and any other legislation relating to Customs.

"



".

PART VII

50. (1) This Part amends the Duty on Documents and Transfers Act, and it shall be read and construed as one with the Duty on Documents and Transfers Act, hereinafter in this Part referred to as "the principal Act".

Amendments to the Duty on Documents and Transfers Act. Cap. 364.

(2) The provisions of article 54 shall be deemed to have come into force on the 1st December 2016.

51. The proviso to article 25A of the principal Act shall be amended as follows:

Amendment of article 25A of the principal Act.

(a) for the words "the amount of premium so payable." there shall be substituted the words "the amount of premium so payable:"; and

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

"Provided that the provisos to article 25 shall *mutatis mutandis* apply to this article.".

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Amendment of
article 32 of the
principal Act.

52. Article 32 of the principal Act shall be amended as follows:

(a) immediately after paragraph (a) of sub-article (4) of article 32 thereof, there shall be added the following proviso:

Cap. 246. "Provided that this paragraph shall not apply to a person who would have required a permit by the Minister for the purposes of the Immovable Property (Acquisition by Non-Residents) Act had the property acquired not been situated in a special designated area."; and

(b) immediately after the proviso to sub-article (7) thereof, there shall be added the following new proviso:

"Provided further that where one of the co-owners dies, the provisions of this sub-article shall apply to the transfer of an undivided share of the dwelling house from the heirs of the deceased co-owner to the other co-owner where any duty chargeable in respect of the property transferred *causa mortis* has been paid, or no duty is payable on such transfer, and the notary declares on the relative deed that the property in question came to the heirs of the deceased co-owner through a transfer *causa mortis* and that a complete declaration has been duly made in accordance with article 33. The notary shall on any such deed give the relevant details of all the declarations made in accordance with article 33."

Amendment of
article 35 of the
principal Act.

53. Sub-article (2) of article 35 of the principal Act shall be amended as follows:

(a) paragraph (i) thereof shall be amended as follows:

(i) for the words "duty shall be charged at the rate of three euro and fifty cents for every one hundred euro or part thereof" there shall be substituted the words "duty shall be charged at the rate of three euro and fifty cents (€3.50) for every one hundred euro (€100) or part thereof";

(ii) for the words "that part of the value of such dwelling house which exceeds thirty-five thousand euro (35,000) but not seventy thousand euro (70,000)" there shall be substituted the words "that part of the value of such dwelling house which exceeds thirty-five thousand euro (€35,000) but not one hundred and fifty thousand

euro (€150,000)";

(iii) for the words "the amount of the value chargeable at the said rate shall be such amount as is proportionate to thirty-five thousand euro (35,000) or that part of its value which exceeds thirty-five thousand euro (35,000) but not seventy thousand euro (70,000) or such greater amounts as may be prescribed as aforesaid" there shall be substituted the words "the amount of the value chargeable at the said rate shall be such amount as is proportionate to thirty-five thousand euro (€35,000) or that part of its value which exceeds thirty-five thousand euro (€35,000) but not one hundred and fifty thousand euro (€150,000) or such greater amounts as may be prescribed as aforesaid"; and

(b) paragraph (ii) thereof shall be amended as follows:

(i) for the words "as represents the first seventy thousand euro (70,000)" there shall be substituted the words "as represents the first one hundred and fifty thousand euro (€150,000)"; and

(ii) for the words "as is proportionate to seventy thousand euro (70,000)" there shall be substituted the words "as is proportionate to one hundred and fifty thousand euro (€150,000)".

54. Article 47 of the principal Act shall be amended as follows:

Amendment of article 47 of the principal Act.

(a) in paragraph (e) of sub-article (3) thereof:

(i) for the words "or a company" there shall be substituted the words "or a company which satisfies the provisions of sub-article (4)(a),";

(ii) for the words "or intends to carry on, business, or has, or intends to have, business interests" there shall be substituted the words "or intends to carry on (within a reasonable time frame as may be applicable), business, or has, or intends to have (within a reasonable time frame as may be applicable), business interests";

(b) sub-article (4) thereof shall be substituted by the following:

"(4) A company is a company falling within sub-

article (3)(d) if:

(a) more than half of its ordinary share capital, voting rights and rights to profits are held by:

(i) any person who is not resident in Malta and who is not owned and controlled by, directly or indirectly, nor acts on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta, or

(ii) by a trustee of a trust the beneficiaries of which are all persons who are not resident in Malta and who are not owned and controlled by, directly or indirectly, nor act on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta; and

(b) such company has been determined by the Commissioner as having the majority of its business interests outside Malta.";

(c) sub-article (5) thereof shall be substituted by the following:

"(5) A company which is not owned and controlled by, directly or indirectly, nor acts on behalf of an individual or individuals who are ordinarily resident and domiciled in Malta shall be deemed to fall within the purport of sub-article (4).";

(d) paragraph (b) of sub-article (7) thereof shall be substituted by the following:

"(b) none of the assets held by the company are situated in Malta. For this purpose, the term "assets" shall not include marketable securities in companies referred to in sub-article (3)(c), (d) and (e) or any other assets in Malta held by the company for the purposes of carrying on its business as long as the majority of the business interests of the company are located outside Malta.";

(e) in the proviso to sub-article (9) thereof, for the words "under sub-article (3)(e)." there shall be substituted the words "under sub-article (3)(e)."; and immediately thereafter there shall be added the following new provisos:

"Provided further that, without prejudice to the powers of the Commissioner (including, for the avoidance of doubt, that of determining at any time that any such determination is no longer applicable due to the non-satisfaction of any of the relevant conditions and provisions), any determination issued in terms of paragraphs (d) or (e) of sub-article (3) shall apply for a term of three years, so however that any such determination made before 1st December 2016 shall apply until 30th November 2019:

Provided also that any determination issued in terms of paragraphs (d) or (e) of sub-article (3) may, at the option of the applicant, be renewed for further periods of three years. Any application for renewal shall be submitted to the Commissioner, stating whether or not there have been any material changes to the facts and considerations contained in the original or previous application, as the case may be, and the nature of any such changes and such renewal shall not be unreasonably withheld by the Commissioner."; and

(f) in paragraph (b) of sub-article (10) thereof, for the words "of sub-article (3)(d)" there shall be substituted the words "of sub-article (3)(d) or sub-article (3)(e)".

PART VIII

55. (1) This Part amends the Motor Vehicles Registration and Licensing Act, and shall be read and construed as one with the Motor Vehicles Registration and Licensing Act, hereinafter in this Part referred to as "the principal Act".

Amendments to the Motor Vehicles Registration and Licensing Act. Cap. 368.

(2) All the provisions in this Part shall be deemed to have come into force on the 1st January, 2017.

56. In article 2 of the principal Act, immediately after the definition "invoice" there shall be added the following new definition:

Amendment of article 2 of the principal Act.

" "L5e vehicle" means a vehicle with three symmetrically arranged wheels fitted with an engine having a cylinder capacity of more than 50cm³ if of the internal combustion type and, or a maximum design speed of more than 45 km/h;"

57. In paragraphs (b) and (c) of sub-article (1) of article 18 of the principal Act, the words "or N1 motor vehicle" shall be deleted.

Amendment of article 18 of the principal Act.

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Amendment of
the First
Schedule to the
principal Act.

58. The First Schedule to the principal Act shall be amended as follows:

(a) in the part entitled "Amount of tax to be paid on the registration of motor vehicles used for the transport of goods and other vehicles", for the words:

"Category A: N1, N2 and N3 vehicles, special purpose vehicles, tractor units and light weight three-wheeled vehicles having the characteristic of a motor vehicle

N1 vehicles, special purpose vehicles, tractor units and light weight three-wheeled vehicles having the characteristic of a motor vehicle"

there shall be substituted the words:

"Category A: N1, N2 and N3 vehicles, special purpose vehicles and tractor units

N1 vehicles, special purpose vehicles and tractor units"; and

(b) the following provision shall be added at the end of the First Schedule, Category A, immediately after the words "its equivalent Euro standard":

"Where a motor vehicle, which falls under a category to which the First Schedule of this Act applies, registered by a person with disability has been exempted from the payment of registration tax by means of an order issued by the Minister in terms of article 19(2) of this Act, no refund of the exempted registration tax shall be due in the event that such a vehicle is transferred after ten years from the date of registration. In the event that the vehicle so exempted is transferred prior to the expiration of ten years from the date of registration, the exempted registration tax shall be refunded. The refund due shall be calculated on the basis of the registration tax which would have been due had the exemption not been given discounted at the rate of ten per cent per annum to be reckoned from the date of registration."

Amendment of
the Second
Schedule to the
principal Act.

59. The Second Schedule to the principal Act shall be amended as follows:

(a) the following provision shall be added at the end of

the Second Schedule, Category A, immediately after the words "its equivalent Euro standard":

"Where a motor vehicle, which falls under a category to which the Second Schedule of this Act applies, registered by a person with disability has been exempted from the payment of registration tax by means of an order issued by the Minister in terms of article 19(2) of this Act, no refund of the exempted registration tax shall be due in the event that such a vehicle is transferred after ten years from the date of registration. In the event that the vehicle so exempted is transferred prior to the expiration of ten years from the date of registration, the exempted registration tax shall be refunded. The refund due shall be calculated on the basis of the registration tax which would have been due had the exemption not been given discounted at the rate of ten per cent per annum to be reckoned from the date of registration."; and

(b) the following table marked Category C:

"Category C: Motor cycles

Engine capacity	
Not exceeding 250cc	0%
Exceeding 250cc but not exceeding 500cc	cc x RV x 0.033%
Exceeding 500cc but not exceeding 800cc	cc x RV x 0.034%
Exceeding 800cc	cc x RV x 0.035%
Battery electric motor cycle	0%

"

shall be substituted by the following table:

"Category C: Motor cycles, Motor Tricycles and Category L5e

Motor Cycles and Motor Tricycles

Engine capacity	
Not exceeding 250cc	0%
Exceeding 250cc but not exceeding 500cc	cc x RV x 0.033%
Exceeding 500cc but not exceeding 800cc	cc x RV x 0.034%
Exceeding 800cc	cc x RV x 0.035%
Battery electric motor cycle	0%

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Category L5e

Rate
$\text{Kg} \times 0.35 + \text{cc} \times 0.39 \times \text{€1}$

".

Amendment of
the Fourth
Schedule to the
principal Act.

60. In the Fourth Schedule to the principal Act for the words:

"9. The following annual licence fees shall be paid for the use of goods carrying motor vehicles registered with the Authority after the 31st December, 2009. As from the 1st January, 2014, these licence fees shall also be paid for the use of goods carrying motor vehicles registered prior to the 1st January, 2010, in which case the licence fee shall be that which corresponds to the vehicle's year of manufacture; provided that the said fee shall not be lower than the current fee for that vehicle.

9.1 Goods carrying vehicles (excluding vehicle combinations - articulated vehicles and road trains)"

there shall be substituted the following:

"9. The following annual licence fees shall be paid for the use of goods carrying motor vehicles and Category L5e registered with the Authority after the 31st December, 2009. As from the 1st January, 2014, these licence fees shall also be paid for the use of goods carrying motor vehicles registered prior to the 1st January, 2010, in which case the licence fee shall be that which corresponds to the vehicle's year of manufacture; provided that the said fee shall not be lower than the current fee for that vehicle.

9.1 Goods carrying vehicles (excluding vehicle combinations - articulated vehicles and road trains) and Category L5e".

PART IX

Amendments to
the Income Tax
Management
Act.
Cap. 372.

61. (1) This Part amends the Income Tax Management Act, and it shall be read and construed as one with the Income Tax Management Act, hereinafter in this Part referred to as "the principal Act".

(2) The provisions of article 62 of this Part shall come into force as from year of assessment 2018.

Amendment of
article 19 of the
principal Act.

62. In the proviso to paragraph (a) of sub-article (4) of article 19 of the principal Act, for the words "to the company's activities in

Malta." there shall be substituted the words "to the company's activities in Malta:", and immediately thereafter there shall be added the following new proviso:

"Provided further that the auditor's report mentioned in this paragraph shall not be required for the first two accounting periods of a newly registered company whose sole shareholders are graduates of a Post-Secondary Institution who have set up the new company within three years of graduating and subject to such conditions, including the amount of turnover, as may be prescribed."

PART X

63. (1) This Part amends the Excise Duty Act and it shall be read and construed as one with the Excise Duty Act, hereinafter in this Part referred to as "the principal Act".

Amendments to the Excise Duty Act.
Cap. 382.

(2) The provisions of this Part shall come into force as follows:

(a) the provisions of articles 66, 69, 70, 71, 72, 73, 79 and 81 shall be deemed to have come into force on the 17th October, 2016; and

(b) the provisions of articles 68, 74 and 75 shall be deemed to have come into force on the 1st January, 2017.

64. The definition "excise officer" in article 2 of the principal Act shall be substituted by the following new definition:

Amendment of article 2 of the principal Act.

" "excise officer" means any officer of the Department of Customs and shall also mean any other person having express or implied power to act instead of the above mentioned Commissioner in the execution of the provisions of this Act;"

65. In article 16 of the principal Act, immediately after sub-regulation (1)(o), the rest of sub-article (1) shall be substituted by the following:

Amendment of article 16 of the principal Act.

"shall be guilty of an offence and shall for every such offence be liable on conviction to a fine (*multa*) of not less than five hundred euro (€500) and not more than twenty-five thousand euro (€25,000):

Provided that in the case of a conviction relating to the evasion or attempted evasion of excise duty, the offender shall be liable to a fine (*multa*) equivalent to three times the excise

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duty due on goods or five times the endangered duty, whichever is the lesser, but in any case not less than six hundred euro (€600) which fine may exceed twenty-five thousand euro (€25,000):

Provided further that in the case of a conviction relating to the evasion or attempted evasion of excise duty by means of an item of excise duty found in the Seventh Schedule, the offender shall be liable to the fine (*multa*) of the first proviso of this article together with imprisonment for a term not exceeding two years:

Provided further that one-third of the fine (*multa*) shall be deemed as a civil debt owed and payable to the Department of Customs."

Amendment of
article 16A of the
principal Act.

66. Article 16A of the principal Act shall be amended as follows:

(a) the current article shall be re-numbered as sub-article (1) of the said article;

(b) in sub-article (1) thereof, as re-numbered, for the words "of goods in favour of the Government," there shall be substituted the words "of goods in favour of the Government, and without prejudice to sub-article (2),";

(c) in sub-article (1) thereof, as re-numbered, for the words "shall not be less than two hundred and fifty euro (€250)." there shall be substituted the words "shall not be less than two hundred and fifty euro (€250)."; and immediately thereafter there shall be added the following new provisos:

"Provided that when the excise goods related to the irregularity mentioned in this article are goods listed in the Seventh Schedule, and the mentioned penalty is paid, then any forfeiture contemplated in this article shall still take effect unless the offender elects to pay also to the Commissioner a sum equivalent to the value of the goods seized, as determined in accordance with the provisions of the Import Duties Act, together with the duty, taxes and other amounts due on the goods, and also satisfies any rules, regulations or special limitations related to the said goods. The amounts due are also to be paid even if the goods are to be exported:

Provided also that when the excise goods related to the irregularity mentioned in this article are goods listed

in the Eighth Schedule, and the circumstances provided for in this article take place, then the goods shall not be forfeited but any sum due in relation to the goods is to be paid together with a penalty equivalent to three times the excise duty endangered, which penalty shall not be less than two hundred and fifty euro (€250)."; and

(d) immediately after the second proviso, as added, to sub-regulation (1) thereof, there shall be added the following new sub-regulation:

"(2) If a person commits an irregularity after the 1st June 2017 and the circumstances provided for in sub-article (1) take place, and then within a period of twenty four months from the first irregularity, the person commits another irregularity as mentioned above and the circumstances provided for in sub-article (1) take place once again, the penalty due for this second irregularity would be three times the duty evaded but not less than two hundred and fifty euro (€250), increased by 10%. If within the same period of twenty four months the person commits a third irregularity or more as mentioned above, and the circumstances provided for in sub-article (1) take place again, the penalty due would be three times the duty evaded but not less than two hundred and fifty euro (€250), increased by 25%."

67. The paragraph immediately after paragraph (d) of sub-article (1) of article 17 of the principal Act shall be substituted by the following:

Amendment of article 17 of the principal Act.

"in every such case, such excise goods shall be forfeited, together with any goods which may be found packed with or used in concealing them, and the offender shall moreover be liable to the penalties laid down in article 16."

68. The First Schedule to the principal Act shall be amended as follows:

Amendment of the First Schedule to the principal Act.

(a) in the column "First Column List of Excise Goods" thereof, immediately after the item "Plastic sacks and bags to the extent as shown in the relevant schedule to this Act", there shall be added the following new items:

"Toiletries and washing preparations to the extent as shown in the relevant schedule to this Act

Construction components and other fixtures to the

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extent as shown in the relevant schedule to this Act";

(b) in the column "Second Column Relevant Schedule" thereof, relating to the item "Toiletries and washing preparations to the extent as shown in the relevant schedule to this Act", there shall be added the following:

"Schedule Five G"; and

(c) in the column "Second Column Relevant Schedule" thereof, relating to the item "Construction components and other fixtures to the extent as shown in the relevant schedule to this Act", there shall be added the following:

"Schedule Five H".

Amendment of
the Third
Schedule to the
principal Act.

69. The Third Schedule to the principal Act shall be amended as follows:

(a) for the words in the column "Rates of Excise Duty" thereof relating to the item "Cigarettes", there shall be substituted the following:

"23.4% of the retail price plus €107 per 1000 cigarettes but not less than €165 per 1000 cigarettes";

(b) for the words in the column "Rates of Excise Duty" thereof relating to the item "Cigars and Cigarillos", there shall be substituted the following:

"€25.24 per 1000 units";

(c) for the words in the column "Rates of Excise Duty" thereof relating to the item "Hand-Rolling Tobacco", there shall be substituted the following:

"€122 per kg.";

(d) for the words in the column "Rates of Excise Duty" thereof relating to the item "Other Smoking Tobacco", there shall be substituted the following:

"€122 per kg.";

(e) in the column "Description of excise goods" thereof for the words "Pipe Tobacco" there shall be substituted the words "Pipe and Shisha Tobacco"; and

(f) for the words in the column "Rates of Excise Duty" thereof relating to the item "Pipe and Shisha Tobacco", there shall be substituted the following:

"€36.40 per kg.";

(g) in the column "Description of excise goods" the words "Chewing Tobacco and Snuff" shall be deleted; and

(h) in the column "Rates of Excise Duty" thereof relating to the item "Chewing Tobacco and Snuff", the words "€35.20 per Kg." shall be deleted.

70. The Fourth Schedule to the principal Act shall be amended as follows:

Amendment of
the Fourth
Schedule to the
principal Act.

(a) in the column "Description of excise goods" for the words:

"If used in the following maritime commercial activities:

Bunkering operations

Conveyance of passengers and goods between shore and ocean-going vessels

Dredging operations

Harbour Cruises

Inland Navigation between Malta and Gozo by vessels of a tonnage less than 3,500 tons

Sea farming activities

Tugging activities

Navigation for commercial purposes within Maltese territorial waters"

there shall be substituted the words:

"If used in the following maritime commercial activities:

Bunkering operations

Conveyance of passengers and goods between shore

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and ocean-going vessels

Conveyance of passengers between Malta and Comino, Gozo and Comino

Dredging operations

Cruises around the Maltese Archipelago

Inland Navigation between Malta and Gozo by vessels of a tonnage less than 3,500 tons

Sea farming activities

Tugging activities

Navigation for commercial purposes within Maltese territorial waters";

(b) in the column "Description of excise goods" for the words "**Gas Oil or Gas Oil blended with Biodiesel** with a sulphur content not exceeding 0.1% by weight if used for heating purposes", there shall be substituted the following:

"Gas Oil or Gas Oil blended with Biodiesel, with a sulphur content not exceeding 0.1% sulphur by weight if used for heating purposes by:

State and private hospitals

State Senior Citizens' Homes

Corradino Correctional Facility

Sports, philanthropic and religious entities so authorised by the Minister

Bakeries up to the maximum amount of litres per month required by the bakery as certified by a mechanical engineer

Other entities so authorised by the Minister";

(c) in the column "Description of excise goods" immediately after the item:

"Gas Oil or Gas Oil blended with Biodiesel, with a sulphur content not exceeding 0.1% sulphur by weight if used for heating purposes by:

State and private hospitals

State Senior Citizens' Homes

Corradino Correctional Facility

Sports, philanthropic and religious entities so authorised by the Minister

Bakeries up to the maximum amount of litres per month required by the bakery as certified by a mechanical engineer

Other entities so authorised by the Minister",

there shall be added the following new item:

"Gas Oil or Gas Oil blended with Biodiesel, with a sulphur content not exceeding 0.1% sulphur by weight if used for heating purposes against a request for refund";

(d) in the column "Rate of Excise Duty" thereof relating to the new item **"Gas oil or Gas Oil blended with Biodiesel**, with a sulphur content not exceeding 0.1% sulphur by weight if used for heating purposes against a request for refund", there shall be added the following:

"€232.09 per 1000 litres";

(e) in the column "Description of excise goods" relating to the item **"Natural gas** falling within CN Codes 2711.11.00 and 2711.21.00", immediately after the words:

"If used as motor fuel

If used for heating purposes"

there shall be added the following:

"If used for electric power generation";

(f) in the column "Rate of Excise Duty" relating to the new item "If used for electric power generation" under the item **"Natural gas** falling within CN Codes 2711.11.00 and 2711.21.00" there shall be added the following:

"0";

(g) in the column "Description of excise goods" thereof,

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relating to the item "**Coal and Coke**", paragraph (h) shall be substituted by the following:

"(h) products falling within CN Code 3824.90.96 if these are intended for use as heating or motor fuel;"

(h) in the column "Description of excise goods" thereof, for the words "In addition to the taxable products listed above, any hydrocarbon, except for peat, intended for use, offered for sale or used for heating purposes, shall be taxed as motor fuel." there shall be substituted the following:

"In addition to the taxable products listed above, any other hydrocarbon, except for peat, intended for use, offered for sale or used for heating purposes, shall be taxed at the rate for the equivalent energy product.";

(i) in the column "Description of excise goods" under the heading "REDUCED EXCISE DUTY RATES" for the words "Petroleum products falling under CN Codes 2710 1231 to 2710 1290 and 2710 1921 to 2710 1968, and 2710 2011 to 2710 2039 used for the purposes other than motor fuels or as heating fuels may pay a reduced excise duty rate of €0.23 per litre under such conditions which the Minister may prescribe for the purpose of ensuring the correct and straightforward application of such exemptions and of preventing any evasion, avoidance or abuse." there shall be substituted the following:

"Petroleum products falling under CN Codes 2710 1921 to 2710 1968, and 2710 2011 to 2710 2039 used for the purposes other than motor fuels or as heating fuels may pay a reduced excise duty rate of €0.25 per litre under such conditions which the Minister may prescribe for the purpose of ensuring the correct and straightforward application of such exemptions and of preventing any evasion, avoidance or abuse.".

Amendment of
Schedule Five A
to the principal
Act.

71. The heading of Schedule Five A to the principal Act shall be substituted by the following:

"SCHEDULE FIVE A

ALL CEMENTS".

Amendment of
Schedule Five E
to the principal
Act.

72. In the column "Rate of Excise Duty" of Schedule Five E to the principal Act, relating to the item "Non-alcoholic beverages, falling under CN Heading 2202, excluding products falling under CN Codes 2202 90 91, 2202 90 95 and 2202 90 99", for the words "€20

per 1000 litres" there shall be substituted the words "€40 per 1000 litres".

73. Schedule Five F to the principal Act shall be amended as follows:

Amendment of
Schedule Five F
to the principal
Act.

(a) in the column "Description of excise goods" thereof, for the words:

"All other plastic sacks and bags (including cones) of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 intended for the conversion into plastic sacks and bags; but

- excluding bags of plastic of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 which constitute or form an integral part of the packaging in which food stuff is sealed prior to retail or transfer;

- excluding bio-degradable sacks and bags in accordance with MSA EN 13432:2000, MSA EN 14046:2003, MSA EN 14047:2003 and MSA EN 14048:2003; and

- excluding printed sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of recycled waste by the authorised waste management schemes;"

there shall be substituted the words:

"All other plastic sacks and bags (including cones) of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 intended for the conversion into plastic sacks and bags; but

- excluding bags of plastic of HS Codes 3923 21 and 3923 29 and films, sheets or tubes of plastic of HS Headings 3917 and 3920 which constitute or form an integral part of the packaging in which food stuff is sealed prior to retail or transfer;

- excluding bio-degradable sacks and bags in accordance with MSA EN 13432:2000, MSA EN 14046:2003, MSA EN 14047:2003 and MSA EN 14048:2003;

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- excluding printed sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of recycled waste by the authorised waste management schemes; and

- excluding sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of non-recyclable waste.";

(b) in the column "Description of excise goods" thereof, immediately after the item "Printed sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of recycled waste by the authorised waste management schemes." there shall be added the following new item:

"Sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of non-recyclable waste."; u

(c) in the column "Rate of Excise Duty", relating to the new item "Sacks and bags of plastic of HS Codes 3923 21 and 3923 29 purchased specifically for the collection of non-recyclable waste" there shall be added the following:

"€425 per 100 kgs up to a maximum of €290 per 10,000 units".

Addition of new
Schedule Five G
to the principal
Act.

74. Immediately after Schedule Five F to the principal Act, there shall be added the following new Schedule:

"SCHEDULE FIVE G

TOILETRIES AND WASHING PREPARATIONS

Description of excise goods	Rate of Excise Duty
Perfumes and toilet waters falling under CN Heading 3303	€220 per 100 litres
Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or suntan preparations; manicure or pedicure preparations falling under CN Heading 3304 excluding wipes used for the preparations of the care of the skin falling under HS Code 3304 9900 00	€50 per 100 litres/kgs

Wipes used for the preparations of the care of the skin falling under HS Code 3304 9900 00	€3 per 100 litres/kgs
Preparations for use on the hair falling under CN Heading 3305, but excluding items falling under HS Code 3305 10 00	€50 per 100 litres/kgs
Shampoos falling under HS Code 3305 10 00	€3 per 100 litres
Pre-shave, shaving or aftershave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorisers, whether or not perfumed or having disinfectant properties falling under CN Heading 3307, excluding items falling under HS Code 3307 10 00 and HS Code 3307 41 00	€3 per 100 litres/ kgs
Pre-shave, shaving or aftershave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorisers, whether or not perfumed or having disinfectant properties falling under HS Code 3307 10 00 and HS Code 3307 41 00	€50 per 100 litres/kgs
Soap; organic surface-active products and preparations for use as soap, in the form of bars, cakes, moulded pieces or shapes, whether or not containing soap; organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap; paper, wadding, felt and non-wovens, impregnated, coated or covered with soap or detergent falling under CN Heading 3401	€3 per 100 litres/ kgs

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75. Immediately after the new Schedule Five G to the principal Act, there shall be added the following new Schedule:

Addition of new Schedule Five H to the principal Act.

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"SCHEDULE FIVE H
CONSTRUCTION COMPONENTS
AND OTHER FIXTURES

Description of excise goods	Rate of Excise Duty
Prefabricated structural concrete components for building or civil engineering falling under HS Code 6810 91 00, excluding prefabricated structural concrete components for building or civil engineering falling under HS Code 6810 91 00 manufactured from cement already taxed under Schedule Five A of this Act and bars and rods of iron, or non-alloy steel, already taxed under Schedule Five H of this Act	€25.60 per 1000 kgs
Unglazed ceramic flags and paving, hearth or wall tiles; unglazed ceramic mozaic cubes and the like, whether or not on a backing falling under CN Heading 6907 and glazed ceramic flags and paving, hearth or wall tiles; glazed ceramic mozaic cubes and the like, whether or not on a backing falling under CN Heading 6908	€7.50 per 1000 kgs
Glass falling under CN Heading 7005 and HS Codes 7006 00 10, 7006 00 90, 7007 19 10, 7007 19 20, 7007 19 80, 7007 29 00, 7008 00 20, 7008 00 81 and 7008 00 89.	€16 per 1000 kgs
Bars and rods, hot rolled, in regularly wound coils, of iron or non-alloy steel falling under CN Heading 7213, excluding items falling under HS Codes 7213 10 00, 7213 91 10 and 7213 91 49, and other bars and rods, of iron or non-alloy steel, not further worked than forged, hot rolled, hot drawn or hot extruded, but including those twisted after rolling falling under CN Heading 7214, excluding HS Code 7214 20 00.	€30 per 1000 kgs
Bars and rods, hot-rolled, in irregularly wound coils of iron or non-alloy steel, with indentations, ribs, grooves or other deformations produced during the rolling process falling under HS Code 7213 10 00	€5 per 1000 kgs

Bars and rods, hot-rolled, in irregularly wound coils of iron or non-alloy steel, falling under HS Codes 7213 91 10 and 7213 91 49 and other bars and rods of iron or non-alloy steel, not further worked than forged, hot rolled, hot-drawn or hot-extruded, but including those twisted after rolling, falling under HS Code 7214 20 00	€15 per 1000 kgs
Angles, shapes and sections of iron or non-alloy steel falling under CN Heading 7216	€50 per 1000 kgs
Grill, netting and fencing, welded at the intersection, of wire with a maximum cross-sectional dimension of 3mm or more and having a mesh size of 100cm ² or more falling under HS Codes 7314 20 10, 7314 20 90 and 7314 39 00	€30 per 1000 kgs

".

76. In regulation 13 of Part A of the Sixth Schedule to the principal Act, immediately after paragraph (4) thereof there shall be added the following new paragraph:

Amendment of Part A of the Sixth Schedule to the principal Act.

"(5) The band, stamp, tags and band, of the excise duty, as the case may be, shall be affixed on the excise goods by no later than five days from the date of when the band, stamp, tags or band were bought."

77. Part B of the Sixth Schedule to the principal Act shall be amended as follows:

Amendment of Part B of the Sixth Schedule to the principal Act.

(a) in regulation 8 thereof, immediately after the words "as they are released for consumption" there shall be added the words "and it shall be paid by no later than the last Sunday of the following month."; and

(b) in regulation 12 thereof immediately after paragraph (3) there shall be added the following new paragraph:

"(4) The band or stamp shall be affixed to the container by not later than five days after it was bought."

78. In regulation 6 of Part C of the Sixth Schedule to the principal Act immediately after paragraph (2) thereof, there shall be added the following new paragraph:

Amendment of Part C of the Sixth Schedule to the principal Act.

"(3) The band or stamp shall be affixed to the container by

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not later than five days after it was bought."

Amendment of
Part D the Sixth
Schedule to the
principal Act.

79. Part D of the Sixth Schedule to the principal Act shall be amended as follows:

(a) in regulation 3 thereof, immediately after the definition "the Act" there shall be added the following new definition:

" "heating" and "heating purposes" mean heat generated from gas oils classified within HS Code 2710.19.43 and 2710.19.48, or within 2710.20.11 and 2710.20.19 with a sulphur content of not more than 0.1% sulphur by weight, when these gas oils are used to heat buildings, pools, commercial ovens, incinerators and for industrial purposes;"

(b) regulation 8 thereof shall be substituted by the following:

"8. All imported petroleum oil shall be landed from the importing vessel under Customs supervision and when imported in bulk shall be conveyed through approved pipelines to the storage tanks which are calibrated as specified in regulation 7 or otherwise measured to the satisfaction of the Commissioner.";

(c) in sub-regulation (1) of regulation 17 thereof, for the words "falling within HS Codes 2710.19.41.00, 2710.19.45.00 and 2710.19.49.00 and kerosene falling within HS Codes 2710.19.25.00 when sold" there shall be substituted the words "falling within HS Codes 2710.19.43 to 2710.19.48 or 2710.20.11 to 2710.20.19 and kerosene falling within HS Codes 2710.19.21 to 2710.19.25 when sold";

(d) in sub-paragraph (i) of paragraph (a) of sub-regulation (2) of regulation 17 thereof, for the words "for gas oils, excluding gas oils intended to be used for heating purposes -" there shall be substituted the words:

"for gas oils, excluding gas oils intended to be used for heating purposes by:

state and private hospitals,

state senior citizens' homes,

Corradino Correctional Facility,

sports, philanthropic and religious entities so authorised by the Minister,

bakeries up to the maximum amount of litres per month required by the bakery as certified by a mechanical engineer, and

other entities authorised by the Minister";

(e) in sub-paragraph (ii) of paragraph (a) of sub-regulation (2) of regulation 17 thereof, for the words "for gas oils intended to be used for heating purposes and kerosene -" there shall be substituted the words:

"for gas oils intended to be used for heating purposes by:

state and private hospitals,

state senior citizens' homes,

Corradino Correctional Facility,

sports, philanthropic and religious entities so authorised by the Minister,

bakeries up to the maximum amount of litres per month required by the bakery as certified by a mechanical engineer, and

other entities authorised by the Minister

and kerosene -";

(f) in sub-paragraph (i) of paragraph (a) of sub-regulation (2) of regulation 17 thereof, for the words "for gas oils, excluding gas oils intended to be used for heating purposes -" there shall be substituted the following:

"for gas oils, excluding gas oils intended to be used for heating purposes by:

state and private hospitals,

state senior citizens' homes,

Corradino Correctional Facility,

sports, philanthropic and religious entities so

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authorised by the Minister,

bakeries up to the maximum amount of litres per month required by the bakery as certified by a mechanical engineer, and

other entities authorised by the Minister";

(g) in sub-paragraph (ii) of paragraph (b) of sub-regulation (2) of regulation 17 thereof, for the words "for gas oils intended to be used for heating purposes and kerosene -" there shall be substituted the words:

"for gas oils intended to be used for heating purposes by:

state and private hospitals,

state senior citizens' homes,

Corradino Correctional Facility,

sports, philanthropic and religious entities so authorised by the Minister,

bakeries up to the maximum amount of litres per month required by the bakery as certified by a mechanical engineer, and

other entities authorised by the Minister

and kerosene -"; and

(h) in sub-regulation (4) of regulation 33 thereof, for the words "shall not be repaid back" there shall be substituted the words "shall not be repaid back".

Amendment of Part F of the Sixth Schedule to the principal Act.

80. In regulation 12 of Part F of the Sixth Schedule to the principal Act, immediately after paragraph (3) thereof, there shall be added the following new paragraph:

"(4) The band or stamp shall be affixed to the container by not later than five days after it was bought."

Addition of two Schedules to the principal Act.

81. Immediately after the Sixth Schedule to the principal Act there shall be added the following two new Schedules:

"SEVENTH SCHEDULE**(Article 16)**

- Alcohol and alcoholic beverages regulated by the Second Schedule to this Act;
- Manufactured tobacco regulated by the Third Schedule to this Act;
- Energy products regulated by the Fourth Schedule to this Act; and
- Ammunition cartridges regulated by Schedule Five C to this Act.

EIGHTH SCHEDULE**(Article 16A)**

- All cements regulated by Schedule Five A to this Act;
- Pneumatic Tyres regulated by Schedule Five B to this Act;
- Chewing gum regulated by Schedule Five D to this Act;
- Non-alcoholic beverages regulated by Schedule Five E to this Act;
- Plastic sacks and bags regulated by Schedule Five F to this Act;
- Toiletries and washing preparations regulated by Schedule Five G to this Act; and
- Construction components and other fixtures regulated by Schedule Five H to this Act."

82. Immediately after sub-regulation (3) of regulation 8 of the Excise Duty (Goods Imported by Persons Travelling from Third Countries) Regulations there shall be added the following new sub-regulation:

"(4) Excise duty shall not be due on the total of 4 litres still wine."

Amendment to the Excise Duty (Goods Imported by Persons Travelling from Third Countries) Regulations.
S.L. 382.02.

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PART XI

Amendments to
the Eco-
Contribution
Act.
Cap. 473.

83. (1) This Part amends the Eco-Contribution Act and it shall be read and construed as one with the Eco-Contribution Act, hereinafter in this Part referred to as "the principal Act".

(2) The provisions of this Part shall be deemed to have come into force as follows:

(a) the provisions of article 84 on the 17th October, 2016; and

(b) the provisions of article 85 on the 1st January, 2017.

Amendment of
the First
Schedule to the
principal Act.

84. In the First Schedule to the principal Act, the following items shall be deleted:

" HS CODE DESCRIPTION ECO-
NUMBER CONTRIBUTION
EMPTY CARBOYS, BOTTLES, FLASKS, JARS, AND OTHER CONTAINERS
MADE OF PLASTIC, GLASS OR METAL, UNDER THE FOLLOWING
HEADINGS:

3923	Articles for the conveyance or packing of beverages	€0.02
7010	Articles for the conveyance or packing of beverages	€0.02
7612	Cans of aluminium for the conveyance or packing of beverages	€0.02

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" TOILETRIES AND WASHING PREPARATIONS, UNDER THE FOLLOWING
HEADINGS:

3402	Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations) and cleaning preparations, whether or not containing soap, other than those of heading 3401, not including preparations of heading 3402 20 or of heading 3402 90	€0.12
3402	Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations) and cleaning preparations, whether or not containing soap, other than those of heading 3401, carried under heading 3402 20 or heading 3402 90	€0.02

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3307	Pre-shave, shaving or aftershave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorisers, whether or not perfumed or having disinfectant properties. But excluding bath and shower gel in containers not exceeding 50 ml	€0.12
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" BATTERIES AND ACCUMULATORS, UNDER THE FOLLOWING HEADINGS:

8506	Primary cells and primary batteries, excluding batteries used in: i) hearing aids; ii) cochlear implants; and iii) cardiac pacemakers	€0.06
8507	Electric accumulators, whether or not rectangular (including square) not exceeding 35 grams in weight	€0.06
8507	Electric accumulators, whether or not rectangular (including square) exceeding 35 grams in weight	€1.63

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PART XII

Amendments to
the Arbiter for
Financial
Services Act.
Cap. 555.

86. This Part amends the Arbiter for Financial Services Act, and it shall be read and construed as one with the Arbiter for Financial Services Act, hereinafter in this Part referred to as "the principal Act".

Amendment of
article 2 of the
principal Act.

87. In the definition "financial services provider" in article 2 of the principal Act, for the words "has offered its financial services in Malta." there shall be substituted the words "has offered its financial services in and, or from Malta.".

Amendment of
article 26 of the
principal Act.

88. In sub-paragraph (iv) of paragraph (c) in sub-article (3) of article 26 of the principal Act, for the words "and the date on which the Arbiter's decision is made;" there shall be substituted the words "until the date of payment;".

Amendment of
article 33 of the
principal Act.

89. Article 33 of the principal Act shall be amended as follows:

(a) in paragraph (g) thereof, for the words "to specify the place or places at which the Arbiter is required to make available copies of its findings, decisions and any report that the Arbiter is required to prepare; and" there shall be substituted the words "to specify the place or places at which the Arbiter is required to make available copies of its findings, decisions and any report that the Arbiter is required to prepare;"

(b) in paragraph (h) thereof, for the words "to give better effect to any of the provisions of this Act, and for the better enforcement thereof." there shall be substituted the words "to give better effect to any of the provisions of this Act, and for the better enforcement thereof; and"; and

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

"(i) to make regulations to transpose, implement and give effect to the provisions and requirements of Directives, Regulations and any other legislative measures of the European Union requiring transposition and, or implementation, as they may be amended from time to time, including any implementing measures that have been or may be issued thereunder.".

90. Immediately after article 33 of the principal Act, there shall be added the following new article:

Addition of new article to the principal Act.

"Designation of authority for the purposes of Directive 2013/11/EU.

34. The Minister shall be vested with authority for the purposes of Directive 2013/11/EU of the European Parliament and of the Council on alternative dispute resolution for consumer disputes to appoint the ADR entity for financial services as defined therein.".

Passed by the House of Representatives at Sitting No. 503 of the 5th April, 2017.

ANĠLU FARRUGIA
Speaker

JOSANNE PARIS
*Acting Clerk of the House of
Representatives*

