VERŻJONI ELETTRONIKA

I assent.

(L.S.) **GEORGE VELLA**
President

23rd December, 2022

ACT No. XXII of 2022

AN ACT to amend the Agricultural Leases (Reletting) Act, Cap. 199

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:-

Short title and commencement.

Cap. 199.

1. (1) The short title of this Act is the Agricultural Leases (Reletting) (Amendment) Act, 2022 and this Act shall be read and construed as one with the Agricultural Leases (Reletting) Act, hereinafter referred to as "the principal Act".

(2) This Act shall come into force on such date or dates as the Minister responsible for justice may, by notice in the Gazette, establish and different dates may be so established for different provisions and, or purposes of the Act.

Amendment of article 3 of the principal Act.

2. Article 3 of the principal Act shall be amended by the following:

(a) in sub-article (2) thereof:

(i) in paragraph (b) thereof the words "does not involve repayment; or" shall be substituted by the words "does not involve repayment."; and

(ii) paragraph (c) thereof shall be deleted;

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

"(2A) When the change of the conditions of lease under this article consists in an increase in the rent the following provisions shall apply:

(a) the owner in his application shall indicate by how much the rent shall increase;

(b) the tenant on his part shall indicate in his reply how much the fair rent should be in his opinion;

(c) in its final judgment the Board shall determine the fair rent taking into account the value of the agricultural land when valued as agricultural land for agricultural use obtainable on the open market, the means of the tenant, the circumstances and the condition of the agricultural land and any burden that is disproportionate to the lessor;

(d) the Board may establish that any increase in rent shall be gradual;

(e) the rent revised by the Board shall not exceed one point five per cent (1.5%) per annum of the value of the land free and unencumbered made in accordance with paragraph (c);

(f) when the agricultural land includes a farmhouse used by the tenant as his sole place of residence, the rent in respect of that farmhouse alone shall not exceed two percent (2%) per annum of the free and unencumbered on the open market value of the farmhouse:

Provided that the Board shall grant the tenant the option to discontinue the lease of the farmhouse and to continue only the lease of the agricultural land at such rent as revised by the Board in accordance with this sub-article.

(g) the revised rent shall apply for a period of eight (8) years;

(h) the rent shall remain the same after the expiration of eight (8) years, unless otherwise agreed between the tenant and the lessor, or unless the lessor requests again the increase in rent according to this article."; and

(c) in sub-article (3) thereof the words "paragraphs (a),

(b) and (c) of the last preceding sub-article:" shall be substituted by the words "sub-articles (2) and (2A):".

Amendment of article 4 of the principal Act.

3. Article 4 of the principal Act shall be amended by the following:

(a) the second proviso to sub-article (2) thereof shall be deleted;

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

"Provided further that where the agricultural land includes a farmhouse which is used by the tenant as his and his family's sole place of residence, the circumstance mentioned under paragraph (b) shall not be a sufficient reason to allow the lessor's application unless the tenant is allowed to keep the farmhouse at a rent established by the Board not exceeding two per cent (2%) per annum of the market value of the farmhouse free and unencumbered, and under new conditions, including conditions regarding gradual increases, which may be established by the Board with respect to the rent:

Provided further that the Board shall grant the tenant the option to discontinue the lease of the farmhouse, and to continue only the lease of that land which remains exclusively intended for agricultural use under new conditions which the Board may establish in respect of the rent in accordance with article 3:

Provided further that any person who has the right to be recognised as the tenant according to the definition "tenant" in article 2 shall only acquire the right to occupy the farmhouse as a residence by a title of lease for a period of eight (8) years. The rent shall remain the same after the expiration of eight (8) years, unless otherwise agreed between the tenant and the lessor, or unless the lessor again requests the increase in rent in accordance with this Act.".

Substitution of article 14 of the principal Act.

4. Article 14 of the principal Act shall be substituted by the

following new article:

"Clause or condition depriving the tenant of any benefit conferred by this Act.

14. Except where this Act states that an agreement may be made between the lessor and the tenant, any clause or condition which deprives the tenant of any benefit conferred by this Act, whether such clause or condition has been stipulated prior to the commencement of this Act or after such commencement, shall be null and void.".

Amendment of article 19 of the principal Act.

5. Immediately after sub-article (1) of article 19 of the principal Act, there shall be added the following new sub-article:

"(1A) The Minister responsible for justice, with the concurrence of the Minister responsible for agriculture, may make regulations regarding the procedure, the method and the criteria that should be followed or to serve as guidelines in the carrying out of estimates of the value of agricultural land, rents for agricultural purpose or residential purpose or agricultural produce made in accordance with any one (1) of the provisions of this Act. In making regulations under this sub-article due account shall be taken of the rights of the tenant and of the lessor, as well as of the national interest in supporting local agriculture.".

Passed by the House of Representatives at Sitting No. 70 of the 14th December, 2022.

ANĠLU FARRUGIA
Speaker

RAYMOND SCICLUNA
Clerk of the House of Representatives

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