

I assent.

(L.S.)

GEORGE VELLA
President

16th April, 2021

ACT No. XVIII of 2021

AN ACT to implement Budget Measures for the Financial Year 2021 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:-

ARRANGEMENT OF THE ACT

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PART I PRELIMINARY

1. The short title of this Act is the Budget Measures Implementation Act, 2021. Short title.

2. The provisions of this Part shall be deemed to have come into force on the 1st January, 2021. 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 Public Finance Management Act, but does not include proceeds from loans. Interpretation.
Cap. 601.

4. (1) Subject to the provisions of this Act, the Government of Malta may raise, by way of loan, a sum of money not exceeding one billion and one hundred million euro (€1,100,000,000). Authority to raise loan.

(2) For the purpose of raising the aforesaid loan the Minister for Finance and Employment is hereby authorised to raise such loans under the provisions of the Government Borrowing and Management of Public Debt Act, on such terms and conditions as the said Minister may approve. Cap. 575.

5. Any money borrowed under the authority of this Part shall be appropriated and applied for the purpose of: Purpose.
 - (a) meeting excess expenditure over revenue incurred in the Consolidated Fund during the year 2021; and
 - (b) redeeming registered stocks which shall be due for redemption during the year 2021; and
 - (c) contributing funds in the sinking funds; and
 - (d) 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

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 3 of the
Ordinance.

7. In sub-article (2) of article 3 of the Ordinance, immediately after the words "master shall" there shall be added the words "on conviction".

Amendment of
article 6 of the
Ordinance.

8. Sub-article (1) of article 6 shall be amended as follows:

(a) in paragraph (a) thereof, the words "shall make due report of such vessel to the port authority" shall be substituted by the words "shall inform the port authority about the vessel";

(b) in paragraph (b) thereof, the words "shall also make due report of such ladened goods to the port authority" shall be substituted by the words "shall inform the port authority about such ladened goods"; and

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

"(c) 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 Commissioner, as the Minister may by regulations prescribe, not later than the moment that the vessel berths, moors or anchors in Maltese territorial waters. This obligation shall not apply when the vessel has already made due report to the port authority electronically. Information given under paragraph (a) or (b) does not fulfil the obligation to make a due report under this paragraph."

Amendment of
article 62 of the
Ordinance.

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

(a) the proviso to paragraph (m) thereof shall be substituted by the following new proviso:

"Provided that a person who makes an incorrect declaration and requests the Commissioner in writing to amend it:

(i) before the Commissioner informs the person that the details of the customs declaration are not correct; and

(ii) (aa) during the period when it is not yet known, in the systems relating to the processing of customs declarations, whether manual or electronic, if there is going to be control of the goods; or

(bb) within ten (10) working days from the date of the release of the goods, which goods were released without control; and

(iii) such amendment does not tend to make the declaration applicable to other goods, other than those which were originally declared, in the sense that the only amendment that may take place in the declaration is one (1) or more amendments from those listed in the Third Schedule,

that person shall be deemed not to have committed the offence under this paragraph; or"; and

(b) in the proviso to paragraph (r) thereof, the words from "Provided that a person who makes an incorrect declaration" till the words "such person shall be deemed not to have committed an offence under this paragraph," shall be substituted by the following new proviso:

"Provided that a person who makes an incorrect declaration and requests the Commissioner in writing to amend it:

(i) before the Commissioner informs that person that the details in the customs declaration are not correct; and

(ii) (aa) during the period when it is not yet known, in the systems relating to the processing of customs declarations, whether manual or electronic, if there is going to be control of the goods; or

(bb) within ten (10) working days from the date of the release of the goods, which goods were released without control; and

(iii) such amendment does not tend to make the declaration applicable to other goods, other than those which were originally declared, in the sense that the only amendment that may take place in the declaration is one (1) or more amendments from

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those listed in the Third Schedule,

that person shall be deemed not to have committed the offence under this paragraph,".

Amendment of article 62A of the Ordinance.

10. The second proviso to article 62A of the Ordinance, shall be substituted by the following new proviso:

"Provided also that, in the circumstances mentioned in paragraphs (a), (b) and (c) aforementioned, the person who makes an incorrect declaration and requests the Commissioner in writing to amend it:

(i) before the Commissioner notifies the person that the details in the customs declaration are not correct; and

(ii) (aa) during the period when it is not yet known, in the systems relating to the processing of customs declarations, whether manual or electronic, if there is going to be control of the goods; or

(bb) within ten (10) working days from the date of release of the goods, which goods were released without control; and

(iii) such amendment does not tend to make the declaration applicable to other goods, other than those which were originally declared, in the sense that the only amendment that may take place in the declaration is one (1) or more amendments from those listed in the Third Schedule,

that person shall be deemed not to have committed the offence under this article.".

Addition of new article 89 to the Ordinance.

11. Immediately after article 88 of the Ordinance there shall be

added the following new article:

"Collection of objects.

89. (1) If in any Court judgment, whether of a civil or a criminal nature, the Court releases in favour of a person objects that are seized by the Commissioner, and the person fails to collect those objects from Customs within sixty (60) days from the date of judgment, the Commissioner may send a registered letter or leave a letter at the person's last known address and impose a time limit of sixty (60) days from the date of the letter, within which the person shall collect the objects from the Commissioner. If the person fails to collect the objects from the Commissioner within the given time limit, which time limit may be extended on the request of the person concerned for valid reasons, the objects become the property of the Commissioner.

(2) If the letter is not notified in a way specified in sub-article (1), the Commissioner shall publish a notice in the Gazette with the content of the letter and if the person does not collect the objects from Customs within sixty (60) days from publication, the objects become the property of the Commissioner.

(3) The provisions of sub-articles (1) and (2) also apply in circumstances where the Commissioner returns the objects that were withheld by him under any provision of the law but the person fails to collect them."

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

Addition of new Third Schedule to the Ordinance.

"THIRD SCHEDULE
(Article 62 and Article 62A)

The amendments that may be made in the declaration, as provided in paragraph (iii) of the proviso to paragraph (m) of article 62, in paragraph (iii) of the proviso to paragraph (r) of article 62 and in paragraph (iii) of the second proviso to article 62A, are only those which amend:

1. The origin of the good.
2. The freight of the good.
3. The constituent material of the good.
4. The insurance of the good.

Any other amendment in the declaration shall be deemed to tend to make the declaration applicable to other goods, other than those originally declared."

PART III AMENDMENTS TO THE INCOME TAX ACT

Amendments to the Income Tax Act.
Cap. 123.

13. 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".

Amendment of article 2 of the principal Act.

14. In article 2 of the principal Act the definition "incapacitated person" shall be deleted.

Amendment of article 5 of the principal Act.

15. In paragraph (c) of sub-article (5) of article 5 of the principal Act, the words "The period of residence includes the physical occupation of the premises and any absences from Malta such as on account of foreign employment, illness, holiday or study." shall be substituted by the words "The period of residence includes the physical occupation of the premises and any absences from Malta such as on account of foreign employment, holiday or study as well as any absences due to illness, or care in a hospital or home for the elderly, provided that the premises in question are not being used or employed for any other purpose during such absence."

Amendment of article 12 of the principal Act.

16. In the last proviso to sub-paragraph (1) of paragraph (u) of sub-article (1) of article 12 of the principal Act, the words "under article 5(1)(b);" shall be substituted by the words "under article 5(1)(b):" and immediately thereafter, there shall be added the following new proviso:

"Provided further that the exemption contemplated by this paragraph shall not apply to income derived from a participating holding in a body of persons resident for tax purposes in a jurisdiction that is included in the EU list of non-cooperative jurisdictions for a minimum period of three (3) months during the year immediately preceding the year of assessment unless it is proved to the satisfaction of the Commissioner that the said body of persons maintains sufficient significant people functions in that jurisdiction as is commensurate with the type and extent of the activity carried on in that jurisdiction and the income earned therefrom. Where such three (3) months are consecutive and fall in two (2) subsequent consecutive basis years, the exemption shall not apply in respect of any such income derived in any one (1) of the two (2) years;"

Amendment of article 26 of the principal Act.

17. In sub-paragraph (ii) of paragraph (h) of article 26 of the principal Act, the words "that person owns, directly or indirectly, more than 10% of the ordinary share capital or voting rights of the person not

resident in Malta." shall be substituted by the words "that person owns, directly or indirectly, more than 10% of the ordinary share capital or voting rights of the person not resident in Malta;" and immediately thereafter, there shall be added the following new paragraph:

"(i) any payment the making of which constitutes a criminal offence or, in the case of a payment made outside Malta, would constitute a criminal offence if made in Malta."

18. Immediately after article 31E of the principal Act there shall be added the following new article:

Addition of new article 31F to the principal Act.

"Taxation of royalties on qualifying literary works.

Cap. 415.

31F. (1) Notwithstanding any other provision of the Income Tax Acts, the provisions of this article shall apply to royalties derived on or after 1 January 2021 by an individual in his capacity as author of a qualifying literary work by virtue of his title to the copyright on that work conferred by the Copyright Act.

(2) The tax on the royalties to which this article applies shall be chargeable, at the option of the individual who derives those royalties, at the rate of fifteen cents (€0.15) on every euro of the gross amount of the royalties. Such tax shall be final and no set-off or refund shall be granted to any person in respect of the tax so charged.

(3) The option referred to in sub-article (2) shall be exercised by means of the submission of a notice to the Commissioner and the payment of the tax calculated in accordance with that sub-article by not later than the 30th of April of the relative year of assessment, or such other date as may be prescribed, on such form and in such manner as the Commissioner may approve.

(4) An individual who, in any year, derives royalties to which this article applies may only exercise the option referred to in sub-article (2) in respect of the full amount of those royalties and an option that refers only to a part of those royalties shall be invalid.

(5) When an individual exercises the option referred to in sub-article (2), the royalties to which the option refers shall be deemed to constitute separate chargeable income and shall not form part of the total income of that individual and the said individual shall not be required to declare such royalties in any return made pursuant to the Income Tax Acts except as provided in this article.

(6) In this article:

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(a) the terms "author" and "ISBN" have the meanings assigned to them in the National Book Council (Establishment) Order; and

S.L. 327.580.

(b) "qualifying literary work" means a publication which bears an ISBN and which is a novel, story, poetical work, text book, treatise, history, biography, encyclopaedia or dictionary that is eligible for copyright in terms of the Copyright Act."

Cap. 415.

Addition of new article 51A to the principal Act.

19. Immediately after article 51 of the principal Act there shall be added the following new article:

"Transfer Pricing. 51A. The Minister responsible for finance may make rules in relation to transfer pricing generally and may, in particular by such rules, provide for the determination of the arm's length pricing of a transaction or a series of transactions, any adjustments in relation thereto and advance pricing agreements."

PART IV

AMENDMENTS TO THE SOCIAL SECURITY ACT

Amendments to the Social Security Act. Cap. 318.

20. 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".

Amendment of article 2 of the principal Act.

21. In the proviso to the definition "widow" of article 2 of the principal Act, the words "means the surviving spouse, whether a widow or a widower, of a married couple who immediately prior to widowhood was married to the deceased spouse and had a legal right to be maintained by the other spouse, and in relation to an actual widow, wherever it appears, husband shall include wife." shall be substituted by the words "means:

(a) the surviving spouse, whether a widow or a widower, of a married couple who immediately prior to widowhood was married to the deceased spouse and had a legal right to be maintained by the other spouse;

Cap. 614.

(b) surviving cohabitant who immediately prior to the death of the other cohabitant was in a cohabitation registered under the provisions of the Cohabitation Act;

Cap. 530.

(c) surviving partner who immediately prior to the death of the other partner was in a civil union registered under the provisions of the Civil Unions Act; and

(d) persons who prove to the satisfaction of the Director, by providing the necessary documentation, that they have been living together in similar circumstances to marriage, civil union or cohabitation for at least ten (10) years immediately prior to the death of one (1) of the couple living in similar circumstances to marriage, civil union or cohabitation and that the marriage, civil union or cohabitation was not contracted and registered because of such death of one (1) of the couple, which death occurred between 1st January 2017 and 31st December 2020, and in relation to an actual widow, wherever it appears, husband shall include wife."

22. Sub-article (3) of article 27 of the principal Act shall be amended as follows: Amendment of article 27 of the principal Act.

(a) in paragraph (b) thereof, immediately after the words "cerebral palsy" there shall be added the words "and absolutely cannot work"; and

(b) in the second proviso to paragraph (c) thereof, the words "106(f); and" shall be substituted by the words "106(f): or" and immediately thereafter, there shall be added the following new provisos:

"Provided further that, notwithstanding the provisions of this paragraph (c), with effect from 1st January 2021, a person who satisfies the Barthel Index score 0 - 9, after the Director shall have acted in accordance with the advice given by the multi-disciplinary panel appointed under article 106(f): or

Provided further that, with effect from 1st January 2021, if the person achieves a score of thirteen (13) or more in accordance with Table 10 of the Impairment Tables Regulations, after the Director shall have acted in accordance with the advice given by the multi-disciplinary panel appointed under article 106(f); and".

S.L. 318.21.

23. Article 68 of the principal Act shall be amended as follows: Amendment of article 68 of the principal Act.

(a) the marginal note thereof shall be substituted by the following new marginal note "Carer's Allowance and Increased Carer's Allowance and Carer's Grant"; and

(b) immediately after paragraph (b) of sub-article (1) thereof, there shall be added the following new paragraphs:

"(c) Subject to the provisions of this Act, with effect from 1st January 2021, a single or a married person who has reached pension age and not in receipt of a pension, benefit, assistance or allowance under the provisions of this Act, and certified medically fit 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 or an Increased Carer's Allowance in accordance with paragraphs (a) and (b) of sub-article (2), 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, 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.

(d) Subject to the provisions of this Act, with effect from 1st January 2021, a parent who is not in employment or self-occupation and has not yet reached pensionable age 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 Grant of three hundred euro (€300) annually, if such parent proves to the satisfaction of the Director that he is taking care, all by himself, on a full-time basis and regularly of a child in receipt of an Increased Severe Disability Assistance under the provisions of this Act."

Amendment of article 85 of the principal Act.

24. Sub-article (7) of article 85 of the principal Act, shall be renumbered as sub-article (8) thereof and immediately after sub-article (6) thereof, there shall be added the following new sub-article:

"(7) Notwithstanding the provisions of sub-articles (4), (5) and (6), with effect from 1st January 2021, the rate due to persons who have reached pension age according to the definition "pension age" in article 2, who have retired from employment and are not entitled to a Contributory Pension, but have paid between fifty (50) and two-hundred and fifty-nine (259) social security contributions shall be two-hundred and fifty euro (€250) per year, whereas the rate due to persons who have reached pension age according to the definition "pension age" in article 2, who have retired from employment and are not entitled to a Contributory Pension, but have paid more than two-hundred and sixty (260) social security contributions shall be three-hundred and fifty euro (€350) per year:

Notwithstanding the provisions of sub-article (6),

with effect from 1st January 2020, the rate due as provided for in sub-article (6) shall not cease to be paid even when the person reaches the age of seventy-five (75) years."

25. In paragraph (c) of the proviso to item 2 of the Eleventh Schedule to the principal Act, the words "Increased National Minimum Pension." shall be substituted by the words "Increased National Minimum Pension;" and immediately thereafter, there shall be added the following new paragraph:

Amendment of the Eleventh Schedule to the principal Act.

"(d) with effect from the 1st January 2021, a person born before the 31st December 1961, and is not eligible to the National Minimum Pension due to the average of contributions paid after attaining the age of nineteen (19), there shall be added the contributions paid prior to the attainment of age nineteen (19), and if and when the minimum contribution requirements are precisely reached, a reduced payment of the National Minimum Pension, resulting from such minimum, is granted in accordance with the provisions of this Act."

PART V AMENDMENTS TO THE DUTY ON DOCUMENTS AND TRANSFERS ACT

26. (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) All the provisions of this Part, except those which amend articles 2, 32, 32C, 35 and 42 of the principal Act, shall be deemed to have come into force on the 1st January, 2021.

(3) The provisions of this Part which amend articles 32, 32C and 35(2), except that which amends article 35(2)(iii) of the principal Act shall be deemed to have come into force on the 20th October 2020.

(4) The provisions of this Part which amend article 2 and sub-articles (1)(b) and (2)(iii) of article 35 of the principal Act, shall be deemed to have come into force on the 5th June 2020.

(5) The provisions of this Part which amend article 42 of the principal Act shall be deemed to have come into force on the 28th June 2019.

27. Article 2 of the principal Act shall be amended as follows:

Amendment of article 2 of the principal Act.

(a) immediately after the definition "body of persons"

thereof, there shall be added the following new definition:

Cap. 614. " "cohabitant" means a person in a cohabitation enrolled by means of a public deed under the Cohabitation Act;";

(b) the definition "document" thereof shall be substituted by the following new definition:

" "document" includes a policy of insurance, a bill of sale, a notarial deed, a schedule of redemption of ground rent filed in court, and a judgment, decree or order of any court or other lawful authority whereby any immovable or any real right over an immovable is transferred;"; and

(c) immediately after the definition "signature" thereof, there shall be added the following new definition:

" "spouse" includes a partner registered as being in a civil union;".

Amendment of article 32 of the principal Act.

28. In sub-article (4) of article 32 of the principal Act, the words "one hundred and seventy-five thousand euro (€175,000)" shall be substituted by the words "two hundred thousand euro (€200,000)" wherever they occur.

Amendment of article 32C of the principal Act.

29. In article 32C of the principal Act, the words "two hundred thousand euro (€200,000)" shall be substituted by the words "two hundred and fifty thousand euro (€250,000)" wherever they occur.

Amendment of article 35 of the principal Act.

30. Article 35 of the principal Act, shall be amended by the following:

(a) in paragraph (b) of sub-article (1) thereof, immediately after the words "surviving spouse" there shall be added the words "or cohabitant";

(b) in sub-article (2) thereof, the words "one hundred and seventy-five thousand euro (€175,000)" shall be substituted by the words "two hundred thousand euro (€200,000)" wherever they occur;

(c) in paragraph (iii) of sub-article (2) thereof, immediately after the words "surviving spouse" there shall be added the words "or cohabitant";

(d) sub-paragraph (c) of paragraph (v) of sub-article (2)

thereof shall be substituted by the following new sub-paragraph:

"(c) the said dwelling house was the ordinary residence of the person from whom the transfer originates,"; and

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

"(8) When the person from whom the transfer *causa mortis* originates is hospitalized or residing in an old people's home at the time of the transfer, the ordinary residence occupied by that person before being hospitalized or going to reside in an old people's home shall be considered as that person's ordinary residence for the purposes of this article."

31. Article 42 of the principal Act shall be amended as follows:

Amendment of
article 42 of the
principal Act.

(a) in paragraph (ii) of the proviso to paragraph (b) of sub-article (1) thereof, the words "group of companies;" shall be substituted by the words "group of companies," and immediately thereafter, there shall be added the words "or the exchange of a partnership interest for shares from one company to another where the company receiving the shares and the company whose shares are being exchanged are companies forming part of the same group of companies;"

(b) in paragraph (iii) of the proviso to paragraph (b) of sub-article (1) thereof, the words "group of companies:" shall be substituted by the words "group of companies," and immediately thereafter, there shall be added the words "or the transfer of a partnership interest for consideration from a company or partnership to another company or partnership, where the transferor and the transferee form part of the same group of companies, or where any or both of them are partnerships, would have been considered to form part of the same group if they had been a company or companies:"; and

(c) in the second proviso to paragraph (iii) of the proviso to paragraph (b) of sub-article (1) thereof, the words "Financial Markets Act." shall be substituted by the words "Financial Markets Act;" and immediately thereafter, there shall be added the words:

"For the purpose of the above provisos to paragraph (b):

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(i) "company" shall include a "partnership", and references to the transfer, acquisition or disposals of marketable securities shall include the transfer, acquisition or disposals of an interest in a partnership;

Cap. 123.

(ii) "property company" shall include "property partnership" and both these terms shall have the same meaning assigned to them in article 2(1) of the Income Tax Act, but the provisos to the said definitions shall not apply;

(iii) "group of companies" shall be applied in the case of partnerships *mutatis mutandis* as if the partnership had been a company;

(iv) references to a company's ordinary share capital, voting rights and rights to profits shall include a partnership's capital, voting rights and rights to profits;"

Amendment of article 51 of the principal Act.

32. In the proviso to sub-article (1) of article 51 of the principal Act, the words "and in the case of transfers referred to in article 32(3) with the exclusion of transfers of transferable securities mentioned in article 32(3)" shall be deleted.

Amendment of article 52 of the principal Act.

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

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

"(1) When the Commissioner is satisfied that the price or consideration, or the value as declared in a document whereby any immovable or any real right over an immovable is transferred, or in a declaration of a transfer *causa mortis* made in accordance with article 33, is less than eighty-five per centum (85%) of the real value or consideration as established by the Commissioner, or is less than the consideration that results to the Commissioner to have been actually paid, or when a declaration that ought to be made in terms of article 33 has not been made, he shall proceed to determine by order in writing the amount of duty chargeable on the difference between the value or consideration declared and the value or consideration of the immovable as established or as results to the Commissioner to have been actually paid or the duty that would have been payable, as the case may be, and shall

raise an assessment accordingly:

Provided that, when a declaration has not been made as aforesaid, nothing in this sub-article shall be construed as exempting the transferee *causa mortis* from any obligation to make the relative declaration in accordance with article 33 but any duty paid following an assessment shall also be taken into account in any other declaration made subsequent thereto:

Provided further that, when a declaration has not been made as aforesaid the Commissioner may not exercise his powers under this article after the lapse of thirty (30) years from the happening of the transfer *causa mortis*.";

(b) in sub-article (2) thereof, the words "duty paid on the deed" shall be substituted by the words "duty paid on the transfer"; and

(c) in paragraph (a) of sub-article (4) thereof, the words "in a deed of transfer" shall be substituted by the words "in a document of transfer" and the words "the deed of transfer" shall be substituted by the words "the document of transfer".

PART VI AMENDMENTS TO THE MOTOR VEHICLES REGISTRATION AND LICENSING ACT

34. (1) This Part amends the Motor Vehicles Registration and Licensing Act and it 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 of this Part shall be deemed to have come into force on the 1st January, 2021.

35. Article 2 of the principal Act, shall be amended as follows:

Amendment of article 2 of the principal Act.

(a) immediately after the definition "national holidays" thereof, there shall be added the following new definition:

" "New European Driving Cycle (NEDC)" means a driving cycle designed, *inter alia*, to assess the emission levels of car engines;"

(b) in the definition "vintage vehicle classification committee" thereof, the words "and three members" shall be

substituted by the words ", a secretary and six (6) members"; and

(c) in paragraph (c) of the definition of "vintage vehicle classification committee" thereof, the words "if applicable." shall be substituted by the words "if applicable;" and immediately thereafter, there shall be added the following new definition:

" "Worldwide Harmonized Light Vehicle Test Procedure (WLTP)" means a global, harmonized standard for the measurement of, *inter alia*, CO₂ emissions in traditional and hybrid cars which was developed by the United Nations Economic Commission for Europe to replace the New European Driving Cycle (NEDC) as the European vehicle homologation procedure."

Amendment of
article 8 of the
principal Act.

36. Article 8 of the principal Act, shall be amended as follows:

(a) in sub-article (4) thereof, the words from "M1 motor vehicles" till the words "public holidays." shall be substituted by the words "M1 motor vehicles with CO₂ emission levels equal to or higher than two-hundred (200) according to NEDC standard or two-hundred and twenty (220) or higher according to WLTP standard (and having an emission level equivalent to the latest European Standard or latest European Standard minus one or latest European Standard minus two) and motor cycles with an engine capacity equal to or higher than eight-hundred and one (801cc) which are to be registered for the first time with the Authority in terms of this Act may be registered to be used on the road in Malta solely and exclusively on Fridays as from 18.00hrs onwards, Saturdays, Sundays, national holidays and other public holidays.";

(b) in sub-article (6) thereof, immediately after the words "other than" there shall be added the words "Fridays as from 18.00hrs onwards,";

(c) in sub-article (7) thereof, immediately after the words "only to" there shall be added the words "Fridays as from 18.00hrs onwards,"; and

(d) immediately after sub-article (10) thereof, there shall be added the following new sub-articles:

"(11) In the determination of the CO₂ emission levels of any motor vehicle, the combined level of carbon dioxide standard shall apply.

(12) Whenever a discrepancy may arise between the

applicable registration tax and, or the applicable circulation licence fee relative to any vehicle as a result of any difference between the computation of such tax and, or fee consequent to the application of the NEDC standard or the WLTP standard, the Authority shall apply such correctory measures as may be necessary in order to establish a uniform rate of tax or fee irrespective of the applicable NEDC or WLTP standard and to cancel out the discrepancy which would otherwise result."

37. Article 8A of the principal Act shall be renumbered as article 8B of the principal Act and immediately after article 8 of the principal Act, there shall be added the following new article:

Renumeration of article 8A of the principal Act and addition of new article 8A to the principal Act.

"Conversion of licensing regime of the vehicle.

8A. (1) All the owners of M1 motor vehicles as well as motor cycles which are already registered with the Authority for use on the road in Malta may apply with the Authority in order to convert the licensing regime of their vehicle for use on the road in Malta solely and exclusively on Fridays as from 18.00hrs onwards, Saturdays, Sundays, national holidays and other public holidays.

(2) The application shall be submitted by means of such form and according to such procedures as may be established by the Authority from time to time.

(3) The circulation licence fee payable in respect of motor vehicles, including motor cycles, whose licensing regime is converted in terms of sub-article (1) shall be calculated at thirty-five per cent (35%) of the rate specified in the Fourth Schedule.

(4) No refund of the registration tax, or any part thereof, paid upon the registration of the vehicle for use on the road in Malta may be claimed in respect of any motor vehicle, including motor cycle, upon conversion of its licensing regime in terms of sub-article (1).

(5) All motor vehicles and motor cycles whose licensing regime is converted in terms of sub-article (1) shall be kept in a garage and may not be used nor parked on the road in Malta on any day other than Fridays as from 18.00hrs onwards, Saturdays, Sundays, national holidays and other public holidays.

(6) The owner of any motor vehicle or motor cycle whose licensing regime is converted in terms of sub-article (1) may apply with the Authority, on such form and according to such procedures as may be established by the Authority from time to time, in order for the use in the road of such motor vehicle or motor cycle not to remain limited only to Fridays as from 18.00 hrs onwards, Saturdays, Sundays, national holidays and other public holidays. In such an event, the applicant shall be obliged to pay a sum equivalent to the circulation licence fee at the full rate specified in the Fourth Schedule for the period from the date when such application is accepted until the date of renewal of the circulation licence fee less the sum paid at the reduced rate established in sub-article (3)."

Amendment of article 21 of the principal Act.

38. In paragraph (i) of sub-article (1) of article 21 of the principal Act, the words "solely and exclusively on Saturdays," shall be substituted by the words "solely and exclusively on Friday as from 18.00hrs onwards, Saturdays,".

Amendment of article 25 of the principal Act.

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

(a) in sub-article (22) thereof, the words "shall apply." shall be substituted by the words "shall apply:" and immediately thereafter, there shall be added the following new provisos:

"Provided that, in the event that, upon the renewal of its circulation licence after having undergone a vehicle roadworthiness test, it results that a vintage vehicle has registered three-thousand kilometres (3,000 km) or more on its odometer in one (1) year since the last renewal of its circulation licence, or an average of three-thousand kilometres (3,000 km) or more per year with regard to such vehicles which undergo a vehicle roadworthiness test once every two (2) years, then, in addition to the administrative fee established in the Fourth Schedule, the owner of the said vehicle shall also be obliged to pay the circulation licence fee established in the Fourth Schedule for such year or years during which the said vehicle had registered three thousand kilometres (3,000 km) or more on its odometer in one (1) year or an average of three thousand kilometres (3,000 km) or more per year with regard to such vehicles which undergo a vehicle roadworthiness test once every two (2) years:

Provided that, nevertheless, such vehicle shall not

lose its status as a vintage vehicle and shall continue to pay solely the administration fee established in the Fourth Schedule unless, upon renewal of the circulation licence, it results that the owner thereof shall also be obliged to pay the circulation licence fee established in the Fourth Schedule as a result of the fact that such vintage vehicle has registered three thousand kilometres (3,000 km) or more in one (1) year or an average of three thousand kilometres (3,000 km) or more per year if it is a vehicle which undergoes a road worthiness test once every two (2) years."; and

(b) immediately after sub-article (22) thereof there shall be added the following new sub-article:

"(23) Motor cycles which have been classified as vintage by the vintage vehicle classification committee shall continue to be exempt from the payment of a circulation licence fee and shall only be subject to the payment of the administrative fee established in the Fourth Schedule irrespective of any mileage considerations."

40. In the First Schedule to the principal Act, the Table with the heading "Euro Standard Table for Registration Purposes indicating Year of registration and/or manufacture of the vehicle" shall be substituted by the following new Table:

Amendment of the First Schedule to the principal Act.

"

Euro Standard Table for Registration Purposes indicating Year of Registration and/or Manufacture of Vehicle								
Category			Reference Mass/ Mass in Service (kg)	Up to Euro 3/III	Euro 4/IV	Euro 5/V	Euro 6/VI	Latest Euro Standard
N1	Max Authorised Mass	0 - 3,500 Kg	Class 1 (0 - 1305kg)	pre 2000 - 2005	2006 - 2010	2011 - 2014	2015 onwards	Euro 6
			Class 2 (1306 - 1760kg)	pre 2000 - 2005	2006 - 2010	2011 - 2015	2016	Euro 6
			Class 3 (1761 - 2610kg)	pre 2000 - 2005	2006 - 2010	2011 - 2015	2016	Euro 6

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N2	Max Authorised Mass	3,501 - 12,000		pre 2001 - 2005	2006 - 2008	2009 - 2013	2014 onwards	Euro 6
N3	Max Authorised Mass	12,001 >		pre 2001 - 2005	2006 - 2008	2009 - 2013	2014 onwards	Euro 6

".

Amendment of
the Second
Schedule to the
principal Act.

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

(a) immediately after the words from "Category A:" to the words "and length of the vehicle):" thereof and prior to the tables, there shall be added the words "Under Category A, CO₂ emissions data are measured according to NEDC standard";

(b) immediately prior to the table with the headings "Length" and "Rates" thereof, there shall be added the following:

"Where the registration tax calculated for the same vehicle according to the values stipulated under Category AA results to be higher than the registration tax payable when calculated according to the values stipulated under Category A, the registration tax payable when calculated according to the values stipulated under Category A shall apply.

Category AA: M1 motor vehicles (including autogas vehicles, vehicles to be registered to be used as taxicars, hired or leased vehicles and chauffeur driven vehicles), other than those vehicles classified under Category H, whether new or used (rates based on the CO₂ and length of the vehicle).

Under Category AA, CO₂ emissions data are measured according to WLTP standard:

Petrol or Diesel Engine	
CO₂	Latest Euro Standard
0g/km - 120g/km	CO ₂ x RV x 0.040%
121g/km - 140g/km	CO ₂ x RV x 0.045%
141g/km - 150g/km	CO ₂ x RV x 0.050%
151g/km - 160g/km	CO ₂ x RV x 0.060%
161g/km - 190g/km	CO ₂ x RV x 0.070%

191g/km - 230g/km	$\text{CO}_2 \times \text{RV} \times 0.100\%$
231g/km - 260g/km	$\text{CO}_2 \times \text{RV} \times 0.110\%$
More than 260g/km	$\text{CO}_2 \times \text{RV} \times 0.143\%$

"; and

(c) item (6) of the part entitled "Tax rate formula" thereof, shall be substituted by the following:

"(6) For M1 motor vehicles with CO₂ emission levels equal to or higher than two-hundred (200) according to NEDC standard or two-hundred and twenty (220) or higher according to WLTP standard (and having an emission level equivalent to the latest European Standard or latest European Standard minus one (1) or latest European Standard minus two (2)) and motor cycles with an engine capacity equal to or higher than eight-hundred and one (801cc) which are to be registered for use on the road in Malta solely and exclusively on Fridays as from 18.00hrs onwards, Saturdays, Sundays, national holidays and other public holidays, the rate of registration tax payable shall be forty per cent (40%) of the full rate payable in terms of this Schedule. A minimum level of registration tax equal to two-thousand euro (€2,000) for M1 vehicles and one-thousand euro (€1,000) for motor cycles shall be applicable to both new and used vehicles being registered in accordance with article 8(4).".

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

Amendment of
the Fourth
Schedule to the
principal Act.

(a) item 1 thereof shall be renumbered as item 1A;

(b) in item 1A thereof, as renumbered, immediately after the words from "Annual Circulation Licence fees" till the words "registered prior to the 1st January, 2010." and prior to the tables, there shall be added the words "Under Category 1A, CO₂ emissions data are measured according to NEDC standard";

(c) the last paragraph of item 1A thereof, as renumbered, featuring subsequent to the tables, shall be substituted by the following:

"Where a vehicle has been converted to run on autogas, the annual circulation licence fee shall be automatically reduced by ten percent (10%).

1B. Annual circulation licence fees for new M1 (passenger vehicles) registered as per the Second Schedule Category AA on or after 1st January, 2021.

Under Category 1B, the CO₂ emissions data are measured according to WLTP standard:

Petrol and Diesel Engines								
Year	0	1	2	3	4	5	6	7
0g/km - 125g/km	100	100	100	100	100	125	138	151
126g/km up to 175g/km	125	125	125	125	125	153	166	181
176g/km up to 200g/km	140	140	140	140	140	170	185	202
201g/km up to 225g/km	160	160	160	160	160	195	213	232
226g/km up to 250g/km	205	205	205	205	205	250	273	297
251g/km up to 275g/km	275	275	275	275	275	338	369	403
276g/km up to 300g/km	375	375	375	375	375	463	506	554
More than 300g/km	525	525	525	525	525	650	713	781

8	9	10	11	12	13	14+
166	183	201	221	244	268	295
198	216	236	259	283	310	339
220	240	262	286	312	342	374
253	276	302	330	361	395	433
324	354	387	424	463	507	556
441	483	528	579	634	695	762
607	666	730	800	878	963	1057
857	940	1032	1125	1125	1125	1125

Where a vehicle has been converted to run on autogas, the annual circulation licence fee shall be automatically reduced by ten percent (10%).";

(d) in item 2 thereof, immediately after the tables, there shall be added the words "Where a vehicle has been converted to run on autogas, the annual circulation licence fee shall be automatically reduced by ten percent (10%).";

(e) the tables in item 3 thereof, shall be substituted by the following new table:

Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14+
Engine Capacity	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
Not exceeding 50cc	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
51cc but not exceeding 125cc	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
126cc but not exceeding 250cc	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
251cc but not exceeding 500cc	70	70	70	70	70	77	85	93	102	113	124	136	150	165	182
501cc but not exceeding 800cc	75	75	75	75	75	83	91	100	110	121	133	146	161	177	195
Exceeding 800cc	80	80	80	80	80	88	97	106	117	129	142	156	171	189	207
Battery / Electric Motor-cycle	0	0	0	0	0	10	10	10	10	10	10	10	10	10	10
Quad bikes	100	100	100	100	100	110	121	133	146	161	177	195	214	236	259

(f) item 4 thereof shall be substituted by the following:

"4. Annual circulation Licence fees for motor cycles and quad bikes registered before the 1st January, 2009

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126cc but not exceeding 250cc	25	25	25	25	25	25	25	25	25	25	25	25	25
251cc but not exceeding 500cc	58	58	58	58	58	58	58	64	65	66	67	68	69
501cc but not exceeding 800cc	60	60	60	60	60	60	60	66	67	68	69	70	71
Exceeding 800cc	62	62	62	62	62	62	62	68	69	70	71	72	73
Battery/ electric motorcycle	0	0	0	0	0	10	10	10	10	10	10	10	10
Quad bikes	75	75	75	75	75	75	75	83	84	85	86	88	89

Year	13	14	15	16	17	18	19+
Engine capacity	€	€	€	€	€	€	€
Not exceeding 50cc	10	10	10	10	10	10	10
51cc but not exceeding 125cc	10	10	10	10	10	10	10
126cc but not exceeding 250cc	25	25	25	25	25	25	25
251cc but not exceeding 500cc	70	71	72	73	74	75	76
501cc but not exceeding 800cc	72	73	74	75	77	78	79
Exceeding 800cc	75	76	77	78	79	80	82
Battery/ electric motorcycle	10	10	10	10	10	10	10
Quad bikes	90	92	93	94	96	97	99

";

(g) item 6 thereof, shall be substituted by the following:

"6. Subject to the provisions of article 25(22), for the private use of vintage motor vehicles (including motor cycles) with an age of thirty (30) years from date of manufacture, certified as authentic by the vintage vehicle classification committee.....0";

(h) in item 8.2 thereof, immediately after the table, there shall be added the following:

"Where a vehicle has been converted to run on autogas, the annual circulation licence fee shall be automatically reduced by ten percent (10%).";

(i) in item 9.2.2 thereof, immediately after the tables, there shall be added the following:

"Where a vehicle has been converted to run on autogas, the annual circulation licence fee shall be automatically reduced by ten percent (10%)."; and

(j) in item 10 thereof, immediately after the table, there shall be added the following:

"Where a vehicle has been converted to run on autogas, the annual circulation licence fee shall be automatically reduced by ten percent (10%).".

PART VII

AMENDMENT TO THE INCOME TAX MANAGEMENT ACT

43. 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".

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

44. In sub-article (1) of article 10A of the principal Act, the words "not being less than thirty days," shall be substituted by the words "not being less than twenty (20) days,".

Amendment of article 10A of the principal Act.

45. In sub-article (4) of article 13 of the principal Act, the words "that year of assessment." shall be substituted by the words "that year of assessment:" and immediately thereafter, there shall be added the

Amendment of article 13 of the principal Act.

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following new proviso:

Cap. 123. "Provided that, this sub-article shall not apply when a further return is filed with the Commissioner for the purposes of implementing an agreement reached pursuant to a Mutual Agreement Procedure in terms of an arrangement in terms of article 76 of the Income Tax Act including Convention 90/436/EEC of 23 July 1990 on the elimination of double taxation in connection with the adjustment of profits of associated enterprises."

Deletion of article 17 of the principal Act.

46. Article 17 of the principal Act shall be deleted.

PART VIII AMENDMENTS TO THE EXCISE DUTY ACT

Amendments to the Excise Duty Act.
Cap. 382.

47. (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".

(2) (a) paragraph (b) of the English version only, of the provision of this Part relating to the article which amends article 2 of the principal Act, shall come into force on the 1st January 2022;

(b) paragraphs (a), (b) and (c) of the provision of this Part relating to the article which amends the Second Schedule to the principal Act, shall come into force on such date or dates as the Minister responsible for customs may establish by notice in the Gazette, which date shall be the 1st January 2022 or thereafter and paragraphs (d), (e), (f), (g) and (h) of the provision of this Part relating to the article which amends the Second Schedule to the principal Act, shall come into force on the 1st January 2022;

(c) the provision of this Part relating to the article which amends the Fourth Schedule to the principal Act, shall come into force on the 1st June 2021; and

(d) paragraphs (h) and (i) of the provision of this Part relating to the article which amends the Sixth Schedule to the principal Act, shall come into force on the 1st January 2022.

General amendment to the principal Act.

48. In the principal Act, the words "Article 79 of Regulation (EEC) No. 2913/92 as amended or substituted" and the words "Article 79 of Regulation (EEC) No. 2913/92" shall be substituted by the words "Article 201 of Regulation (EU) No. 952/2013", wherever they occur.

49. Article 2 of the principal Act shall be amended as follows:

Amendment of
article 2 of the
principal Act.

(a) the definition "excise goods" thereof shall be substituted by the following new definition:

" "excise goods" means any goods of a class or description as listed in the First Schedule, excluding tobacco which is not listed in the Third Schedule;" and

(b) immediately after the definition "importation of excise goods" thereof, there shall be added the following new definitions:

" "independent small brewery" and "birrerija indipendenti u żgħira" mean, for the purpose of reduced rates, a brewery which is legally and economically independent of any other brewery, which uses premises situated physically apart from those of any other brewery and does not operate under licence. However, where two (2) or more small breweries cooperate, and their combined annual production does not exceed two hundred thousand (200,000) hectolitre, those breweries may be treated as a single independent small brewery;

"independent small wine producer" and "produttur tal-inbid indipendenti u żgħir" mean, for the purpose of reduced rates, a wine producer which is legally and economically independent of any other wine producer, which uses premises situated physically apart from those of any other wine producer and does not operate under licence. However, where two (2) or more small wine producers cooperate, and their combined annual production does not exceed one thousand (1,000) hectolitre or twenty thousand (20,000) hectolitre, as appropriate, those wine producers may be treated as a single independent small wine producer;"

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

Amendment of
article 16 of the
principal Act.

(a) paragraph (i) of sub-article (1) thereof shall be substituted by the following new paragraph:

"(i) makes or gives or submits or is instrumental in the making or the giving of any declaration, document or information to the Commissioner, which to his knowledge is false in any detail:

Provided that a person who makes an incorrect declaration and requests the Commissioner in writing to

amend it:

(i) before the Commissioner informs the person that the particulars of the customs declaration are not correct; and

(ii) (aa) during the period when it is not yet established, in the systems relating to the processing of customs declarations, whether manual or electronic, if there is going to be control of the goods; or

(bb) within ten (10) working days from the date of release of the goods, which goods were released without control; and

(iii) such amendment does not tend to make the declaration applicable to other goods, other than those which were originally declared, in the sense that the only amendment that may take place in the declaration is one (1) or more amendments from those listed in the Ninth Schedule,

that person shall be deemed not to have committed the offence under this paragraph; or";

(b) paragraph (p) of sub-article (1) thereof, shall be substituted by the following new paragraph:

"(p) stores and, or offers for sale containers of alcohol or wine to which there is affixed an excise stamp that was already affixed to another alcohol or wine container; or";

(c) immediately after paragraph (p) of sub-article (1) thereof, there shall be added the following new paragraphs:

"(q) imports for the purpose of sale or stores for the purpose of sale or prepares for the purpose of sale or offers for sale or offers for free water-pipe tobacco (also known as shisha tobacco) when not authorised as a registered consignor, registered consignee or an authorised warehouse keeper:

Provided that whoever shows that he has acquired water-pipe tobacco from a registered consignor, registered consignee or an authorised warehouse keeper shall be deemed not to have committed a crime; or

(r) stores for the purpose of sale or prepares for the purpose of sale or offers for the purpose of sale or offers for free, water-pipe tobacco (also known as shisha tobacco) while the tobacco is neither in its box, packet or container with the band or stamp still affixed to it, nor is it in the water-pipe itself; or

(s) is a wholesaler of tobacco, a distributor of tobacco or is a first retail outlet of tobacco and is not authorised or registered in the system of Track and Trace; or

(t) imports or brings into Malta, or has in his possession, or disposes of, tobacco which is not listed in the Third Schedule, without the permission of the Commissioner,";

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

"Provided further that in the case of importation or bringing into Malta or possession or disposal of tobacco that is not listed in the Third Schedule, the offender shall be liable, upon conviction, to a fine (multa) equivalent to twice the value of the tobacco:";

(e) in the fifth proviso to sub-article (1) thereof, the words "two years" shall be substituted by the words "three (3) years"; and

(f) immediately after sub-article (6) thereof, there shall be added the following new sub-article:

"(7) Any person who negligently makes or gives or submits or causes to be made or given any declaration, document or information to a Customs official which is false in any detail shall be liable, on conviction, for every such offence, to a fine (multa) equivalent to three (3) times the duty endangered, but not less than three-hundred and fifty euro (€350):

Provided that a person who makes an incorrect declaration and requests the Commissioner in writing to amend it:

(i) before the Commissioner informs the person that the particulars of the customs declaration

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are not correct; and

(ii) (aa) during the period when it is not yet established, in the systems relating to the processing of customs declarations, whether manual or electronic, if there is going to be control of the goods; or

(bb) within ten (10) working days from the date of release of the goods, which goods were released without control; and

(iii) such amendment does not tend to make the declaration applicable to other goods, other than those which were originally declared, in the sense that the only amendment that may take place in the declaration is one (1) or more amendments from those listed in the Ninth Schedule,

that person shall be deemed not to have committed the offence under this paragraph."

Amendment of article 16A of the principal Act.

51. Immediately after the second proviso to sub-article (1) of article 16A of the principal Act, there shall be added the following new proviso:

"Provided also that, when the goods in respect of which the irregularity, mentioned in this article, has been committed, are tobacco that is not listed in the Third Schedule, there shall be paid a penalty equivalent to one per cent (1%) of the value of the tobacco but not less than one-hundred euro (€100) and the forfeiture contemplated in this article shall also take place:".

Amendment of article 17 of the principal Act.

52. Immediately after sub-article (6) of article 17 of the principal Act, there shall be added the following new sub-article:

"(7) Notwithstanding the provisions of sub-article (1), tobacco that is not listed in the Third Schedule that is imported or brought into Malta or found in Malta without the permission of the Commissioner shall be forfeited, together with all the other objects that are found packed with, or, used in concealing it, and sub-articles (2), (3), (4), (5) and (6) shall also apply to this case, and the person who commits this offence shall also be liable to the penalties established in article 16."

Amendment of the Second Schedule to the principal Act.

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

(a) in the first column beneath the heading "Description of excise goods" in the title "Wine of Fresh Grapes" thereof, items 1 and 2 shall be renumbered as items 2 and 3 respectively;

(b) in the first column beneath the heading "Description of excise goods" in the title "Wine of Fresh Grapes" thereof, immediately before item 2 as renumbered, there shall be added the following new item:

"1. If produced by independent small wine producers which produce on average less than twenty-thousand (20,000) hl of wine per year.";

(c) in the second column beneath the heading "Rate of Excise Duty" in the title "Wine of Fresh Grapes" in line with the row of item 1 thereof, there shall be added the words "the rate established by an act of parliament or by regulations as applicable, that shall have effect as of 1st January 2022 or after";

(d) in the first column beneath the heading "Description of excise goods" in the title "Wine of Fresh Grapes" thereof, item 3 as renumbered, shall be substituted by the following:

"3. The term "sparkling wine" covers all products falling within CN codes 2204 10, 2204 21 06, 2204 21 07, 2204 21 08, 2204 21 09, 2204 29 10 and 2205 which:

– are contained in bottles with "mushroom stoppers" held in place by ties or fastenings, or they have an excess pressure due to carbon dioxide in solution of three (3) bar or more;

– have an actual alcoholic strength by volume exceeding one point two per cent (1.2%) vol., but not exceeding fifteen per cent (15%) vol., provided that the alcohol contained in the finished product is entirely of fermented origin.";

(e) in the first column beneath the heading "Description of excise goods" in the title "Fermented Beverages" thereof, immediately after item 2, there shall be added the following new item:

"3. The term "other sparkling fermented beverages" covers all products falling within CN codes 2206 00 31 and 2206 00 39 as well as products falling within CN codes 2204 10, 2204 21 06, 2204 21 07, 2204 21

08, 2204 21 09, 2204 29 10 and 2205 excluding still wine and sparkling wine which:

- are contained in bottles with "mushroom stoppers" held in place by ties or fastenings, or they have an excess pressure due to carbon dioxide in solution of three (3) bar or more;

- have an actual alcoholic strength by volume exceeding one point two per cent (1.2%) vol., but not exceeding thirteen per cent (13%) vol.;

- have an actual alcoholic strength by volume exceeding thirteen per cent (13%) vol., but not exceeding fifteen per cent (15%) vol., provided that the alcohol contained in the product is entirely of fermented origin.";

(f) in the first column beneath the heading "Description of excise goods" in the title "Exemptions" thereof, sub-item (b) of item (1), shall be substituted by the following:

"b. when used as part of the manufacturing process of any product not for human consumption, provided the alcohol has been denatured in accordance with the requirements of any Member State for the given use.

This exemption shall apply when such denatured alcohol:

- has been incorporated into the product not for human consumption; or

- is used for maintenance and cleaning of the manufacturing equipment used for this particular manufacturing process;"

(g) in the first column beneath the heading "Description of excise goods" in the title "Exemptions" thereof, sub-item (d) of item (1), shall be substituted by the following:

"d. when used in the production of medicines referred to in Directives 2001/82/EC and 2001/83/ EC;" and

(h) in the first column beneath the heading "Description of excise goods" in the title "Exemptions" thereof, in sub-item (e) of item (2) the words "excise duty." shall be substituted by the

words "excise duty;" and immediately thereafter, there shall be added the following new sub-item:

"f. in the manufacture of food supplements defined by Directive 2002/46/EC of the European Parliament and of the Council containing ethyl alcohol, if the unit packet of the food supplement released for consumption does not exceed 0,15 litres and food supplements are placed on the market pursuant to Article 10 of Directive 2002/46/EC."

54. In the first column beneath the heading "Description of excise goods" in the title "**Gas Oil** falling within CN Codes 2710.19.31," of the Fourth Schedule to the principal Act, the words "If used in the following maritime commercial activity: - Inland Navigation between Malta and Gozo by vessels of a tonnage of 3,500 tons or more If used for electric power generation If used for fishing purposes as laid down by Department of Fisheries If used by rescue vessels, or vessels which render assistance for rescue purposes at sea", including the words and digits that appear alongside them in the second column under the heading "Rate of Excise Duty" shall be substituted by the following new Table:

Amendment of the Fourth Schedule to the principal Act.

"

If used in the following maritime commercial activity:	
- Inland Navigation between Malta and Gozo by vessels of a tonnage of 3,500 tons or more;	0
- Inland Navigation between Malta and Gozo by vessels in line with Port Notice No TM/PYD/PN/02/2021.	0
If used for electric power generation.	0
If used for fishing purposes as laid down by Department of Fisheries.	0
If used by rescue vessels, or vessels which render assistance for rescue purposes at sea.	0

".

55. The Sixth Schedule to the principal Act, shall be amended by the following:

Amendment of the Sixth Schedule to the principal Act.

(a) regulation 13 of Part A thereof shall be amended by the following:

(i) sub-regulation (6) thereof shall be substituted

by the following new sub-regulation:

"(6) The band, excise stamp, tag or band as the case may be, shall be affixed to the excisable good not later than five (5) days from when the band, excise stamp, tag or band is purchased, except in the case of bands, excise stamps, tag or band which should be affixed by an authorised warehouse keeper."; and

(ii) immediately after sub-regulation (6) thereof there shall be added the following new sub-regulations:

"(7) (a) Every person who fails to affix the band, excise stamp, tag or band within five (5) days from when it is purchased, except for an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands, excise stamps, excise tags or bands that were not affixed in the time frame given. In addition to this, the forfeiture of the excise goods themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands, excise stamps, excise tags or bands not affixed within the given time, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the excise goods themselves shall also take place according to law, as applicable.

(8) (a) Every authorised warehouse keeper who takes out from the tax warehouse excise goods on which the band, excise stamp, tag or band has not been affixed according to law, shall be liable, on conviction, to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of bands, excise stamps, excise tags or bands that had to be affixed to those goods. In addition to this, the forfeiture of the excise goods themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity

mentioned in paragraph (a), the Commissioner, while he forfeits the bands, excise stamps, excise tags or bands that had to be affixed to the excise goods, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the excise goods themselves shall also take place according to law, as applicable.

(9) (a) Every person who has in his possession bands, excise stamps, excise tags or bands that are not affixed after five (5) days from purchase have elapsed, except in the case of an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of two-hundred and fifty euro (€250) and the Court shall order the forfeiture of these bands, excise stamps, excise tags or bands. In addition to this, the forfeiture of the excise goods themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands, excise stamps, excise tags or bands that remained unaffixed, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to two-hundred and fifty euro (€250). In addition to this, the forfeiture of the excise goods themselves shall also take place according to law, as applicable.";

(b) sub-regulation (2) of regulation 17 of Part A thereof shall be substituted by the following new sub-regulation:

"(2) Authorised warehouse keepers are exempt from duty in respect of losses occurring under suspension arrangements, which are attributable to fortuitous events or force majeure established by the Commissioner, but they are not exempt from duty on losses occurring under suspension arrangements which are attributable to theft. They are also exempt, under suspension arrangements, from duty in respect of losses inherent in the nature of the products during production or processing, storage and transport. The Commissioner shall lay down the conditions

under which these exemptions shall be granted.";

(c) regulation 12 of Part B thereof shall be amended by the following:

(i) sub-regulation (5) thereof shall be substituted by the following new sub-regulation:

"(5) The band or excise stamp shall be affixed to the container not later than five (5) days from when it is purchased, except in the case of a band or excise stamp which should be affixed by an authorised warehouse keeper."; and

(ii) immediately after sub-regulation (5) thereof there shall be added the following new sub-regulations:

"(6) (a) Any person who fails to affix a band or excise stamp within five (5) days from when it is purchased, except for an authorised warehouse keeper, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that were not affixed within the given time. In addition to this, the forfeiture of ethyl alcohol itself shall also take place according to the law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps not affixed within the time given, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the ethyl alcohol itself shall also take place according to law, as applicable.

(7) (a) Every authorised tax warehouse keeper who takes out of the tax warehouse ethyl alcohol on which a band or excise stamp has not been affixed according to law, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that had to be affixed to those goods. In addition to this, the forfeiture of the ethyl

alcohol itself shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that had to be affixed to the ethyl alcohol, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the ethyl alcohol itself shall also take place according to the law, as applicable.

(8) (a) Every person who has in his possession bands or excise stamps that are not affixed after five (5) days from purchase have elapsed, except in the case of an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of two-hundred and fifty euro (€250) and the Court shall order the forfeiture of those bands or excise stamps. In addition to this, the forfeiture of the ethyl alcohol itself shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that remained unaffixed, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to two-hundred and fifty euro (€250). In addition to this, the forfeiture of the ethyl alcohol itself shall also take place according to law, as applicable.";

(d) regulation 6 of Part C thereof shall be amended by the following:

(i) sub-regulation (4) thereof shall be substituted by the following new sub-regulation:

"(4) A band or excise stamp shall be affixed to the packet not later than five (5) days from when it is purchased except in the case of a band or excise stamp that should be affixed by an authorised warehouse keeper."; and

(ii) immediately after sub-regulation (4) thereof there shall be added the following new sub-regulations:

"(5) (a) Every person who fails to affix a band or excise stamp within five (5) days from when it is purchased, except for an authorised warehouse keeper, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that have not been affixed within the given time. In addition to this, the forfeiture of the cigarettes themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps not affixed in the time given, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the cigarettes themselves shall also take place according to law, as applicable.

(6) (a) Every authorised warehouse keeper who takes out of the tax warehouse cigarettes on which a band or excise stamp was not affixed according to law, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that had to be affixed to those goods. In addition to this, the forfeiture of the cigarettes themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that had to be affixed to the cigarettes, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the cigarettes themselves shall also take place according to law, as applicable.

(7) (a) Every person who has in his possession bands or excise stamps that are not affixed after five (5) days from purchase have elapsed, except in the case of an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of two-hundred and fifty euro (€250) and the Court shall order the forfeiture of these bands or excise stamps. In addition to this, the forfeiture of the cigarettes themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that remained unaffixed, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to two-hundred and fifty euro (€250). In addition to this, the forfeiture of the cigarettes themselves shall also take place according to law, as applicable.";

(e) regulation 7A of Part C thereof shall be substituted by the following new regulation:

"7A. (1) No water-pipe tobacco (also known as shisha tobacco) shall be imported for the purpose of sale, stored for the purpose of sale, prepared for sale, offered for sale or offered for free unless it is imported, stored, prepared for sale, offered for sale or offered for free by a registered consignor, registered consignee or authorised warehouse keeper:

Provided that a person who shows that he purchased water-pipe tobacco from a registered consignor, registered consignee or authorised warehouse keeper shall be deemed not to have violated this obligation.

(2) No water-pipe tobacco (also known as shisha tobacco) shall be offered on the market unless the packet, box or container that encloses the water-pipe tobacco immediately inside it, has been sealed with a band or excise stamp affixed as indicated by the Commissioner, in such a way that destruction of the band or excise stamp is ensured when the packet, box or container is opened.

(3) No water-pipe tobacco (also known as shisha

tobacco) shall be stored for the purpose of sale, prepared for the purpose of sale, offered for the purpose for sale or offered for free unless it is in its packet, box or container with the band or excise stamp still affixed to it, or within the water-pipe itself.

(4) Those bands or excise stamps shall be issued by the Commissioner against payment, as may be prescribed by regulations issued under the Act, on application made to him by the authorised warehouse keeper of water-pipe tobacco.

(5) The bands or excise stamps shall be supplied at the Custom House or at any other place to be appointed by the Minister by means of a notice in the Gazette.

(6) The band or excise stamp shall be affixed to the container not later than five (5) days from when it was purchased, except in the case where the band or excise stamp should be affixed by the authorised warehouse keeper.

(7) (a) Every person who fails to affix the band or excise stamp within five (5) days from when it is purchased, except for an authorised warehouse keeper, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that have not been affixed within the given time. In addition to this, the forfeiture of the water-pipe tobacco itself shall also take place according to the law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps not affixed within the given time, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the water-pipe tobacco itself shall also take place according to law, as applicable.

(8) (a) Every authorised warehouse keeper who takes out of the tax warehouse water-pipe tobacco on which a band or excise stamp was not affixed according to law, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the

forfeiture of the bands or excise stamps that had to be affixed to those goods. In addition to this, the forfeiture of the water-pipe tobacco itself shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that had to be affixed to the water-pipe tobacco, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the water-pipe tobacco itself shall also take place according to law, as applicable.

(9) (a) Every person who has in his possession bands or excise stamps that are not affixed after five (5) days from purchase have elapsed, except in the case of an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of two-hundred and fifty euro (€250) and the Court shall order the forfeiture of these bands or excise stamps. In addition to this, the forfeiture of the water-pipe tobacco itself shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that remained unaffixed, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to two-hundred and fifty euro (€250). In addition to this, the forfeiture of the water-pipe tobacco itself shall also take place according to law, as applicable.

(10) Any quantity whatsoever of water-pipe tobacco which is found in the possession of any person in contravention of the provisions of these regulations shall, without prejudice to any other penalty provided for in the Act or in any other law, be forfeited in favour of Government.";

(f) regulation 11A of Part C thereof shall be substituted by the following new regulation:

"11A. (1) Every tobacco manufacturer, tobacco importer, tobacco wholesaler, distributor of tobacco and

first retail outlet of tobacco shall apply to be registered or authorised in the Track and Trace system established by the laws of the European Union and shall abide by the rules and practices of the system.

(2) Every tobacco manufacturer and tobacco importer shall abide by the rules and practices of the Track and Trace system and this as one of the conditions for the authorisation as an authorised warehouse keeper and as a tax warehouse issued to him by the Commissioner, and in the absence of registration or authorisation in the Track and Trace system or in case of non-compliance with the rules and practices of the system, they shall be deemed to have infringed the conditions of a tax warehouse and of an authorised warehouse keeper.

(3) (a) The Commissioner shall cancel the registration or authorisation in the Track and Trace system of every tobacco wholesaler, distributor of tobacco and first retail outlet of tobacco, who irregularly operates outside the Track and Trace system, removes tobacco from the Track and Trace system or deceives the Track and Trace system, and this without prejudice to any other action which may be taken under this Act or under any other law.

(b) This registration or authorisation shall remain cancelled for a period of one (1) year from the date of the irregularity in the case of the first irregularity, and for a period of three (3) years from the second irregularity in the case of the second irregularity, and for a period of six (6) years from the third irregularity in the case of the third irregularity, after which periods there needs to be a new application for registration or authorisation. In the case of the fourth irregularity or more, the person shall not be allowed to apply again.";

(g) regulation 16A of Part D thereof shall be amended by the following:

(i) sub-regulations (4) and (5) thereof shall be substituted by the following new sub-regulations:

"(4) The band or stamp shall be affixed to the container not later than five (5) days from when it is purchased, except in the case where the band or

excise stamp should be affixed by an authorised warehouse keeper.

(5) (a) Every person who fails to affix the band or excise stamp within five (5) days from when it is purchased, except for an authorised warehouse keeper, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that have not been affixed within the given time. In addition to this, the forfeiture of the products mentioned in Part B of the Fourth Schedule shall also take place according to the law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps not affixed within the given time, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the products mentioned in Part B of the Fourth Schedule themselves shall also take place according to law, as applicable."; and

(ii) immediately after sub-regulation (5) thereof there shall be added the following new sub-regulations:

"(6) (a) Every authorised warehouse keeper who takes out of the tax warehouse products mentioned in Part B of the Fourth Schedule on which a band or excise stamp was not affixed according to law, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that had to be affixed to those goods. In addition to this, the forfeiture of the products mentioned in Part B of the Fourth Schedule shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that had to be affixed to the products mentioned in Part B of the Fourth Schedule, may, if the offender admits, refrain from instituting

proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the products mentioned in Part B of the Fourth Schedule themselves shall also take place according to law, as applicable.

(7) (a) Every person who has in his possession bands or excise stamps that are not affixed after five (5) days from purchase have elapsed, except in the case of an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of two-hundred and fifty euro (€250) and the Court shall order the forfeiture of these bands or excise stamps. In addition to this, the forfeiture of the products mentioned in Part B of the Fourth Schedule themselves shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that remained unaffixed, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to two-hundred and fifty euro (€250). In addition to this, the forfeiture of the products mentioned in Part B of the Fourth Schedule themselves shall also take place according to law, as applicable.

(8) Any quantity of the products mentioned in Part B of the Fourth Schedule which is found in the possession of any person in contravention of the provisions of these regulations shall, without prejudice to any other penalty provided in the Act or in any other law, be forfeited in favour of Government.";

(h) immediately after regulation 7 of Part II of Part E thereof there shall be added the following new regulation:

"7A. (1) Subject to such conditions that shall be established to ensure the simplified application of rules for an independent and small brewery, after he makes such a request to the Commissioner, the authorised warehouse keeper shall be provided with an annual certificate as an

independent and small brewery established in Malta and it confirms its total annual production, as applicable, and confirming the independent and small brewery's conformity to the relevant criteria, as applicable. The administrative document for the movement of beer under regulation 12 of Part A of the Sixth Schedule or the customs document for release of beer for consumption shall refer to this certificate mentioned in this sub-regulation.

(2) Notwithstanding that provided in sub-regulation (1), and under certain conditions that may be established by the Commissioner with the intent to ensure the correct and simple application of this regulation and for the prevention of evasion of any kind, avoidance or abuse, authorised warehouse keepers may certify themselves in writing to the Commissioner that they are an independent and small brewery established in Malta and portray their conformity to the relevant criteria, as applicable, and their relevant total annual production.

(3) The Commissioner shall, under the conditions which he shall establish with the scope of ensuring the correct and simple application of this regulation, and for the prevention of any evasion, avoidance or abuse, recognise the certificate of an independent and small brewery mentioned in this regulation that is issued by another Member State, except in justified circumstances as deemed fit.";

(i) immediately after regulation 5 of Part F thereof there shall be added the following new regulation:

"5A. (1) Subject to such conditions that shall be established to ensure the simplified application of rules for an independent and small wine producer, the authorised warehouse keeper shall, after he makes such a request to the Commissioner, be provided with an annual certificate as an independent and small wine producer established in Malta and which confirms its total annual production, as applicable, and confirming the independent and small wine producer's conformity to the relevant criteria, as applicable. The administrative document for the movement of wine under regulation 12 of Part A of the Sixth Schedule or the customs document for release of consumption of wine shall refer to the certificate mentioned in this regulation.

(2) Notwithstanding the provisions of sub-regulation (1), and under certain conditions that may be established by the Commissioner with the intent to ensure the correct and simple application of this regulation and for the prevention of any evasion, avoidance or abuse, authorised warehouse keepers may themselves certify in writing to the Commissioner that they are an independent and small wine producer established in Malta and portray their conformity to the relevant criteria, as applicable, and their relevant total annual production.

(3) The Commissioner shall, under the conditions which he shall establish with the scope of ensuring the correct and simple application of this regulation, and for the prevention of any evasion, avoidance or abuse, recognise the certificate of an independent and small wine producer mentioned in this regulation that is issued by another Member State, except in justified circumstances as deemed fit."; and

(j) regulation 12 of Part F thereof shall be amended by the following:

(i) sub-regulation (4) thereof shall be substituted by the following new sub-regulation:

"(4) The band or excise stamp shall be affixed to the container not later than five (5) days from when it is purchased, except where the band or excise stamp should be affixed by an authorised warehouse keeper."; and

(ii) immediately after sub-regulation (4) thereof there shall be added the following new sub-regulations:

"(5) (a) Every person who fails to affix the band or excise stamp within five (5) days from when it is purchased, except for an authorised warehouse keeper, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that have not been affixed within the given time. In addition to this, the forfeiture of the wine itself shall also take place according to law, as applicable.

(b) In the case of an irregularity

mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps not affixed within the given time, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the wine itself shall also take place according to law, as applicable.

(6) (a) Every authorised warehouse keeper who takes out of the tax warehouse wine on which a band or excise stamp was not affixed according to law, shall, on conviction, be liable to a fine (*multa*) of one-hundred euro (€100) and the Court shall also order the forfeiture of the bands or excise stamps that had to be affixed to those goods. In addition to this, the forfeiture of the wine itself shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that had to be affixed to the wine, may, if the offender admits, refrain from instituting proceedings in terms of this Act and impose a penalty equivalent to one-hundred euro (€100). In addition to this, the forfeiture of the wine itself shall also take place according to law, as applicable.

(7) (a) Every person who has in his possession bands or excise stamps that are not affixed after five (5) days from purchase have elapsed, except in the case of an authorised warehouse keeper, shall be liable, on conviction, to a fine (*multa*) of two-hundred and fifty euro (€250) and the Court shall order the forfeiture of these bands or excise stamps. In addition to this, the forfeiture of the wine itself shall also take place according to law, as applicable.

(b) In the case of an irregularity mentioned in paragraph (a), the Commissioner, while he forfeits the bands or excise stamps that remained unaffixed, may, if the offender admits, refrain from instituting proceedings in

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terms of this Act and impose a penalty equivalent to two-hundred and fifty euro (€250). In addition to this, the forfeiture of the wine itself shall also take place according to law, as applicable."

Addition of new Ninth Schedule to the principal Act.

56. Immediately after the Eighth Schedule to the principal Act there shall be added the following new Schedule:

**"NINTH SCHEDULE
(Article 16)**

The amendments that may be made in the declaration, as provided in paragraph (iii) of the proviso to paragraph (i) of sub-article (1) of article 16 and in paragraph (iii) of the proviso to sub-article (7) of article 16, are only those which amend:

1. The origin of the good.
2. The freight of the good.
3. The constituent material of the good.
4. The insurance of the good.

Any other amendment in the declaration shall be deemed to tend to make the declaration applicable to other goods, other than those originally declared."

**PART IX
AMENDMENTS TO THE ARBITER FOR FINANCIAL SERVICES
ACT**

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

57. 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.

58. The definition "financial services provider" of article 2 of the principal Act shall be amended by the following:

(a) the words "including but not restricted to investment services," shall be substituted by the words "and is related to investment services,"; and

(b) the words "pensions and insurance," shall be substituted by the words "pensions, insurance" and immediately thereafter there shall be added the words "and any other service which in the opinion of the Arbiter constitutes a financial

service,".

59. In paragraph (a) of sub-article (2) of article 21 of the principal Act, immediately after the words "before a court or tribunal" there shall be added the words "or is or has been the subject of a complaint lodged with an ADR entity in any other jurisdiction,".

Amendment of article 21 of the principal Act.

PART X AMENDMENTS TO SUBSIDIARY LEGISLATION

60. This Part amends various subsidiary legislation and it shall be read and construed as one with the subsidiary legislation it amends.

Amendments to Subsidiary Legislation.

61. The Customs Regulations shall be amended by the following:

Amendment of the Customs Regulations.
S.L. 37.05.

(a) immediately after regulation 45 thereof there shall be added the following new regulation:

"Measures that may be taken if the payment of the service of attendance of a Customs officer remains unpaid.

45A. If the payment for the service of attendance of a Customs official remains unpaid after notification is sent by registered post in the last known address in Malta, the Commissioner may take those necessary administrative and procedural measures so that payment is effected, including not giving any Customs service to the debtor until payment is effected."; and

(b) immediately after paragraph numbered 7 of the First Schedule thereof there shall be added the following new paragraph:

"8. Fuel Wharf."

The provisions of paragraph (b) above shall come into force on such date or dates as the Minister responsible for customs may establish by notice in the Gazette.

62. The Cash Control Regulations shall be amended by the following:

Amendment of the Cash Control Regulations.
S.L. 233.07.

(a) regulation 2 thereof shall be amended by the following:

(i) immediately after the definition "Act" thereof there shall be added the following new definition:

" "bearer-negotiable instruments" means instruments other than currency which entitle their

holders to claim a financial amount upon presentation of the instruments without having to prove their identity or entitlement to that amount. Those instruments are:

(i) traveller's cheques; and

(ii) cheques, promissory notes or money orders that are either in bearer form, signed but with the payee's name omitted, endorsed without restriction, made out to a fictitious payee, or otherwise in such form that title thereto passes upon their delivery;";

(ii) the definition "cash" thereof shall be substituted by the following new definition:

" "cash" means:

(i) currency;

(ii) bearer-negotiable instruments;

(iii) commodities used as highly-liquid stores of value;";

(iii) immediately after the definition "Commissioner" thereof there shall be added the following new definition:

" "commodities used as highly-liquid stores of value" means a good that presents a high ratio between its value and its volume and that may easily be converted into currency through accessible trading markets while incurring only modest transaction costs. These goods are:

(a) coins with a gold content of at least ninety per-cent (90%); and

(b) bullion such as bars, nuggets or clumps with a gold content of at least ninety-nine point five per-cent (99.5%);"; and

(iv) immediately after the definition "competent authorities" thereof there shall be added the following new definition:

" "currency" means banknotes and coins that are in circulation as a medium of exchange or that have been in circulation as a medium of exchange and it is still possible for them to be exchanged through financial institutions or central banks for banknotes and coins that are in circulation as a medium of exchange;" and

(b) immediately after regulation 6 thereof there shall be added the following new regulation:

"7. The Court shall authorise that a cheque that was held by the Commissioner under these regulations is cashed by a person different from the one it is addressed to, so that it may be disposed of in accordance with the provisions of these regulations. The Court may also give those other required provisions, so that it gives effect to these regulations.".

Passed by the House of Representatives at Sitting No. 448 of the 14th April, 2021.

ANĠLU FARRUGIA
Speaker

RAYMOND SCICLUNA
Clerk of the House of Representatives

