Guidelines on Item 9 of Part Two of the Fifth Schedule to the Value Added Tax Act

Date: 6th April 2026

Purpose and Background

The purpose of this document is for the Commissioner for Tax and Customs ('CfTC') to provide guidance, in conformity with article 75(2) of the VAT Act (Chapter 406, Laws of Malta), on the manner of application of the VAT exemption (without credit) contained in item 9 of Part Two of the Fifth Schedule to the VAT Act.

Item 9 of Part Two of the Fifth Schedule to the VAT Act provides for an exemption without credit on the supply of:

"Betting, lotteries and other forms of gambling, as may be approved by the Minister."

These guidelines shall serve the specific purpose of providing guidance as regards which forms of betting, lotteries and other forms of gambling have been approved by the Minister for the purpose of this exemption.

These guidelines shall apply with effect from 1st October 2026.

Interpretation

The Commissioner hereby notifies that the supplies of betting, lotteries and other forms of gambling which are approved by the Minister for the purpose of the application of the exemption without credit contained in item 9 of Part Two of the Fifth Schedule to the VAT Act, shall be the following:

i. Low risk games as defined in the Fifth Schedule to the Gaming Authorisations Regulations (Subsidiary Legislation 583.05 or 'SL583.05');
ii. Junket events required to be approved in accordance with the Gaming Authorisations Regulations (SL583.05) held on an occasional basis. Junket events shall be considered as being held on an occasional basis where they are not organised on a routine basis and which, due to their scale and nature, require specific planning and organisational arrangements; and
iii. The provision of any facilities for gambling on the outcome of a real-life event, which facilities can only be physically accessed at the place where the event physically takes place, including the services of book makers, betting exchanges and any equivalent facilities. The term 'event' shall mean a sporting event or competition.

Disclaimer

These guidelines shall not prejudice in any way any of the powers of the CfTC in terms of the VAT Act, including the power to withdraw any confirmation issued in terms of these guidelines.

These guidelines shall replace and supersede any previously applicable guidelines on the same matter with effect from 1st October 2026.

The CfTC reserves the right to substitute, alter or withdraw these guidelines as necessary at any time.