



TAX & CUSTOMS  
ADMINISTRATION

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# ENERGY PRODUCTS

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## PETROLEUM OILS, GASES AND RELATED PRODUCTS

GUIDANCE COMMUNICATION FOR ECONOMIC OPERATORS - **EFFECTIVE 1 APRIL 2026**

EXCISE DUTY ACT – BUDGET MEASURES as published by Bill No 155 on October 28th, 2025 - AN ACT to implement Budget Measures for the Financial Year 2026 and other administrative measures..

This communication is issued for guidance purposes only and does not constitute legal advice. Economic operators are advised to consult the relevant legislative texts and, where necessary, seek independent legal or tax advice. For queries, please contact the Excise Duty Unit of the MTCA.

## 1. Purpose and Scope

This communication is addressed to all economic operators involved in the production, importation, refining, warehousing and distribution of petroleum oils, gases and related energy products subject to excise duty under the Excise Duty Act (Cap. 382). It covers all changes introduced by the Budget Measures Bill No 155 that affect energy product operators under Part D of the Sixth Schedule, as well as changes to excise duty rates applicable to certain petroleum products and the special treatment of specific petroleum grades.

All provisions enter into force on 1 April 2026.

## 2. Terminology Update

Throughout the Act and all Schedules, all references to ‘band’, ‘band or stamp’ and ‘excise duty bands’ are replaced with the uniform term ‘excise stamp’. Operators should update internal documentation accordingly.

## 3. Updated Definition – Authorised Tax Warehouse

The definition of ‘authorised tax warehouse’ has been updated to mean: a place where excisable goods are produced, processed, held, received or dispatched under duty suspension arrangements by an authorised tax warehouse keeper in the course of his business, subject to certain conditions laid down by the Commissioner. Operators should verify their approval documentation and premises descriptions remain consistent with this updated definition.

## 4. Excise Duty Rate Changes

### 4.1 Petroleum Products – Fifth Schedule

The following changes have been made to excise duty rates for petroleum and related products:

Product	Rate
Fuel oil falling under HS Code 27101962 with density 0.8200 to 0.8900 (classified as Gas Oil)	€330 per 1,000 litres

<b>Fuel Oil Reclassification</b>	<i>Fuel oil falling under HS Code 27101962 with a density of 0.8200 to 0.8900 is now to be considered as Gas Oil for the purposes of excise duty assessment. The applicable rate is €330 per 1,000 litres. Operators storing or dealing in this product must review their tariff classifications and duty accounting accordingly.</i>
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## 5. Monthly Statements and Payments (Part D, Regulations 12 and 16)

### 5.1 Revised Accounting Period

The accounting period for petroleum operators under Part D is now standardised at one (1) calendar month, aligned with Part A of the Sixth Schedule. The previous regime (which allowed quarterly or other periods) is abolished.

### 5.2 Statement Content – Production and Processing Warehouses

The authorised tax warehouse keeper must submit a monthly statement to the Commissioner within 15 days from the end of each accounting period. The first statement (production/processing) must include:

- Quantity in metric tons of crude oil or gas extracted or imported and introduced into the authorised tax warehouse, with date and origin of each entry
- Quantity in kilograms or litres of oils and other raw materials imported or obtained for processing, specifying type, density at 15°C, date and importing vessel
- Quantity of each type of oil and gas produced, specifying relative density at 15°C
- Quantity of oil and gas consumed by the warehouse keeper for heating or fueling machinery for the production process
- Quantity of each type sold, exported or otherwise delivered from the authorised tax warehouse
- Quantity of each type in stock at the authorised tax warehouse at the end of the period
- Balance of crude or other oils and materials still in stock at end of the period
- Amount of excise duty paid during the reporting period

### 5.3 Statement Content – Installations and Depots

A second monthly statement is required for installations and warehouse depots, containing:

- Quantity in kilograms or litres of all oil or gas introduced into the installation or warehouse, specifying type, date and importing vessel or other source
- Quantity of each type released from the installation or warehouse as sales, exports, bunkering fuel and other consignments, specifying the nature of each transaction
- Balance of each type of oil or gas in stock at end of the reporting period
- Amount of excise duty paid during the reporting period.

## 5.4 Payment of Duty

Excise duty due on petroleum oils or gases released for consumption from the authorised tax warehouse is remitted to the Commissioner as prescribed in Regulation 16(2) of Part A: within 15 days from the date of submission of the monthly statement.

## 5.5 Penalties for Late Statements and Late Payments

Offence / Trigger	Conviction Penalty	Penalty in lieu of Criminal Proceedings
Failure to submit statement within 15 days of end of accounting period	Up to €25,000 (if not submitted within 3 months)	€100 per month or part thereof from the 16th day until submission (max 3 months). If offender admits criminal offence: €2,000 + mandatory submission.
Failure to pay excise duty within 15 days of statement submission	Fine per Article 16 of the Act	€100 per month or part thereof from the 16th day until payment (max 3 months). If offender admits criminal offence: penalty per Article 16A of Act + mandatory payment.

## 6. Excise Stamps for Petroleum Products (Part D, Regulation 16A)

Certain petroleum products listed in Part B of the Fourth Schedule are subject to an excise stamp requirement. The following revised obligations and timelines apply to registered merchants and authorised tax warehouse keepers dealing in these products.

### 6.1 Purchase and Affixation Deadlines

<b>Purchase Deadline</b>	<i>Excise stamps must be purchased within 5 working days from the date of entry into Malta of the excisable goods (except where the authorised tax warehouse keeper is responsible for affixation).</i>
<b>Affixation Deadline</b>	<i>The excise stamp must be affixed to the goods within 5 working days from the date of purchase (except where the authorised tax warehouse keeper is responsible for affixation).</i>

## 6.2 Excise Stamp Penalties (Petroleum Products – Fourth Schedule Part B)

Offence / Trigger	Conviction Penalty	Penalty in lieu of Criminal Proceedings
Registered merchant fails to purchase excise stamp within 5 working days of entry into Malta	€150 fine + forfeiture of goods	€100 + forfeiture of goods
Registered merchant fails to affix excise stamp within 5 working days of purchase	€200 fine + forfeiture of unaffixed stamps and goods	€150 + forfeiture of unaffixed stamps and goods
Authorised tax warehouse keeper removes products from warehouse without stamp affixed	€300 fine + forfeiture of stamps that should have been affixed + forfeiture of goods	€250 + forfeiture of stamps + forfeiture of goods
Any person (other than authorised) found in possession of excise stamps	€300 fine + forfeiture of stamps + forfeiture of goods	€250 + forfeiture of stamps + forfeiture of goods

## 7. Release of Petroleum Products

### 7.1 Release on Proof of Payment (New Regulation 16B)

A new Regulation 16B has been inserted into Part D. The provisions of Regulations 13A and 13B of Part A apply mutatis mutandis, limited to the products listed in Part B of the Fourth Schedule. This means the Commissioner shall release withheld petroleum products where satisfied that all excise duty, import duty and any other taxes due were paid prior to the initial inspection. Any quantity released must comply with all applicable legal requirements.

### 7.2 Goods Withheld for Non-Compliance

Any quantity of products covered by Part B of the Fourth Schedule found in the possession of any person in contravention of the applicable regulations shall be withheld and the provisions of Article 27 et seq. of the Act shall apply. Any excise stamp not affixed within the prescribed time found in contravention of the regulations shall also be withheld.

## 8. Part G – Other Excisable Goods (Including Energy-Related Goods)

Part G of the Sixth Schedule has also been amended to align with the new monthly accounting period. The accounting period and submission of the statement are now prescribed in accordance with Regulation 12 of Part A of the Sixth Schedule. The following penalty provisions also now apply to Part G operators:

- Late statement penalty: €100 per month or part thereof until submitted (max 3 months); criminal offence after 3 months: up to €25,000; Penalty in lieu of Criminal Proceedings: €2,000 where offender admits.
- Late payment penalty: €100 per month or part thereof until paid (max 3 months); criminal offence: fine per Article 16 of the Act; Penalty in lieu of Criminal Proceedings: per Article 16A where offender admits.

## 9. Action Required

- Update reporting calendars immediately: monthly statements are now required within 15 days of the end of each calendar month.
- Review the new fuel oil reclassification: HS Code 27101962 with density 0.8200–0.8900 is now treated as Gas Oil at €330 per 1,000 litres.
- Review the zero-rate entries for inland navigation and electric power generation and verify they apply to your operations.
- Ensure duty payments are made within 15 days of each monthly statement submission.
- Registered merchants: verify excise stamp purchase and affixation procedures comply with the new 5-working-day timelines.
- Review the updated ‘authorised tax warehouse’ definition and confirm premises and approvals documentation remains consistent.



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