TAX & CUSTOMS ADMINISTRATION

MALTA

OVERVIEW OF RECENTLY PUBLISHED LEGAL NOTICES

January to June 2026

The purpose of this memo is to give a brief overview of subsidiary legislation issued under the Income Tax Acts and Duty on Documents and Transfers Act between January and June 2026.

TAX & CUSTOMS ADMINISTRATION MALTA

LN 20/2026	Tax Treatment of Highly Skilled Individuals Rules, 2026
LN 25/2026	Tax Exemption (Construction Waste Recycling) (2020-2025) (Amendment) Rules, 2026
LN 48/2026	European Union Global Minimum Level of Taxation for Multinational Enterprise Groups and Large-Scale Domestic Groups (Amendment) Regulations, 2026
LN 52/2026 LN 53/2026	Tax Rebate (Pensioners) (Amendment) Rules, 2026 Pensions (Tax Exemption) (Amendment) Rules, 2026
LN 98/2026 LN 174/2026	Double Taxation Relief on Taxes on Income with the Republic of San Marino (Amendment) Order, 2026 Double Taxation Relief on Taxes on Income with the Republic of San Marino (Amendment) Order, 2026 - Commencement Notice
LN 156/2026 LN 158/2026	Capital Gains (Amendment) Rules, 2026 Duty on Documents and Transfers (Amendment) Rules, 2026

Tax Treatment of Highly Skilled Individuals Rules, 2026 (LN 20/2026)

These rules consolidate the existing rules, namely the Highly Qualified Persons Rules (S.L. 123.126), Qualifying Employment in Innovation and Creativity (Personal Tax) Rules (S.L. 123.141), Qualifying Employment in Aviation (Personal Tax) Rules (S.L. 123.168), Qualifying Employment in Maritime Activities and the Servicing of Offshore Oil and Gas Industry Activities (Personal Tax) Rules (S.L. 123.182), and the Senior Employees of Family Offices, Back Offices, and Treasury Management Operations Tax Rules (S.L. 123.218).

Under these rules, which come into effect from 1 January 2026, qualifying individuals may exercise the option available under article 56(21) of the Income Tax Act and be taxed at the rate of 15% on emoluments payable not exceeding €7 million. Any emoluments above this threshold would be taxed at the highest applicable tax rate bracket of 35%. The benefits under these rules apply for an initial period of five years, with the possibility of two further five-year extensions, although no benefits may apply to income earned after 31 December 2040.

Kindly also refer to the guidelines on MTCA's website Guidelines in Relation to the Tax Treatment of Highly Skilled Individual Rules which provides further guidance in relation to the application of the rules.

Tax Exemption (Construction Waste Recycling) (2020-2025) (Amendment) Rules, 2026 (LN 25/2026)

The Tax Exemption (Construction Waste Recycling) (2020-2025) Rules (S.L. 123.197) grant a partial exemption from tax on income derived by quarry owners who accept construction and demolition material in their quarry. The rules apply as long as the fee that is charged by the quarry owner does not exceed €12, net of value added tax, per tonne.

LN 25/2026 extends this tax exemption up to basis year 2026.

European Union Global Minimum Level of Taxation for Multinational Enterprise Groups and Large-Scale Domestic Groups (Amendment) Regulations, 2026 (LN 48/2026)

By virtue of LN 48/2026 constituent entities located in Malta that are members of an MNE group are also exempted from the notification obligation referred to in regulation 5(4) of S.L. 123.212. Such exemption applies from the first year in which the MNE Group was obliged to file a Top-up Tax Information Return.

Tax Rebate (Pensioners) (Amendment) Rules, 2026 and Pensions (Tax Exemption) (Amendment) Rules, 2026 (LN 52 & 53/2026)

Under the 2026 amendments, the exemption on qualifying pension income derived by an individual who is at least 61 years old has been increased to 100% with effect from basis year 2026, subject to a maximum annual exemption of €37,104. In view of this increase in the pension exemption, the tax rebates on pension income that were previously applicable up till basis year 2025, have been removed since these are no longer required. However, the further rebate that was available for married persons opting for a joint computation has been retained and transferred to the Pensions (Tax Exemption) Rules.

Where an individual receives more than one pension, the exemption applies to the total combined pension income. Any pension income exceeding €37,104 is taxable at the applicable rates. Pension income that is exempt is excluded from the tax computation such that whilst other sources of income remain taxable, the zero-rate tax bracket will start to apply with respect to such other sources of income.

Double Taxation Relief on Taxes on Income with the Republic of San Marino (Amendment) Order, 2026 and Commencement Notice (LN 98 & 174/2026)

LN 98/2026 amends the wording in Article 24(2) of the double taxation agreement with San Marino in order to bring this in line with the BEPS minimum standard and with Article 25(2) of the 2017 OECD Model Tax Convention. This amendment has come into force on 22 April 2026.

Capital Gains (Amendment) Rules, 2026 and Duty on Documents and Transfers (Amendment) Rules, 2026 (LN 156 & 158/2026)

This amendment to the Capital Gains Rules (S.L. 123.27) and Duty on Documents and Transfers Rules (S.L. 364.06) establishes the requirement of the submission of a site plan issued by the Land Registry in instances where there is a transfer of shares in a company holding an immovable property, and a Perit's valuation to determine the real value of the immovable property is required.

TAX & CUSTOMS
ADMINISTRATION

MALTA

T 153 (Citizens / Ċittadini) **T** 144 (Business / Negozji) **E** servizz@gov.mt mtca.gov.mt