

## Enhancements to Malta's VAT and Gaming Tax Frameworks for the Gaming Sector

### Press Release:

With reference to Legal Notices 84 and 86 of 2026 that were published on 01 April 2026, the Malta Tax and Customs Administration (MTCA) and the Malta Gaming Authority (MGA) wish to inform stakeholders within the gaming sector of forthcoming enhancements to the Value Added Tax (VAT) and gaming tax frameworks under Maltese law. These changes will enter into force on **1 October 2026**.

These reforms respond directly to feedback received through ongoing engagement with the gaming industry, and form part of the Government of Malta's broader commitment to safeguard the long-term sustainability, competitiveness and regulatory certainty of Malta's gaming industry, as announced in the 2026 Budget.

They deliver a clearer and more predictable tax framework for operators, while reinforcing Malta's competitiveness and long-term attractiveness as a leading gaming jurisdiction.

Following extensive consultation with industry stakeholders and a comprehensive assessment of the existing VAT treatment of gaming services, Malta is proceeding with targeted amendments to the VAT Act (Cap. 406 of the Laws of Malta), with the MTCA issuing relevant supporting Guidelines to establish a reliable VAT framework for the sector.

The scope of the VAT exemption for the supplies of gambling will be clarified, particularly in relation to sports betting and certain casino offerings, alongside guidance on how the place-of-supply rules apply for such offerings. This ensures that the principle of taxation at the place of consumption is adequately reflected. The delimitation of the exemption on such services will lead to a natural right of recovery of eligible input VAT costs, providing for a fair and simple mechanism for the protection of the neutrality of VAT for gaming operators.

In parallel, the MGA is amending the gaming tax framework under the Gaming Tax Regulations (Subsidiary Legislation 583.10) issued under the Gaming Act (Cap. 583 of the Laws of Malta) to complement the new VAT rules.

The main changes include:

- simplified and equitable gaming tax rates for both land-based and online operators when offering qualifying gaming activities to players present in Malta; and
- consolidation of the existing gaming tax and gaming device levy into a single, streamlined gaming tax structure classified according to game type and mode of offer.

This reconfiguration of the gaming tax framework is specifically designed to ensure a well-balanced overall impact on Malta's gaming services sector, and shall apply exclusively to gaming services provided within the territory of Malta.

These changes will take effect from 1 October 2026, providing stakeholders with adequate lead time to plan, adapt and align their operations accordingly.

Taken together, these coordinated reforms represent a measured and forward-looking policy response that strengthens Malta's fiscal resilience, regulatory clarity and international standing as a leading gaming jurisdiction. They provide operators with greater certainty and efficiency, while ensuring Malta remains a stable and competitive base for gaming businesses.

Further guidance will be issued in due course by the MTCA and the MGA, as applicable, to support implementation and ensure clarity for all affected stakeholders.