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Malta Enhances its Residence Programmes

Malta has recently enhanced its immigration and tax laws relating to the taking up of residence in Malta. This development has been driven, namely, by the introduction of the Highly Skilled Individual Rules and by the introduction of the Digital Nomads Residence permits. These, together with Malta's membership in the EU and other well-established programmes in Malta, continue to strengthen Malta's robust framework towards attracting skilled individuals to Malta.

1. The Highly Skilled Individual Regulations (HSI Rules)

- Applicable as from 1 January 2026, the HSI Rules aim to attract to Malta specialised professionals in sectors where local expertise is limited, such as financial services, family offices, gaming, aviation, digital creative services, maritime activities, offshore oil & gas servicing, and assisted reproductive technology.
- Eligible professionals who hold a qualifying employment contract with an entity licensed or authorised by the relevant competent Maltese Authorities and who earn emoluments of at least €65,000 annually (excluding fringe benefits) from an eligible office may benefit from a 15% flat tax rate on qualifying employment income.
- The €65,000 minimum threshold shall increase by €10,000 every five years.
- The HSI Rules provide an exhaustive list of what constitutes Eligible Employment and Office.



2. The Nomad Residence Permit (NRP)

- Malta's NRP offers third country nationals the flexibility to live in Malta while performing remote work for employers, businesses or clients established outside of Malta.
- With fast track residence for applicants and their families, a one-year tax exemption and a flat 10% tax rate on authorised work (subject to any relief of double taxation) for the second and following years, the programme provides a streamlined, attractive solution for globally mobile professionals seeking a secure EU base.
- This permit is issued for a validity period of one year and can be renewed up to three times on an annual basis to cover a total stay of 4 years.
- Employers of individuals who obtain a NRP are also exempted from various Malta tax obligations under this programme.



The HSI Rules and NRP, paired with other well-established mechanisms applicable to foreigners immigrating to Malta continues to improve Malta's attractive profile for individuals looking to relocate. Among these mechanisms, and perhaps one of the most prominent, is the Remittance Basis of Taxation. Under this system, generally, persons who are not domiciled but are resident in Malta are subject to income tax in Malta (at progressive rates ranging from 0% to 35%) solely on (1) income arising in Malta, (2) income that is remitted or received in Malta, and (3) on certain capital gains arising in Malta. That said, a minimum income tax of €5,000 applies to individuals earning over €35,000 outside of Malta and which is not remitted to Malta.

Other programmes relevant to individuals looking to relocate to Malta are:

1. The Residence Programme Rules & the Global Residence Programme:

Subject to the satisfaction of certain conditions, these programmes offer non-Maltese nationals an attractive special tax rate of 15% on any income arising outside Malta which is remitted to, and/or received in Malta, subject to a minimum annual tax of €15,000.

2. The Malta Retirement Programme Rules Malta:

Subject to the satisfaction of certain conditions, foreign pensioners who take up residence in Malta under a special pension based tax programme, applying a flat 15% tax rate on foreign sourced pension income remitted to, and/or received in Malta (albeit a minimum income tax of €7,500 and €500 per dependent and household staff applies);

3. The Malta Permanent Residence Programme Regulations:

Subject to the satisfaction of certain conditions, this programme offers beneficiaries the right to settle, stay, reside permanently in Malta, and visa-free travel across the Schengen area (90 out of 180 days). This programme is available to non-EU, non-EEA and non-Swiss nationals, and requires a certain value of capital assets held worldwide.

Our team can assist clients who are interested in relocating to Malta with navigating and benefitting from Malta's available programmes, as summarised above.



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