

MALTA

ATT Nru. XXXI ta' l-1988

ACT No. XXXI of 1988

ATT mahruġ b'ligi mill-Parlament ta' Malta.

AN ACT enacted by the Parliament of Malta.

ATT biex ikompli jemenda l-Att ta' l-1948 dwar it-Taxxa fuq l-*Income*.

AN ACT further to amend the *Income Tax Act, 1948*

Naghti l-kunsens tiegħi.

(L.S.)

PAUL XUEREB
Aġent President

18 ta' Novembru 1988

ATT Nru. XXXI ta' l-1988

ATT biex ikompli jemenda l-Att ta' l-1948 dwar it-Taxxa fuq l-Income.

IL-PRESIDENT, bil-parir u l-kunsens tal-Kamra tad-Deputati, imlaqqgħa f'dan il-Parlament, u bl-awtorità ta' l-istess, hareġ b'ligi dan li ġej:—

1. (1) Dan l-Att jista' jissejjah l-Att ta' l-1988 li jemenda l-Att dwar it-Taxxa fuq *l-Income*, u għandu jinqara u jiftiehem haġa waħda ma' l-Att ta' l-1948 dwar it-Taxxa fuq *l-Income*, hawnhekk iżjed 'il quddiem imsejjah "l-Att prinċipali".

Titolu fil-qosor
u bidu fis-sehh.
Att Nru. LIV
ta' l-1948.

(2) Id-dispożizzjonijiet ta' dan l-Att għandhom jibdew isehhu kif ġej:

(a) id-dispożizzjonijiet ta' dan l-artikolu u ta' l-artikoli 3 u ta' l-artikoli 7 sa 11 għandhom jibdew isehhu hekk kif dan l-Att jiġi ppublikat fil-Gazzetta; u

(b) id-dispożizzjonijiet ta' l-artikolu 2 u ta' l-artikoli 4 sa 6 għandhom jibdew isehhu mill-ewwel ta' Jannar, 1989, dwar is-sena ta' stima li tibda f'dik id-data u dwar is-snin ta' stima ta' wara.

2. Minnufih wara l-proviso li hemm għas-subartikolu (1) ta' l-artikolu 5 ta' l-Att prinċipali, għandu jiżdied dan il-proviso li ġej:

Emenda ta'
l-artikolu 5 ta'
l-Att prinċipali.

“Izda wkoll, fil-każ ta' xi persuna li tkun qegħda tiġi ntaxxata bir-rata ta' 15-il ċentenżmu fil-lira kif stipulat fis-subartikolu (5) ta' l-artikolu 25 ta' dan l-Att, it-taxxa għandha tithallas fuq kull *income* li jorigina f'Malta u fuq kull ammont ta' *income* li jorigina barra minn Malta u li jiġi riċevut f'Malta.”.

Emenda ta' l-artikolu 5A ta' l-Att prinċipali.

3. Minflok is-subartikolu (5) ta' l-artikolu 5A ta' l-Att prinċipali, għandu jidhol dan li ġej:

“(5) Id-dispożizzjonijiet li jinsabu fil-paragrafu (a) tas-subartikolu (1) ta' dan l-artikolu ma għandhomx japplikaw għall-*income* ta' xi korp ta' nies li jinqala' minn attivitajiet li għandhom x'jaqsmu ma' jew li huma anċillari għat-tiftix ta' żejt, għal xogħol bankarju, xandir bis-smiegh jew bit-televiżjoni, kiri ta' films jew xogħol ta' assigurazzjoni (barra minn kummissjonijiet li jinqalghu mill-bejgħ ta' assigurazzjoni minn korpijiet ta' nies li jirrisjedu f'Malta).”.

Emenda ta' l-artikolu 8 ta' l-Att prinċipali.

4. Is-subartikolu (1) ta' l-artikolu 8 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok il-paragrafu (ċ) tiegħu għandu jidhol dan li ġej:

“(ċ) l-imghax li jkun dovut lil xi persuna li ma tkunx residenti fil-Gżira fuq xi depożitu miżmum f'bank f'Malta:

Izda l-eżenzjoni taht dan il-paragrafu ma tapplikax —

(i) dwar xi sena li fiha l-imsemmija persuna li tkun taħdem f'sengħa jew negozju f'Malta permezz ta' stabbiliment permanenti sitwat hemmhekk;

(ii) kemm-il darba l-Kummissarju ma jkunx sodisfatt li l-persuna li lilha l-imghax kien dovut tkun is-sid benfċjarja tiegħu;” u

(b) minflok il-paragrafu (m) tiegħu għandu jidhol dan li ġej:

“(m) l-imghax li, kieku ma kienx għad-dispożizzjonijiet ta' dan il-paragrafu, kien ikun inkluż fl-*income* totali ta' individwu, imhallas fis-sena minnufih qabel xi sena ta' stima minn xi Bank lokalment registrat dwar kull depożitu fiss fl-isem ta' dak l-individwu jew fl-isem ta' kull persuna oħra li dwarha dak l-individwu jkollu dritt għal tnaqqis personali skond il-paragrafi (a) u (b) tas-subartikolu (1) ta' l-artikolu 22 ta' dan l-Att, iżda meta f'xi sena bhal din l-imghax imhallas kif intqal qabel dwar dak l-individwu jew dik il-persuna l-oħra jeċċedi tmintax-il lira Maltija, id-dispożizzjonijiet ta' dan il-paragrafu ma jgħoddux għall-ammont ta' l-eċċess;”.

Emenda ta' l-artikolu 22 ta' l-Att prinċipali.

5. L-artikolu 22 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) Minnufih wara l-paragrafu (a) tas-subartikolu (1) tiegħu għandhom jidhlu dawn il-provisos:

“Izda bla hsara għad-dispożizzjonijiet tal-paragrafu (a) tas-subartikolu (1) ta' l-artikolu 25 ta' dan l-Att, dak l-individwu għandu jkollu tnaqqis iehor ta' mitt lira Maltija fejn kemm hu kif ukoll martu jkunu jiksbu *income* li jkun sugġett

ghat-taxxa skond il-paragrafu (a) jew (b) tas-subartikolu (1) ta' l-artikolu 5 ta' dan l-Att:

Iżda wkoll meta l-*income* tal-mara jkun inqas minn mitt lira Maltija, dak it-tnaqqis iehor ghandu jkun ristrett ghal ammont li jkun daqs l-*income* tal-mara;”;

(b) minflok il-proviso li hemm ghall-paragrafu (a) tas-subartikolu (4) tieghu ghandu jidhol dan li ġej:

“Iżda, bla hsara ghad-dispożizzjonijiet li hemm fil-paragrafu li jahbat sew sew wara dan, ebda tnaqqis bhal dan ma jkun permess —

(i) jekk l-individwu kien domiciljat f'Malta jew ordinarjament residenti f'Malta qabel l-ewwel ġurnata ta' Jannar, 1958; jew

(ii) jekk it-taxxa fuq l-*income* taxxabli ta' l-individwu tiġi ntaxxata bir-rata stipulata fil-paragrafu (b) tas-subartikolu (4) ta' l-artikolu 25 ta' dan l-Att.”.

6. L-artikolu 25 ta' l-Att prinċipali ghandu jiġi emendat kif ġej:

Emenda ta' l-artikolu 25 ta' l-Att prinċipali.

(a) mal-paragrafu (a) tas-subartikolu (1) tieghu, ghandu jżidded dan il-proviso ġdid li ġej:

“Iżda fil-każ ta' individwu li jkun intitolat ghal tnaqqis iehor ta' mitt lira Maltija jew ta' xi ammont iehor inqas, kif ikun il-każ, skond id-dispożizzjonijiet ta' l-ewwel u t-tieni provisos li hemm ghall-paragrafu (a) tas-subartikolu (1) ta' l-artikolu 22 ta' dan l-Att, l-ikbar ammont ta' taxxa li jista' jitnaqqas b'konsegwenza ta' dak it-tnaqqis iehor ma ghandux jeċċedi l-erbghin lira Maltija;”;

(b) minflok is-subartikolu (4) tieghu ghandu jidhol dan li ġej:

“(4) Minkejja d-dispożizzjonijiet tas-subartikolu (1) ta' dan l-artikolu, it-taxxa fuq l-*income* taxxabli ta' kull individwu li jkun inghata permess ghal residenza taht l-artikolu 7 ta' l-Att ta' l-1970 dwar l-Immigrazzjoni —

(a) fl-erbatax jew wara l-erbatax ta' Novembru, 1972, iżda qabel l-ewwel ta' Jannar, 1988, ghandha tiġi ntaxxata bir-rati li ġejjin:

(i) fil-każ ta' dak l-individwu li jkun intitolat ghal tnaqqis taht il-paragrafu (a) tas-subartikolu (1) ta' l-artikolu 22 ta' dan l-Att ghall-istess sena ta' stima —

Ghal kull Lm fuq l-ewwel Lm100	10c
Ghal kull Lm fuq il-Lm200 ta' wara	15c
Ghal kull Lm fuq il-Lm200 ta' wara	20c
Ghal kull Lm fuq l-Lm400 ta' wara	22c
Ghal kull Lm fuq is-Lm700 ta' wara	25c
Ghal kull Lm mill-bqija	30c

(ii) fil-każ ta' kull individwu iehor bhal dak —

Ghal kull Lm fuq l-ewwel Lm100	5c
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Għal kull Lm fuq il-Lm100 ta' wara	8c
Għal kull Lm fuq l-Lm400 ta' wara	15c
Għal kull Lm fuq il-Lm500 ta' wara	20c
Għal kull Lm fuq is-Lm700 ta' wara	25c
Għal kull Lm mill-bqija	30c

Iżda l-inqas taxxa li għandha tithallas taht dan il-paragrafu minn xi individwu bħal dak dwar xi sena ta' stima tkun ta' elf lira Maltija;

(b) fl-ewwel jew wara l-ewwel ta' Jannar, 1988, għandha tiġi ntaxxata:

(i) fil-każ ta' *income* barra minn *income* imsemmi fis-subparagrafu (ii) ta' dan il-paragrafu, bir-rata ta' 15c fuq kull Lm ta' *l-income* taxxabli:

Iżda l-inqas taxxa li għandha tithallas taht dan is-subparagrafu minn xi individwu bħal dak dwar xi sena ta' stima għandha tkun, wara li jiġi kkunsidrat xi helsien minn taxxa doppja li dak l-individwu jista' jkun intitolat għalih, ta' elf lira Maltija;

(ii) fil-każ ta' *income* derivat minn Malta u taxxabli taht il-paragrafi (a) u (b) tas-subartikolu (1) ta' l-artikolu 5 ta' dan l-Att, bħala *income* taxxabli separat bir-rati msemmija fis-subartikolu (1) ta' dan l-artikolu, mingħajr tnaqqis persunali.”;

(c) minnufih wara s-subartikolu (4) tiegħu għandu jidhol dan is-subartikolu ġdid li ġej:

“(5)(a)(i) It-taxxa fuq *l-income* taxxabli ta' kull individwu mwieled f'Malta li, wara li jkun emigra jkun irritorna bħala resident f'Malta wara l-ewwel ta' Jannar, 1988, għandha tiġi ntaxxata bir-rati msemmija fis-subartikolu (1) ta' dan l-artikolu, jew jekk hekk jagħżel, u sakemm dik l-għażla ma tiġix rinunzjata minnu, b'rata ta' 15c fuq kull Lm fuq *l-income* tiegħu taxxabli barra minn *income* imsemmi fis-subparagrafu (ii) ta' dan il-paragrafu. L-għażla msemmija ma għandhiex terġa' tintuża għaladarba tkun ġiet rinunzjata:

Iżda d-dispożizzjonijiet ta' dan is-subartikolu għandhom japplikaw biss meta individwu bħal dak jipprova għas-sodisfazzjon tal-Kummissarju illi jew:

(a) fil-każ fejn kien attwalment jirrisjedi barra minn Malta għal perjodu totali ta' għoxrin sena li jiġu fi żmien perjodu ta' hamsa w għoxrin sena li jiġu qabel l-ewwel jum tas-sena ta' stima li fiha l-individwu jirritorna bħala residenti f'Malta wara l-ewwel jum ta' Jannar, 1988, ikun irċeva f'Malta għal darba wahda jew iktar drabi matul is-sena li tiġi minnufih qabel is-sena ta' stima ammont ta' *income* ta' mhux anqas minn sitt elef lira

Maltija li joriġina minn barra mill-Gżira u li jkun taxxabli skond id-dispożizzjonijiet ta' dan l-Att, b'dan illi fil-każ ta' persuna miżżewġa l-ammont ta' *income* imsemmi ta' sitt elef lira Maltija għandu jiżdied b'elf lira Maltija dwar kull qarib dipendenti inkluża l-mara; jew

(b) fejn ma jkunx ta' nazzjonalità Maltija u ma jkunx jissodisfa l-perjodu ta' residenza barra minn Malta imsemmi fil-paragrafu (a) ta' dan il-proviso, ikun jissodisfa kundizzjonijiet bħal dawk stabbiliti mill-Ministru responsabbli għall-immigrazzjoni taht l-artikolu 7 ta' l-Att ta' l-1970 dwar l-Immigrazzjoni, għall-hruġ ta' permess għal residenza skond ma jkun jeżisti filwaqt tarritorn ta' dak l-individwu f'Malta:

Iżda wkoll l-inqas taxxa li għandha tithallas minn kull individwu bħal dak għal kull sena ta' stima li fiha l-individwu jagħzel li jhallas bir-rata ta' 15c fuq kull Lm għandha tkun, wara li jiġi kkunsidrat xi helsien minn taxxa doppja li dak l-individwu jista' jkun intitolat għalih, ta' elf lira Maltija.

(ii) Fil-każ ta' *income* derivat minn Malta u taxxabli taht il-paragrafi (a) u (b) tas-subartikolu (1) ta' l-artikolu 5 ta' dan l-Att, dak l-*income* jitqies li jikkostitwixxi *income* taxxabli li għandu jiġi taxxat separatament bir-rati msemmija fis-subartikolu (1) ta' dan l-artikolu mingħajr tnaqqis personali.

(b) Fil-każ tal-mewt ta' xi individwu li hu intaxxat bir-rata ta' 15c fil-Lm taht id-dispożizzjonijiet tal-paragrafu (a) tal-proviso għas-subparagrafu (i) tal-paragrafu (a) ta' dan is-subartikolu, l-armla tkun intitolata li tagħzel li tiġi intaxxata bl-istess mod u taht l-istess kundizzjonijiet bħall-mejjet żewġha u, sakemm dik l-għażla ma tiġix rinunzjata minnha, hi tkun ikkunsidrata li ssodisfat hi stess il-perjodu ta' assenza minn Malta li jikkwalifikaha hemm stipulat.”; u

(d) minflok is-subartikolu (12) tiegħu, għandu jidhol dan li ġej:

“(12) Minkejja d-dispożizzjonijiet l-oħra ta' dan l-artikolu, iżda bla hsara tad-dispożizzjonijiet tas-subartikolu (6), il-Ministru responsabbli għall-finanzi jista' jordna b'avviż ippubblikat fil-Gazzetta, li għal pratticità u ekonomija:

(a) fil-każ ta' likwidazzjonijiet għal taxxa li ma tkunx iżjed mill-ammont speċifikat fl-imsemmi avviż, ma ssirx il-likwidazzjoni; u

(b) biex jiffissa l-*income* taxxabli ta' kull persuna u l-ammont ta' taxxa li għandha tithallas u anke biex ipaċi xi ammonti ta' taxxa diġà mħallsa, il-Kummissarju jista' jżid jew inaqqas kull ammont għad-dritt lejn l-eqreb lira Maltija.”.

Emenda ta' l-artikolu 37 ta' l-Att prinċipali.

7. Minflok is-subartikolu (2) ta' l-artikolu 37 ta' l-Att prinċipali, ghandu jidhol dan li ġej:

“Meta persuna sugġetta ghat-taxxa ma tkunx irċeviet l-avviż imsemmi fis-subartikolu (1) ta' dan l-artikolu dwar xi sena ta' stima li ghalha tkun hekk taxxabli, ikun dmir ta' dik il-persuna li tgharraf lill-Kummissarju illi hija hekk taxxabli u li taghti prospett ta' l-*income* skond is-subartikolu (1) ta' dan l-artikolu mhux iktar tard mit-30 ta' Settembru, 1989 dwar is-sena ta' stima 1989 jew snin ta' stima ta' qabel, u dwar is-snin ta' stima wara s-sena ta' stima 1989 li tgharraf lill-Kummissarju illi hija hekk taxxabli mhux iktar tard mill-31 ta' Marzu, u li taghti prospett ta' l-*income* mhux iktar tard mit-30 ta' Settembru tas-sena ta' stima relattiva.”.

Emenda ta' l-artikolu 37A ta' l-Att prinċipali.

8. Fis-subartikolu (2) ta' l-artikolu 37A ta' l-Att prinċipali minflok il-kliem “ta' dik is-sena:” ghandhom jidhlu l-kliem “ta' dik is-sena u li taghti prospett skond is-subartikolu (1) ta' dan l-artikolu mhux iktar tard mit-30 ta' Settembru ta' dik is-sena:”.

Emenda ta' l-artikolu 57 ta' l-Att prinċipali.

9. Minflok il-proviso li hemm ghas-subartikolu (1) ta' l-artikolu 57 ta' l-Att prinċipali, ghandu jidhol dan li ġej:

“Izda ebda appell bhal dak ma jista' jsir validament minn xi stima jekk qabel ma jithallasx l-ammont tat-taxxa li dwaru ma jkunx hemm kwistjoni.”.

Emenda ta' l-artikolu 62 ta' l-Att prinċipali.

10. L-artikolu 62 ta' l-Att prinċipali ghandu jiġi emendat kif ġej:

(a) minflok il-proviso ghas-subartikolu (2) tiegħu ghandu jidhol dan li ġej:

“Izda d-dispożizzjonijiet ta' dan is-subartikolu ma ghandhomx japplikaw għall-*income* ta' xi korp ta' nies li jinqala' minn attivitajiet li ghandhom x'jaqsmu ma' jew li huma anċillari għal xogħol bankarju, xandir bis-smiegh jew bit-televiżjoni, kiri ta' films jew xogħol ta' sigurtà (barra minn kummissjonijiet li jinqalghu mill-bejgħ ta' sigurtà minn korpijiet ta' nies li jirresjedu f'Malta) għar-rigward tar-responsabbiltà ta' dak il-korp ta' nies għal xi sena ta' stima qabel is-sena ta' stima 1990.”;

(b) minflok il-proviso għall-paragrafu (b) tas-subartikolu (3) tiegħu ghandu jidhol dan li ġej:

“Izda d-dispożizzjonijiet ta' dan il-paragrafu ma japplikawx għall-*income* ta' xi korp ta' nies imsemmi fil-proviso tas-subartikolu (2) ta' dan l-artikolu għal xi sena ta' stima qabel is-sena ta' stima 1989.”;

(c) minflok il-paragrafu (a) tas-subartikolu (5) tiegħu ghandu jidhol dan li ġej:

“(a) Kull persuna li tikser jew li tonqos li thares id-dispożizzjonijiet ta' dan l-artikolu jew ta' xi regoli magħmula

bis-sahha tieghu tehel meta tinsab hatja multa ta' mhux inqas minn Lm50 u mhux izjed minn Lm500 u multa ohra ta' mhux inqas minn Lm5 izda mhux izjed minn Lm50 ghal kull ġurnata li matulha jkompli r-reat;" u

(d) il-proviso li hemm għall-paragrafu (a) u l-paragrafi (ċ), (d), (e), (f), (g) u (h) tas-subartikolu (5) tieghu għandhom jithassru.

11. Fil-paragrafu (b) tas-subartikolu (1) ta' l-artikolu 63 ta' l-Att prinċipali minflok il-kliem "tletin jum" għandhom jidhlu l-kliem "hmistax-il jum".

Emenda ta' l-artikolu 63 ta' l-Att prinċipali.

Mghoddi mill-Kamra tad-Deputati fis-Seduta Nru. 164 tad-9 ta' Novembru, 1988.

LAWRENCE GONZI
Speaker

P. MUSCAT TERRIBILE
Skrivan tal-Kamra tad-Deputati

I assent.

(L.S.)

PAUL XUEREB
Acting President

18th November 1988

ACT No. XXXI of 1988

AN ACT further to amend the Income Tax Act, 1948

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:—

Short title and commencement.

Act No. LIV of 1948.

1. (1) This Act may be cited as the Income Tax (Amendment) Act, 1988 and shall be read and construed as one with the Income Tax Act, 1948, hereinafter referred to as “the principal Act”.

(2) The provisions of this Act shall come into force as follows:

(a) the provisions of this section and of section 3 and of sections 7 to 11 shall come into force upon the publication of this Act in the Gazette; and

(b) the provisions of section 2 and of sections 4 to 6 shall come into force as from the 1st January, 1989, in respect of the year of assessment commencing on that date and of subsequent years of assessment.

Amendment of section 5 of the principal Act.

2. Immediately after the proviso to subsection (1) of section 5 of the principal Act, there shall be added the following proviso:

“Provided further that in the case of any person who is charged to tax at the rate of 15 cents in the Lm as laid down in subsection (5) of section 25 of this Act, the tax shall be payable only on any income arising in Malta and on any amount of income arising outside Malta and received in Malta.”.

3. For subsection (5) of section 5A of the principal Act, there shall be substituted the following: Amendment of section 5A of the principal Act.

“(5) The provisions contained in paragraph (a) of subsection (1) of this section shall not apply to the income of any body of persons arising from activities relating or ancillary to oil-prospecting, banking, sound or television broadcasting, film renting or insurance (excluding commissions derived from the sale of insurance by bodies of persons residing in Malta).”.

4. Subsection (1) of section 8 of the principal Act shall be amended as follows: Amendment of section 8 of the principal Act.

(a) for paragraph (c) thereof there shall be substituted the following:

“(c) the interest accruing to any person who is not resident in the Island on any deposit held in a bank in Malta:

Provided that the exemption under this paragraph shall not apply —

(i) in respect of any year in which the said person is engaged in trade or business in Malta through a permanent establishment situated therein;

(ii) unless the Commissioner is satisfied that the person to whom the interest accrues is the beneficial owner thereof;” and

(b) for paragraph (m) thereof there shall be substituted the following:

“(m) the interest which, but for the provisions of this paragraph, would be included in the total income of an individual, paid in the year immediately preceding any year of assessment by any locally registered Bank in respect of every fixed deposit in the name of such individual or in the name of any other person in respect of whom such individual is entitled to a personal deduction under paragraphs (a) and (b) of subsection (1) of section 22 of this Act, provided that where in any such year the interest paid as aforesaid in relation to such individual or to such other person exceeds eighteen Maltese liri, the provisions of this paragraph shall not apply to the amount of the excess;”.

5. Section 22 of the principal Act shall be amended as follows: Amendment of section 22 of the principal Act.

(a) immediately after paragraph (a) of subsection (1) thereof there shall be added the following provisos:

“Provided that subject to the provisions of paragraph (a) of subsection (1) of section 25 of this Act, such individual shall be allowed a further deduction of one hundred Maltese

liri where both he and his wife derive income subject to tax under paragraph (a) or (b) of subsection (1) of section 5 of this Act:

Provided further that where the wife's income is less than one hundred Maltese liri, such further deduction shall be restricted to an amount equal to the wife's income;"

(b) for the proviso to paragraph (a) of subsection (4) thereof there shall be substituted the following:

"Provided that, subject to the provisions in the next following paragraph, no such deduction shall be allowed —

(i) if the individual was domiciled in Malta or ordinarily resident in Malta before the first day of January, 1958; or

(ii) if the tax upon the chargeable income of the individual is charged at the rate stipulated in paragraph (b) of subsection (4) of section 25 of this Act."

Amendment of section 25 of the principal Act.

6. Section 25 of the principal Act shall be amended as follows:

(a) to paragraph (a) of subsection (1) thereof there shall be added the following new proviso:

"Provided that in the case of an individual entitled to a further deduction of one hundred Maltese liri or any lesser amount, as the case may be, under the provisions of the first and second proviso to paragraph (a) of subsection (1) of section 22 of this Act, the maximum amount of tax that may be reduced as a consequence of such further deduction shall not exceed forty Maltese liri;"

(b) for subsection (4) thereof there shall be substituted the following:

"(4) Notwithstanding the provisions of subsection (1) of this section, the tax upon the chargeable income of any individual who has been granted a residence permit under section 7 of the Immigration Act, 1970 —

(a) on or after the fourteenth day of November, 1972, but before the first day of January, 1988, shall be charged at the following rates:

(i) in the case of such an individual who is entitled to a deduction under paragraph (a) of subsection (1) of section 22 of this Act for the same year of assessment —

For every Lm of the first Lm100	10c
For every Lm of the next Lm200	15c
For every Lm of the next Lm200	20c
For every Lm of the next Lm400	22c
For every Lm of the next Lm700	25c
For every Lm of the remainder	30c

(ii) in the case of any other such individual —
For every Lm of the first Lm100 5c

For every Lm of the next Lm100	8c
For every Lm of the next Lm400	15c
For every Lm of the next Lm500	20c
For every Lm of the next Lm700	25c
For every Lm of the remainder	30c

Provided that the minimum liability payable under this paragraph by any such individual in respect of any year of assessment shall be one thousand Maltese liri;

(b) on or after the first day of January, 1988 shall be charged:

(i) in the case of income other than that mentioned in subparagraph (ii) of this paragraph, at the rate of 15c on every Lm of the chargeable income:

Provided that the minimum liability payable under this subparagraph by any such individual in respect of any year of assessment shall, after taking into account any double taxation relief to which such individual may be entitled, be one thousand Maltese liri;

(ii) in the case of income derived from Malta and chargeable to tax under paragraphs (a) and (b) of subsection (1) of section 5 of this Act, as a separate chargeable income at the rates laid down in subsection (1) of this section without personal deductions.”;

(c) immediately after subsection (4) thereof there shall be inserted the following new subsection:

“(5)(a)(i) The tax upon the chargeable income of any individual born in Malta who, after emigrating has returned as resident in Malta after the first day of January 1988 shall be charged at the rates laid down in subsection (1) of this section, or if he so elects, and until such election is not renounced by him, at a rate of 15c in the Lm on his chargeable income other than income mentioned in subparagraph (ii) of this paragraph. The said election may not be availed of again once it is renounced:

Provided that the provisions of this subsection shall only apply where such an individual proves to the satisfaction of the Commissioner that either:

(a) where he had actually resided outside Malta for an aggregate period of twenty years falling within a period of twenty five years which precede the first day of the year of assessment in which the individual returns as resident in Malta after the first day of January 1988, he has received in Malta at one or more times during the year immediately preceding the year of assessment an amount of income of not less than six thousand Maltese liri arising outside the

Island and chargeable to tax under the provisions of this Act, provided that in the case of a married person the said amount of income of six thousand Maltese liri shall be increased by one thousand Maltese liri in respect of every dependant relative including the wife; or

(b) where he is not a Maltese national and does not satisfy the period of residence outside Malta referred to in paragraph (a) of this proviso, he satisfies conditions similar to those established by the Minister responsible for immigration under section 7 of the Immigration Act, 1970 for the issue of a residence permit as existing at the time such an individual returns to Malta:

Provided further that the minimum liability of any such individual for any year of assessment in which the individual elects to pay at the rate of 15c in the Lm shall, after taking into account any double taxation relief to which such individual may be entitled, be one thousand Maltese liri.

(ii) In the case of income derived from Malta and chargeable to tax under paragraphs (a) and (b) of subsection (1) of section 5 of this Act, such income shall be deemed to constitute chargeable income to be taxed separately at the rates laid down in subsection (1) of this section without personal deductions.

(b) In the event of the decease of any individual who is charged to tax at the rate of 15c in the Lm under the provisions of paragraph (a) of the proviso to subparagraph (i) of paragraph (a) of this subsection, the widow shall be entitled to elect to be charged to tax in the same manner and under the same conditions as her late husband and, until such election is not renounced by her, she shall be considered to have satisfied in her own right the qualifying period of absence from Malta stipulated therein.”; and

(d) for subsection (12) thereof, there shall be substituted the following:

“(12) Notwithstanding the other provisions of this section, but without prejudice to those of subsection (6), the Minister responsible for finance may in the interests of economic expediency, direct by notice published in the Gazette, that:

(a) in the case of small assessments charging tax not exceeding an amount specified in the said notice, the assessment shall not be raised; and

(b) in determining the chargeable income and the amount of tax due by any person and in allowing any set-offs, the Commissioner may round-up or down any amount to the nearest Maltese lira.”.

7. For subsection (2) of section 37 of the principal Act, there shall be substituted the following: Amendment of section 37 of the principal Act.

“Where any person chargeable with tax has not received the notice mentioned in subsection (1) of this section in respect of any year of assessment for which he is so chargeable, it shall be the duty of that person to give notice to the Commissioner that he is so chargeable and to file a return of income in accordance with subsection (1) of this section by not later than the 30th September, 1989 in respect of the year of assessment 1989 or prior years of assessment, and for the years of assessment after the year of assessment 1989 to give notice to the Commissioner that he is so chargeable not later than the 31st March and to file the return of income not later than the 30th September in the relative year of assessment.”.

8. In subsection (2) of section 37A of the principal Act for the words “of that year:” there shall be substituted the words “of that year and to file a return in accordance with subsection (1) of this section not later than the 30th September of that year:”.

Amendment of section 37A of the principal Act.

9. For the proviso to subsection (1) of section 57 of the principal Act, there shall be substituted the following: Amendment of section 57 of the principal Act.

“Provided that no such appeal may be validly entered against any assessment unless payment of the amount of the tax which is not in dispute has first been made.”.

10. Section 62 of the principal Act shall be amended as follows: Amendment of section 62 of the principal Act.

(a) for the proviso to subsection (2) thereof there shall be substituted the following:

“Provided that the provisions of this subsection shall not apply to the income of any body of persons arising from activities relating or ancillary to banking, sound or television broadcasting, film renting or insurance (excluding commissions derived from the sale of insurance by bodies of persons residing in Malta) in respect of the liability of such body of persons for any year of assessment preceding the year of assessment 1990.”.

(b) for the proviso to paragraph (b) of subsection (3) thereof there shall be substituted the following:

“Provided that the provisions of this paragraph shall not apply to the income of any body of persons referred to in the proviso to subsection (2) hereof for any year of assessment preceding the year of assessment 1989.”;

(c) for paragraph (a) of subsection (5) thereof there shall be substituted the following:

“(a) Any person who contravenes or fails to comply with the provisions of this section or of any rules made

thereunder shall be liable on conviction to a fine (*multa*) of not less than Lm50 and not exceeding Lm500 and to a further fine (*multa*) of not less than Lm5 but not exceeding Lm50 for every day during which the offence continues;" and

(d) the proviso to paragraph (a) and paragraphs (c), (d), (e), (f), (g) and (h) of subsection (5) thereof shall be deleted.

Amendment of
section 63
of the
principal Act.

II. In paragraph (b) of subsection (1) of section 63 of the principal Act for the words "thirty days" there shall be substituted the words "fifteen days".

Passed by the House of Representatives at Sitting No. 164 of the 9th November, 1988.

LAWRENCE GONZI
Speaker

P. MUSCAT TERRIBILE
Clerk to the House of Representatives