

Transfers of Maltese immovable property are subject to a final withholding tax.

The default rate of tax is 8% on the transfer value however different rates may apply in certain circumstances. The below is a summary of the rates that may apply:

General rule	8% of Transfer Value
Property acquired before 1 January 2004	10% of Transfer Value
Property sold within 5 years from date of acquisition	5% of Transfer Value Property must not form part of a project
Restored property	7% of Transfer Value 5% for property situated in Valletta - property must have been acquired and restored / rehabilitated before 31 December 2018 and sold within 5 years from 31 December 2018
One's own residence	Exempt If sold within one year from when it is vacated and if it had been the ordinary residence for at least 3 years before it is vacated
Property acquired by two individuals for the purpose of establishing their residence and sold within 3 years	2% of Transfer Value

The above is not an exhaustive list - other rates may apply if the property being sold was originally inherited or donated.

For more information, please contact us on taxteam@arqgroup.com. ARQ offers a number of complimentary services including migration investment, risk & compliance, legal and accounting services.