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How is Malta Permanent Residence and Malta's Global Residence Programme Route Different?

In Malta the two most popular residency routes are the Malta Permanent Residence Programme (MPRP) and the Malta Global Residence Programme (GRP).

By **Jonathan Vassallo**, 2nd March 2022

There are several residence options available in Malta aimed at non-EU/EEA nationals to obtain residence status in Malta. The various routes range from those intended to obtain a permanent residence status to programmes giving a special tax and temporary residence status.

In Malta the two most popular residency routes are the Malta Permanent Residence Programme (MPRP) and the Malta Global Residence Programme (GRP).

Malta Permanent Residence Programme (MPRP)

The MPRP is open to all third-country, non-EEA and non-Swiss nationals, with a stable income from outside Malta sufficient to maintain themselves and their dependants with adequate financial resources.

Once applicants have successfully completed the application process with Malta Residence Agency, they receive an e-Residence card that entitles them to live in Malta and travel visa-free throughout the Schengen Member States. More information about the MPRP programme can be found here: Malta Permanent Residence Programme.

Malta Global Residence Programme (GRP)

GRP is available to non-EU passport holders. The Global Residence Programme entitles non-EU nationals to obtain a Maltese residence permit, renewable annually, through a minimum investment in property in Malta and by paying a minimum annual tax. Individuals who are EU/EEA/Swiss nationals please see: Malta Global Residence Programme **which** operate on the same basis as the GRP.

The Main Difference

The main difference between the Global Residence Programme (GRP) and Malta Permanent Residence Programme (MPRP), is that the GRP does not offer permanent residence rights. A special tax status leads to an annual residency permit, whilst the MPRP offers permanent residence in Malta.

Residence Status Explained

Residence status obtained under the MPRP is valid for life (provided that the requirements of the programme are still being met), whilst the residence status obtained under the GRP is renewed annually subject to paying an annual tax.

Annual Tax:

- Under the GRP, a beneficiary must pay a minimum annual tax of €15,000.
- Under the MPRP, there is a minimum annual tax of €5,000 if the person is ordinarily resident in Malta, or zero tax if the person is not ordinarily resident in Malta. In both cases the tax rate on income remitted to Malta is a flat 35%.

Comparison of Programs: GRP and MRVP

Conditions	Global Residence Programme	Malta Permanent Residence Programme

Financial requirements	Not specifically defined, but an individual should have sufficient resources to sustain him or herself and dependants, without any recourse to social assistance in Malta.	No less than €500,000 in all assets (€150,000 of which should be in financial assets – for the first 5 years).
I. Option. Purchase a property with a minimum value of	Central/North Malta: €275,000 South Malta/Gozo: €220,000	Central/North Malta: €350,000 South Malta/Gozo: €300,000
II. Option. Rent a property with a minimum value	Central/North Malta: €9,600 South Malta/Gozo: €8,750	Central/North Malta: €12,000 South Malta/Gozo: €10,000
Minimum annual tax	€15,000 per year	From €5,000 per year, if ordinarily resident **
Tax rate	15%: Foreign Source Income remitted to Malta 35%: Local Source Income	If ordinarily resident: 0% – 35%**
Registration procedure	Application Fee + Property + Annual Tax	Application Fee + Contribution + Property + Charity
Application process	3-6 months	4-6 months

Official application fee	€6,000	1. Application Fee: €10,000 due within one month of submission 2. Letter of Approval: €30,000 due within two months of submission 3. 8 months to conclude the due diligence and a contribution of: €28,000 or €58,000 needs to be paid
Dependants	Spouse, Children up to 18 or adult children between 18 and 25 years old, including adopted children, provided that such children are not economically active and are financially dependent on the main applicant. Financially dependent parents.	Allowing 4 generations to be included in one application: spouse, children – regardless of age can be included in the application if they are unmarried and financially dependent, parents and grandparents if they are principally and financially dependent on the main applicant.
Donation to a Non-Government Organisation	Not applicable	€2,000

Additional Criteria	Applicant must not spend more than 183 days in any other jurisdiction in any single calendar year.	An additional €7,500 payment per person is required for each adult dependant included in the application.
Duration of status in Malta	One calendar year. Need to re-submit on an annual basis.	Permanent Status: a Malta residence card is issued for all family members for 5 years, then renewed without any additional contribution, if the requirements of the programme continue to be met.
Schengen Access (26 European countries)	Right to travel within the Schengen Area for 90 days in any 180 days.	Right to travel within the Schengen Area for 90 days in any 180 days

** Annual minimum tax under the Permanent Residence Programme is zero if you are not **ordinarily resident** in Malta. If you select to be **ordinarily resident** in Malta, then the annual minimum tax is €5,000.

How Can Dixcart Help?

Any individual interested in applying for one of these residency routes is required to do so through a registered approved agent.

Dixcart is an authorised agent and offers a bespoke service. We will be by your side throughout the process from completing the required documents to meetings with the various Maltese Authorities. We can support you in choosing the best residential option in Malta for you and your family.

Additional Information

If you would like further information regarding MPRP or GRP in Malta, please speak to Jonathan Vassallo: **advice.malta@dixcart.com**, at the Dixcart office in Malta or to your usual Dixcart contact.

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