

Malta Trusts and Wealth Planning: A Practical FAQ for International Clients

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By **Abigail Aquilina**, 18th March 2026

Malta holds a respected position in international wealth planning, offering a legal framework that combines robust asset protection, strategic flexibility, and EU-aligned regulatory oversight. For high-net-worth (HNW) families, international investors, and professional advisers, Maltese trusts remain a highly effective solution for succession planning, wealth preservation, and governance.

This **FAQ** is designed to guide clients and advisers through the key aspects of Maltese trusts, incorporating the latest developments in legal, tax, and regulatory frameworks.

1. What is a trust under Maltese law?

A trust is a legally binding arrangement governed by the Maltese Trusts and Trustees Act. A settlor transfers legal ownership of assets to a trustee, who holds and administers those assets for the benefit of the beneficiaries, in accordance with the trust deed and applicable law.

2. What types of trusts are available in Malta?

Malta's trust framework allows trusts to be structured in various ways, depending on the objectives. Among these, **discretionary trusts** are often preferred by international families, due to their flexibility and suitability for multi-generational wealth planning.

The main trust types include:

- **Fixed Interest Trusts** clearly define beneficiaries' interests within the trust deed.
- **Discretionary Trusts** grant trustees the authority to determine both the timing and number of distributions.
- **Unit Trusts** can be employed in pooled investment arrangements.

- **Charitable Trusts** are established to support philanthropic purposes.

Each structure can be adapted to meet personal, commercial, or charitable objectives, while remaining aligned with regulatory and tax requirements.

3. Who are the key parties in a Maltese trust?

- The **Settlor** establishes the trust and transfers assets into it.
- The **Trustee** is the legal or natural person, that holds and administers the trust assets.
- The **Beneficiaries** are the individuals or entities entitled to receive benefits.
- The **Protector**, where appointed, provides an additional layer of oversight by overseeing the trustees' actions, approving key decisions, and ensuring adherence to proper governance standards. This individual holds a trustworthy position, such as a family associate, lawyer or member.

4. Why choose a Maltese trust for wealth planning?

Maltese trusts combine legal certainty with structural flexibility and strategic depth. They ensure effective asset segregation, protecting trust property from personal creditors and insolvency, while providing succession certainty through clearly defined distribution and governance provisions.

As a vehicle for wealth preservation, they prevent the fragmentation of assets across generations and offer reliable cross-border recognition for families and investors with international exposure.

Their commercial versatility further enables the consolidation of business or land interests, facilitates financing, and supports the seamless succession of family enterprises, making them a distinguished instrument for both personal and corporate planning.

Additionally, Maltese trusts can coexist alongside other planning vehicles such as foundations, holding companies, or family investment companies, allowing for integrated multi-layered structures.

5. How are trusts taxed in Malta?

Malta's tax regime provides flexibility for strategic wealth planning. The taxation of income arising from a trust, as well as matters concerning the taxation of settlements, distributions, and reversion of property held in a trust, is governed by the Income Tax Act (Chapter 123, Laws of Malta).

Income distributed from a trust may be taxed transparently in the hands of the beneficiaries rather than at trustee level. Income retained within the trust is generally subject to tax at 35%.

The trust can also elect to be taxed under the corporate tax rules. In this case, beneficiaries may qualify for tax refunds at trustee level, commonly 6/7^{ths} on active income and 5/7^{ths} on passive income, with a full refund available in certain

circumstances.

Under Malta's territorial tax system, Malta generally taxes only Malta-sourced income, meaning, foreign-sourced income attributable to non-resident beneficiaries may not be subject to Maltese tax, provided it is not remitted to Malta.

These features collectively position Maltese trusts as an attractive vehicle for international estate planning and wealth preservation.

6. Are Maltese trusts recognised internationally?

Yes. Maltese trusts are widely recognised and respected internationally, supported by a robust legal framework that provides certainty for cross-border wealth structuring. As a member of the EU and a signatory to the Hague Convention on the Law Applicable to Trusts and on their Recognition, Malta ensures that trusts established under its laws can be recognised and upheld across multiple jurisdictions. This offers international families and investors the confidence that Maltese trust structures can operate effectively within global estate and succession planning strategies.

7. Who can benefit from a Maltese trust?

Maltese trusts are particularly suitable for:

- **HNW families** seeking asset protection and succession certainty.
- **International investors** requiring cross-border recognition and tax-efficient structures.
- **Professional advisers** looking for robust frameworks for clients' wealth planning.
- **Family offices and business owners** aiming to consolidate and preserve assets.

8. When is a 'Qualified Person' required in connection with a Maltese trust?

A 'Qualified Person' must be appointed when a Maltese trust has a foreign or non-professional trustee and holds Maltese assets, such as company shares or property.

Licensed by MFSA, a 'Qualified Person' does not manage the trust but ensures compliance with the Trusts and Trustees Act and local regulations, oversees transactions, monitors AML requirements, and acts as a liaison with Maltese authorities.

9. How can Dixcart assist in establishing and managing a trust in Malta?

Dixcart Malta provides comprehensive trust services through its licensed trustee company, Elise Trustees Limited.

- We assist with trust formation by drafting trust deeds that are carefully aligned with the objectives of the settlor.
- We provide comprehensive trust administration services, including asset management, processing distributions, and meeting all statutory reporting requirements.

- We offer governance support by advising beneficiaries and protectors on their respective roles, duties, and decision-making responsibilities.
- We ensure full regulatory compliance.
- We can act as a 'Qualified Person' where required.

Get in Touch

Our approach prioritises discretion, regulatory compliance, and long-term sustainability, enabling clients to preserve wealth and protect family legacies across generations.

Maltese trusts continue to represent a versatile and strategically sound instrument for succession planning and cross-border structuring.

[Dixcart Malta](#) provides the expertise, governance oversight, and technical support required to protect, grow, and transfer wealth efficiently and securely.

For further information or tailored advice aligned with your long-term objectives, please contact our team at advice.malta@dixcart.com.