

Ten Reasons Why to Relocate your Business to Malta - A Malta Company

What are the advantages of a Malta Company? Here we examine 10 key reasons why businesses look to relocate to Malta.

By **Jonathan Vassallo**, 5th September 2022

Establishing a Malta Company

Malta is a beautiful Mediterranean island and is equipped with a high-tech infrastructure that those wishing to establish a commercial operation would expect to find in an international financial service centre.

Additional advantages include; the corporate [tax](#) regime, [investment and immigration opportunities](#), fiscal and social benefits, a distinctive lifestyle and a stable economic ecosystem.

Here we examine ten key reasons why businesses look to relocate to Malta.

Reason 1: Opportunities in the stable financial services sector

Building on the success of its robust banking industry, Malta has taken the opportunity to style itself as a European financial service centre and the jurisdiction of choice, for funds in the Mediterranean.

Malta offers a great selection of innovative funds structures, including:

- The [Professional Investor Funds](#), commonly referred to as PIFs, are the Maltese hedge fund that does not fall under the AIFMD.

- [Alternative Investment Funds \(AIFs\)](#).

- UCITS (retail funds).

- [Private Funds](#).

Malta is a member of the European Union and part of the Euro-zone, with the local economy being based on the Euro. This alleviates any foreign exchange issues for companies operating within the European Union.

Malta Enterprise sustains and assists newly formed enterprises and aspiring businesses to start operating profitably from day one. A series of beneficial incentives exist for foreign investors, small to medium-sized enterprises, and mega business set-ups. Some attractive support measures include; Micro Invest, Business Advisory Services, Development and Research Grant Schemes, Business START and more.

Reason 2: Tax and legal framework

Malta was one of the few European countries to adopt a complete imputation system, which is one of the main advantages of Malta's tax system, along with the fact that Malta has an extensive network of double taxation agreements and a refundable tax credit scheme. Malta does not withhold tax on dividends paid to shareholders.

[A Company established in Malta](#) would have to account for tax on worldwide income and is typically taxed at the standard corporate tax rate of 35%. However, upon distributing dividends to a non-Maltese resident shareholder, such a shareholder becomes eligible to a tax refund on the Malta tax paid at the company level. The final tax leakage, after the refund is between 5% and 10%.

In addition to the traditional Limited Liability Company, Malta can offer [Partnerships - an alternative vehicle to set up a business](#).

Reason 3: Simple re-domiciliation of companies

A company formed and incorporated or registered under the laws of an approved foreign country, which is similar in nature to a company as recognised under the laws of Malta, may make a request to the Malta Business Registry of Companies to be

registered as 'continued' in Malta, provided the laws of the foreign country allow this, and provided the company is authorised to do so by its constitutive documents.

The request to the Malta Business Registry of Companies must be accompanied by a specific pack of documents.

Reason 4: Business support services

Outsourcing any support required to ensure that all business needs are met, can prove to be a valuable cost-saving exercise. Malta boasts a number of professional service providers, such as Dixcart, that can efficiently handle all of the relevant corporate requirements in Malta.

Such services include; submission of annual returns to the Malta Business Registry, provision of director services, secretarial services, [auditing](#) and accounting, [payroll](#), [recruitment](#), [employment law](#), [compliance and regulatory](#) advice.

Malta is also well-known within EU as a fast developing [Eco-friendly Jurisdiction](#). Please let us know if you would like any further information regarding the initiatives being developed in Malta and how these might be of benefit: advice.malta@dixcart.com.

Reason 5: Labour force

The workforce in Malta is highly renowned for its qualified and multi-lingual population which consists of both local and foreign workers. In addition to Maltese, English is an official language in Malta, making communication easy within the business itself and also with the Government and clients worldwide.

Italian is also widely spoken and professionals with a good grasp of French, German, Spanish and other languages are common too.

Reason 6: A perfectly located island

Despite being an island, Malta is highly accessible via both sea and air transport links to main and subsidiary airports in mainland Europe, North Africa, Turkey & UAE. Regular and frequent flights to and from Malta are operated by numerous airlines that make use of Malta International Airport.

Malta has flights departing and arriving from key capital cities, ranging from Berlin to Milan to Algiers, Warsaw, Istanbul, and Dubai amongst others. Not only does Malta boast its own national airline, but its airport welcomes a host of major airlines including low-cost ones. For the last decade Malta has become known as a [respected Aircraft Hub](#).

Reason 7: Biggest yacht registry in the EU

Currently, Malta has the largest shipping register in Europe and the sixth largest in the world. In addition, Malta has become a world leader in commercial yacht registration.

The Maltese authorities are approachable and flexible in their practices, while at the same time meticulously follow a rigid framework of guidelines and regulations. This has helped create the cutting edge, for which Malta is known in this sector.

Dixcart Malta is very experienced in and more than happy to help with [Yacht Registration](#).

Reason 8: IT Infrastructure

Malta is relatively advanced when it comes to IT infrastructure.

Types of services include co-location and hosting services, data centres, cloud services and internet services. Robust government information systems architecture combined with established service providers, ensures that anyone interested in doing business in Malta will have access to secure, affordable, efficient, and reliable systems.

The residential route for [Digital Nomad in Malta](#) is open to third-country citizens who would usually need a visa to travel to Malta. [Funding is also available for IT and Fintech Business in Malta](#). Malta is also one of the first countries to have nationwide 5G Data coverage.

Reason 9: Immigration and investment incentives

Third Country nationals can relocate to Malta and get a work permit with an Employer in a transparent procedure through the online application system supported by the Employer. This process is available for applications when abroad and when the individual is already in Malta. In addition, some residence routes are designed for

fast-track highly qualified people and can generate tax benefits, such as [Highly Qualified Persons \(HQP\)](#) and professionals in [Key Employment](#).

Additionally, there are a variety of residency routes available, allowing qualifying persons that satisfy a robust due diligence process to apply for [Permanent and Global Residency in Malta](#).

Reason 10: Entrepreneurial climate and safety

Major credit rating agencies repeatedly rate Malta as a solid and stable economy, and many prominent economists, describe Malta's economy as highly stable. This translates into a secure economic climate which is also protected by highly regularised industries, a robust anti-money laundering system and an extremely low probability of natural disasters.

Additional Information

If you are considering establishing a company in Malta and would like further information regarding the support measures for research and development and the business opportunities available through Malta, please speak to Jonathan Vassallo: advice.malta@dixcart.com at the Dixcart office, in Malta or to your usual Dixcart contact.