

The Benefits of Malta's Highly Qualified Persons Programme

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By **Jonathan Vassallo**, 23rd October 2023

Malta, a charming Mediterranean island nation, has become increasingly popular among expatriates and professionals seeking to relocate to a vibrant, culturally rich, and economically stable country.

One of the key factors driving this interest is the Highly Qualified Persons Programme (HQP), introduced by the Maltese government to attract talented individuals and strengthen its economy. This programme offers a range of benefits to eligible applicants, making it an attractive option for highly qualified individuals from around the world.

What is the Criteria?

In order to be eligible for the HQP programme, you would need comply with the following rules below:

1. **Eligible Employment:** An individual must be employed in an eligible office with a company that is licensed, and/or recognised by the Competent Authority regulating the specific sector. Qualifying roles typically include positions in fields such as; finance, gaming, aviation, and other sectors that are in high demand in Malta.
1. **Minimum Qualifications and Salary:** You should possess specific qualifications and skills that are relevant to your profession. Additionally,

your annual gross salary should meet a minimum threshold, which may vary depending on the specific eligibility criteria at the time of your application. As of October 2023, the minimum salary requirement is €93,669 for the basis year 2023.

1. Health Insurance: You are required to have valid health insurance that covers you and any accompanying dependents.
1. Residential Property: HQP applicants are usually required to either purchase (only available for EU Nationals), or rent a qualifying property in Malta, which serves as their primary residence.
1. Clean Criminal Record: Applicants and their dependents should not have any criminal convictions.
1. Genuine Link to Malta: You should establish a genuine link to Malta, which may include having a physical presence in Malta and being an active part of the community.
1. Application Fees: Applicants need to be prepared to pay the necessary application and processing fees when applying for the programme.

What are the Benefits?

Tax Incentives

The HQP program is well-known for its attractive tax incentives, which are among the most compelling benefits for applicants. Successful candidates can enjoy a **flat tax rate of 15%** on their Malta-source income, provided it meets the eligibility criteria. Income exceeding €5,000,000 is exempt from income tax in Malta.

The Malta tax benefits under this scheme apply to EEA and Swiss nationals for a maximum consecutive period of 5 years, preceding the first year of assessment and to third country nationals for a maximum consecutive period of 4 years.

EEA/Swiss nationals who take advantage of this tax benefit shall be eligible, upon application, for a two-time extension of 5 years, making the qualifying period a maximum of 15 years of assessment and offering significant savings compared to other countries, with higher income tax rates.

Third country nationals may extend their programme twice by another 4 years, bringing their maximum time in Malta to 12 years.

The tax benefits make Malta particularly appealing for high-earning professionals and entrepreneurs who want to optimise their financial planning.

Diverse Business Opportunities

The HQP programme is limited to specific industries, including; Financial Services , Research & Development, Gaming, and Aviation and Oil and Gas. Malta has established itself as a hub for various industries, offering ample opportunities for entrepreneurs and skilled professionals. The Government is keen to attract foreign investment, leading to a business-friendly environment that promotes innovation and growth.

Education Opportunities

The HQP programme offers access to Malta's high-quality education system. International schools in Malta provide an excellent education for expatriate children, often following international curricula. In addition, Malta's two universities, the University of Malta and the Malta College of Arts, Science and Technology, offer a wide range of programmes and research opportunities, making it an excellent destination for those seeking advanced academic degrees.

Quality of Life in Malta

Malta offers an exceptional quality of life. Its pleasant Mediterranean climate, picturesque landscapes, and a rich cultural heritage, make it an ideal place to live and work. The country boasts a strong sense of community, a safe environment, and a high standard of healthcare and education. Furthermore, Malta's strategic location makes it an excellent hub for travel and exploration of the broader European region.

Malta's historical and cultural heritage is one of its most distinctive features. The island is home to numerous UNESCO World Heritage Sites, including the ancient city of Valletta. Its vibrant arts scene, diverse festivals, and cuisine, attracts individuals looking

for a rich cultural experience. Malta's multicultural society also welcomes people from various backgrounds, creating a dynamic and inclusive environment.

Conclusion

The Highly Qualified Persons Programme in Malta is a remarkable opportunity for highly skilled professionals and their families to move to a Mediterranean island.

With its enticing tax incentives, EU membership, diverse business opportunities, and an exceptional quality of life, Malta has become a top destination for those looking to enhance their personal and professional lives.

The programme's inclusivity, and the rich sunny weather on offer, also make Malta an appealing choice for those seeking a new place to call home while advancing their careers and quality of life.

How Dixcart can help?

As a Licensed Residency Agent, Dixcart can assist in the submission and management of the HQP application, and ensure a smooth and steam lined process, making it as straight forward as possible.

For further information about the benefits of the HQP, please contact Jonathan Vassallo, at the Dixcart office in Malta: advice.malta@dixcart.com.

Alternatively, please speak to your usual Dixcart contact.

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