

Why Consider Registering a Vessel Under the Malta Flag?

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By **Jonathan Vassallo**, 20th June 2023

Resident Agency Services for Yachts

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The island's geographic location has given it significant importance and Malta is now recognised as being a port of entry into the EU.

Malta offers attractive and competitive incentives, making Malta one of the top flags in the world.

Who Can Register a Yacht/Vessel under the Malta Flag?

Under Maltese law, yachts may be owned and registered by; any Maltese, EU/EEA or Swiss national or company, or any third country national who enjoys legal personality that meets the criteria specified by the Registrar of Shipping. Maltese companies are

considered to be acceptable ownership vehicles for yachts.

Maltese companies may be established by any person, for the purpose of yacht ownership. The owner, through the company, must be clearly identifiable, and non-Maltese owners must appoint a Maltese resident agent to liaise with the authorities.

Once a yacht is registered in the Maltese registry there are no restrictions on the nationalities of the individuals manning the yacht, and where the yacht may sail to.

What are the Advantages of Registering a Commercial Yacht under the Malta Flag?

1. No trading restrictions imposed on Maltese registered commercial yachts.
2. Fast crew-acknowledgement certification process with STCW endorsements processed within a maximum period of three months from acknowledgement.
3. A VAT deferment can be obtained, when a yacht to be used for a commercial operation, is imported into Malta. This means that no VAT outlay will occur which provides the owner with a significant cashflow benefit. The yacht owner will also be able to recover VAT incurred on goods and services used, during the chartering operations.
4. When a shipping organisation licensed in Malta sells a yacht, no Malta tax is liable.
5. On the sale of shares in a yacht owning company by a non-Maltese resident owner, no capital gains tax will arise as this is exempt under Malta Tax Law.

Requirement for a Malta Registered Agent

When an owner is a non-Maltese entity, a Malta resident agent needs to be appointed. Dixcart Malta offers this service and is very experienced in representing international owners in Malta.

A resident agent, such as Dixcart Malta will provide the following services:

- a. The channel of communication between the international owner and the Maltese Government departments and authorities.
- b. The signing and filing, of all declarations and forms required by Maltese law, with Maltese Government departments and authorities, on behalf of the international owner.

c. Acting as the judicial representative of the international owner for judicial proceedings in Malta.

At Dixcart Malta we have a department consisting of qualified accountants and lawyers dedicated to Resident Agent Services and are able to assist with your Maltese Yachting related needs.

Additional Information

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