

Budget 2021 Measure Proposals

The Malta Institute of Accountants (MIA) together with The Institute of Financial Services Practitioners (IFSP) and the Malta Institute of Taxation (MIT) (collectively the “Institutes”) worked together to propose a number of measures that were submitted to the Government of Malta as suggestions for the upcoming 2021 Budget. Such proposals relate to direct and indirect taxation measures, together with digitalisation, gaming, financial services, local and environmental measures. The MIA worked by means of its committees to come up with such measures. This included the contribution of the Indirect Taxation Committee, Direct Taxation Committee, Small and Medium practitioners Advisory Group, Professional Accountants in Business Advisory Group, Digitalisation Committee, Financial Services Committee and Gaming Committee.



When coming up with the proposal the Institutes were sensitive to the fact that at present, Government Revenue is stretched out as a result of the highly valid measures of support implemented in reaction to the COVID-19 pandemic. However, unless corporate and individual businesses in Malta recover, Government Revenues will be further reduced as no profits would be available for levying taxes.

Some of the proposed measures merely defer taxation, others aim at alleviating taxation in circumstances which might be worthy of consideration, while others provide for aligning positions among the various tax laws. Before presenting the proposed measures to Hon. Clayton Bartolo MP, the Institutes reached out to the Commissioner for Revenue, Martin Gaerty, for his reactions to the proposed.

The MIA would like to thank all those who contributed towards this project and looks forward to ongoing collaboration in the future. Following the upcoming 2021 Budget Speech the MIA is organising a CPE event on 23 October 2020, this will cover the measures discussed in the budget with special attention to fiscal developments and other measures that impact business. If you would like to book for such a session, **click here**.

