

## Diploma in Law (Malta): Intake October 2023

<b>Assessment Task:</b> Written assignment based on chosen questions	
<b>Module:</b> <i>Award in Overview of Tax Law</i>	<b>Tuition Centre:</b> 21 Academy <b>Licence Number:</b> 2018-017
<b>Level:</b> Award MQF Level 5	<b>Student Name:</b>
<b>Date:</b>	<b>ID Number:</b> <same no. submitted in student profile>
<b>Assignment Deadline:</b> 8 May 2025	
<p><b>Task</b> The purpose of this unit is to develop an understanding of the topics you will choose to write about which forms part of Maltese Tax Law.</p> <p><b>Note</b> This assessment provides students with an opportunity to put into practice the relevant provisions of the law in relation to the topic they choose to write about forming part of the topic they choose to answer about.</p> <p><b>Note</b> <i>You should plan to spend approximately 20 hours researching the assignment question, preparing for and writing the assignment for assessment. The nominal word count for each assignment is 1,700 words. You are expected to select the Oscola referencing style.</i></p> <p><i>Please ensure that you refer to 21 Academy's <a href="#">Assignment Guidelines</a> for comprehensive information regarding the submission of your assignment. Additionally, the assignment submission form must be included with your completed work, clearly indicating which question you have chosen to answer by ticking the box next to the question number</i></p>	
<b>Answer 2 (two) questions from the 4 (four) questions below.</b>	
<p style="text-align: center;"><b>Question 1</b></p> <p>Discuss the types of deductions that are allowed for tax purposes under Maltese tax law. Explain the key principles governing these deductions, including which expenses are typically deductible for individuals and businesses. Additionally, address any limitations or restrictions that may apply to these deductions, and describe how they impact a taxpayer's overall tax liability.</p>	
<p style="text-align: center;"><b>Question 2</b></p> <p>Explain the concept of stamp duty under Maltese law, including its purpose and how it is applied to different types of transactions. Additionally, analyse the impact of stamp duty specifically in connection with transactions in shares.</p>	
<p style="text-align: center;"><b>Question 3</b></p> <p>Students are required to advise on the tax treatment of employment income derived by 5 employees who will be relocated by a Tenuzzi Santi, an Italian company to its Maltese wholly-owned subsidiary Cara Homes Ltd. The mentioned employees will be spending 9 months in Malta and 3 months back in Italy. The salary of the 5 employees will be paid by Cara Homes Ltd. As part of their salary package the 5 employees relocating to Malta will also be entitled to free meal at the staff canteen at Cara Homes Ltd, a car cash allowance, a health insurance policy and reimbursement of air travel fees to relocate to Malta. It is assumed that the employees will continue to be resident for tax purposes in Italy, even after relocating to Malta.</p> <p>(i) Prepare a summary of the tie breaker rules, within the Malta-Italy tax treaty, that both Malta and Italy would take into account to establish the employees' tax residence in the case of a dual residence conflict.</p>	

- (ii) Advise on Italy's and Malta's right to tax the employment income derived by the employees from Tenuzzi Santi assuming that in terms of the treaty, the employees will still be deemed to be Italian tax residents.
- (iii) Explain how each of the benefits in kind provided to Tenuzzi Santi's employees, in terms of the package being offered to them, as explained above, is brought to charge to tax in Malta.

Note: You should assume that all the benefits are connected with the employment activities carried out in Malta and not to any activities carried out in Italy.

**Question 4**

Answer both questions (1) and (2) below:

(1) A "Taxable person" shall mean any person who, independently, carries out in any place any economic activity, whatever the purpose or results of that activity." (Directive 2006/112 EC, article 9).

Discuss, with particular reference to the status of the following persons: employees, holding companies and public authorities.

(2) Comment on the VAT treatment of the below described transactions:

- i. ALC & Co, a Maltese company registered under Article 10 of the VAT Act, purchases carpets from a Turkish company TUK. ALC & Co has the goods sent to Malta, where ALC & Co puts the goods into free circulation.
- ii. A French supplier of cheese, not established in Malta, sells cheese to private individuals during a trade fair taking place in Malta.
- iii. ACE Consultancy Ltd, a Maltese taxable person registered under Article 10 of the VAT Act, provides consultancy services to an Italian non-taxable person and a German taxable person.
- iv. Catercare Ltd, a Maltese taxable person is engaged to provide a catering service during an event in France. A week later, Catercare Ltd is engaged to supply catering services on board a flight departing from Malta to another EU Member State.
- v. Rent a Car Ltd is hiring out a car to Mr. X for 90 days, during his stay in Malta. During the same week, Rent a Car Ltd also hires a car to Family Zammit, who pick up the car from the company's offices in Ragusa, Sicily.

<b>Pass Mark - 50% of total weighted scores of both assessment methods</b>	<b>Assignments Weighting - 100%</b>
<b>By submitting I confirm that this assessment is my own work</b>	
<b>Mark:</b>	<b>Signature: &lt;main assessor&gt;</b>
<b>Date</b>	<b>Signature: &lt;quality assurance&gt;</b>