No. 135

MINISTRY FOR FINANCE

Explanatory Notes[1]

1. Introduction

Title of rules	Tax Exemption (Construction Waste Recycling) (2020-2025) (Amendment) Rules, 2026
Activity to be regulated	The definition of "relevant year"
Responsible entity	Malta Tax and Customs Administration (MTCA)

2. Summary and background

The Tax Exemption (Construction Waste Recycling) (2020-2025) (Amendment) Rules, 2026, hereinafter referred to as the "amending rules", amend the Tax Exemption (Construction Waste Recycling) (2020-2025) Rules (S.L. 123.197), hereinafter referred to as the "principal rules".

The principal rules grant a partial exemption from tax on income derived by quarry owners who accept construction and demolition material in their quarry. The rules apply as long as the fee that is charged by the quarry owner does not exceed twelve euro (€12), net of value added tax, per tonne.

3. Overview of the structure of the instrument

The amending rules are made up of three (3) rules and consist of the following:

Rule 1: Citation and commencement.
Rule 2: Amends rule 1 of the principal rules.
Rule 3: Amends rule 2 of the principal rules.

4. Commentary

Rule 2: This will amend the title of the principal rules from "(2020-2025)" to "(2020-2026)".
Rule 3: This amendment will propose the extension of the partial exemption to the year 2026.

5. Concluding sections

The amending rules shall be deemed to have come into force on 1st January 2026.

In case of queries, the general public is encouraged to contact the Malta Tax and Customs Administration (MTCA) on 153.

N.B. These Explanatory Notes are not intended to be an exhaustive description of the instrument nor a substitute thereof or a legislative supplement thereto. These Explanatory Notes do not purport to be an authoritative ruling on the interpretation of the legislation.

30th January, 2026

[1]These Explanatory Notes are in accordance with and for the purpose of article 3(2)(c) of the Small Business Act (Chapter 512 of the Laws of Malta).