No. 796

MINISTRY FOR FINANCE

Explanatory Notes[1]

1. Introduction

Title of the legal instrument	Customs (Amendment) Regulations, 2026 (hereinafter referred to as the "amending regulations")
Activity to be regulated	The movement of motor vehicles that are not in free circulation in the Union
Responsible entity	Malta Tax and Customs Administration

2. Summary and background

These amending regulations are being introduced in order to regulate the onward movement of motor vehicles that are not in free circulation in the Union from the quay to the premises of the importer and to provide the necessary regulatory framework.

3. Overview of the structure of the instrument

The amending regulations are made up of two (2) regulations and consist of the following:

1. Citation and scope.

2. Adds a new regulation to the principal regulations.

4. Commentary

Regulation 2 of the amending regulations adds the new regulation 2A to the principal regulations. This regulation regularises the onward movement of motor vehicles that are not in free circulation in the Union from the quay to the premises of the importer and provides the mechanisms and procedures required to regulate such movement and how the Commissioner may authorise onward movement of that motor vehicle to a place in Malta until the submission of the customs declaration required for its release for free circulation. Regulation 2A also provides for the necessary customs declaration to be made within ten (10) working days.

5. Concluding sections

All the provisions of these amending regulations shall come into force on the date of their publication in the Gazette.

For further information, please contact the Customs Operations via email at malta.customs@gov.mt or by phone on +356 23783310, 23783311, or 23783312.

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

22nd May, 2026

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

No. 797

MINISTRY FOR FINANCE

Explanatory Notes[1]

1. Introduction

Title of regulations	Cooperation with Other Jurisdictions on Tax Matters (Amendment) Regulations, 2025
Activity to be regulated	Due diligence and reporting obligations of obliged entities and individuals for the purpose of cooperation with other jurisdictions through exchange of information
Responsible entity	Malta Tax and Customs Administration (MTCA)

2. Summary and background

The current amendment to S.L. 123.127 Cooperation with Other Jurisdictions on Tax Matters Regulations transposes the main elements of COUNCIL DIRECTIVE (EU) 2023/2226 of 17 October 2023 amending Directive 2011/16/EU on administrative cooperation in the field of taxation, which is commonly referred to as 'DAC 8'. This Directive extends the EU tax transparency rules to information reported by Reporting Crypto-Asset Service Providers, in order to address new challenges arising from the growing use of alternative means of payment and investment, which pose new risks of tax evasion and are not yet covered by Directive 2011/16/EU. It is based on the Organisation for Economic Cooperation and Development (OECD) Crypto-Asset Reporting Framework and it applies to crypto-asset service providers regulated by and authorised under Regulation (EU) 2023/1114[2] (MICA Regulation) and to crypto-asset operators that are not. The general understanding of what constitutes crypto- assets is very broad and includes crypto-assets that have been issued in a decentralised manner, as well as stablecoins, including e-money tokens as defined in the MICA Regulation and certain non-fungible tokens (NFTs). Crypto- assets that can be used for payment or investment purposes are reportable under this Directive. The rules on the reporting and exchange of information covers both crypto-assets and their users.

The information collected will be shared with the tax authorities of the concerned Member States with the aim of addressing the lack of tax compliance brought about by the decentralised nature of crypto-assets. Reporting Malta Crypto Asset Service Providers (RMCASPs) falling within scope will need to register and apply due diligence procedures to identify and collect information on their clients. This includes client identification at onboarding stage report by end of April 2027 for (the first) Reportable Period being calendar year 2026. This information will need to be exchanged by Malta to other Member States by the end of September 2027.

Furthermore, DAC 8 includes the latest amendments to the Common Reporting Standard (CRS) of the OECD, including the integration of e-money and central bank digital currency provisions, as well an extension of the scope of the automatic exchange of information regarding advance cross-border rulings to certain rulings regarding natural persons.

3. Overview of the structure of the instrument

The amending regulations consist of seventeen (17) regulations, as follows:
Regulation 1: Citation and commencement.
Regulation 2: Amends regulation 2 of the principal regulations.
Regulation 3: Amends regulation 5 of the principal regulations.
Regulation 4: Amends regulation 6 of the principal regulations.
Regulation 5: Amends regulation 10 of the principal regulations.

[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).
[2]Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937 (OJ L 150, 9.6.2023, p. 40)

Regulation 6: Amends regulation 13 of the principal regulations.
Regulation 7: Amends regulation 18 of the principal regulations.
Regulation 8: Amends regulation 21 of the principal regulations.
Regulation 9: Amends regulation 22 of the principal regulations.
Regulation 10: Amends regulation 33 of the principal regulations.
Regulation 11: Amends regulation 44 of the principal regulations.
Regulation 12: New regulation 53 of the principal regulations.
Regulation 13: New regulation 54 of the principal regulations.
Regulation 14: New regulation 55 of the principal regulations.
Regulation 15: Amends Annex I to the principal regulations.
Regulation 16: Amends Annex V to the principal regulations.
Regulation 17: Adds Annex VI to the principal regulations.

4. Commentary

Regulation 1: Stipulates the name, title, commencement, and applicability of these rules.

Regulation 2: Amends the definition of "EU Administrative Cooperation Directive" in the principal regulations, updating it to include the latest Council Directives up to 2025/872.

Regulation 3: Amends regulation 5 of the principal regulations, clarifying that information subject to attorney-client privilege cannot be requested and defines what constitutes such privileged information for the purpose of this sub-regulation. This clarification has been provided due to the fact that the same term is used for the purposes regulation 13 of the principal regulations.

Regulation 4: Adds a new sub-regulation to regulation 6, making it an offence to disclose to any person or third party that the Commissioner has requested or may transmit information. Penalties include fines up to €30,000 or imprisonment up to two years.

Regulation 5: Amends regulation 10, adding that the competent authority in Malta may decline to provide information to a requesting authority if it would disclose commercial, industrial, or professional secrets, commercial processes, or if disclosure would be contrary to public policy.

Regulation 6: Amends regulation 13, updating provisions for automatic exchange of information between Malta and other EU Member States. It expands categories of income and capital subject to exchange, including a new category under sub-regulation 1 for non-custodial dividend income. It details new reporting requirements for Reporting Malta Financial Institutions brought about through amendments to the OECD's Common Reporting Standard. In relation to advance cross-border rulings, it expands the scope to include rulings which involve natural persons, where the amount of the transaction or series of transactions of the advance cross-border ruling exceeds € 1,500,000 or where the advance cross-border ruling determines whether a person is or is not resident for tax purposes in Malta. It also introduces new reporting obligations for crypto-asset service providers and platform operators. Another notable amendment refers to the restriction of the right to a waiver from filing information on a reportable cross-border arrangement in cases where legal professional privilege is invoked under sub-regulation 7 – such instances are now restricted solely to legal professionals as defined in terms of Directive 98/5/EC and waivers can only be made such professional's client.

Regulation 7: Amends regulation 18, expanding the scope to include VAT, other indirect taxes, customs duties, anti-money laundering, and countering the financing of terrorism. Allows competent authorities to use and share received information for purposes covered by EU restrictive measures.

Regulation 8: Amends regulation 21 expanding the scope of reporting entities and competent authorities as data controllers under GDPR and the Data Protection Act. Sets requirements for informing individuals about data collection and retention periods.

Regulation 9: Amends regulation 22, introducing a standard form for automatic exchange of information on reportable crypto-assets, to be adopted by the EU Commission. Allows for electronic confirmation of TIN validity of taxpayers by obliged entities.

Regulation 10: Amends regulation 33, updating penalties for Financial Institutions failing to comply with FATCA obligations, specifying that certain penalties apply to Financial Institutions and not simply Reporting Malta Financial Institutions.

Regulation 11: Amends regulation 44, updating penalties for Financial Institutions failing to comply with CRS/DAC 2 obligations, specifying that certain penalties apply to Financial Institutions and not simply Reporting Malta Financial Institutions.

Regulation 12: Introduces new regulation 53, requiring the competent authority of Malta to monitor and assess the effectiveness of administrative cooperation, including combating tax evasion and avoidance, and to report annually to the EU Commission.

Regulation 13: Introduces new regulation 54, establishing administrative penalties for Reporting Malta Crypto-Asset Service Providers failing to comply with obligations under the EU Administrative Cooperation Directive.

Regulation 14: Introduces new regulation 55, setting requirements for reporting and communication of Taxpayer Identification Numbers (TINs) for individuals and entities, with phased implementation dates for different types of information.

Regulation 15: Amends Annex I to the principal regulations, updating reporting requirements for Reporting Malta Financial Institutions, including new definitions and procedures for due diligence, self-certification, and record-keeping.

Regulation 16: Amends Annex V, updating definitions and procedures for platform operators, including the use of Identification Services. It also redefines the definition of an Effective Qualifying Competent Authority Agreement, following confirmation through an implementing act of the EU Administrative Cooperation Directive that certain non-Union jurisdictions have an equivalent legislation to that outlined under the Directive, in relation to the reporting of information by digital platforms. This therefore allows for the switch-off mechanism to operate under the Directive, i.e. non-Union platform operators which have a qualifying nexus with the European Union can solely report information to the tax authorities of a non-Union jurisdiction, which in turn, would exchange such information with the competent authority of Malta, in view of such qualifying competent authority agreement.

Regulation 17: Adds a new annex to the regulations, detailing reporting requirements, due diligence procedures, and administrative rules for Reporting Malta Crypto-Asset Service Providers, including definitions, obligations, and compliance measures.

Concluding section

These regulations come into force upon their publication and are applicable from 1st January 2026.

In case of queries, the general public is encouraged to contact the Malta Tax and Customs Administration via email at aeoi-admin.mtca@gov.mt.

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

22nd May, 2026

No. 798

MINISTRY FOR CULTURE, LANDS AND LOCAL GOVERNMENT

Explanatory Notes[1]

1. Introduction

Title of Regulations	Malta Film Commission Act (Amendment of Schedule) Regulations, 2026 (hereinafter referred to as the "regulations").
Activity to be regulated	These Regulations will affect audiovisual productions
Responsible entity	Malta Film Commission

2. Summary and background

The scope of the regulations is to amend the Schedule to the Act to include "Innovative audiovisual content" as a qualifying production.

The Malta Film Commission shall be responsible for all the purposes of these regulations.

3. Overview of the structure of the instrument

The regulations are made up of two (2) Regulations and consist of the following:

1. Regulation 1 Citation
2. Regulation 2 Amends the Schedule

4. Commentary

Regulation 2 introduces an additional sub-paragraph which shall be deemed to constitute a "qualifying production" for the purposes of article 25 of the Act. The amendment introduces "Innovative audiovisual content" under the umbrella term Extended Reality (XR), encompassing immersive technologies such as virtual reality (VR), augmented reality (AR), and mixed reality (MR). The provision establishes the criteria applicable to such productions, including their narrative and immersive nature, cross-border potential, and requirement to demonstrate a high level of innovation and creative value.

5. Conclusion

The Regulations shall come into force upon publication in the Gazette.

For further information or queries, please contact the Malta Film Commission:
Email: cashrebate@screenmalta.com
Telephone number: +356 2180 9135

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.

22nd May, 2026

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