



# COMPANY FORMATION IN MALTA

## MAIN FORMS OF COMPANY/BUSINESS IN MALTA

- Private Limited Liability Company
- Public Limited Liability Company

The Malta Registry of Companies, housed within the offices of the Malta Financial Services Authority is the regulator of companies and other commercial partnerships.

Companies in Malta are to be set up via licensed corporate service providers.

### **Private Limited Liability Company**

A Private Limited Liability Company is a company that must, by its Memorandum or Articles of Association:

- a) restrict the right to transfer its shares;
- b) limit the number of members to fifty; and
- c) prohibit any invitation to the public to subscribe for any shares or debentures of the company.

The minimum share capital in a Maltese private limited liability company is EUR 1,164.69, which may be subscribed by one person. The minimum amount to be paid up is 20% of this amount. It is possible for these types of companies to have one director on the Board.

### **Public Limited Liability Company**

A Public Limited Liability Company has no restrictions on the number of members as per above, but requires a higher issued share capital: EUR 46,587.47, at least 25% paid-up. The minimum number of directors on the Board for such companies is two.

## SPECIFIC TAX CONCERNS RELATED TO ESTABLISHING A COMPANY

There are no taxes upon setting up Maltese companies, but only the fees payable to the Registry of Companies are due. The latter vary depending on the size of the authorised share capital of the Company.

There are no wealth taxes or duties payable upon the incorporation or subsequent increase in equity of a Maltese company.

## LEGAL ISSUES RELATED TO ESTABLISHING A COMPANY

The Corporate Service Provider setting up the Maltese company would carry out due diligence checks on all the parties involved in the company in terms of local Anti-Money Laundering and Prevention of the Funding of Terrorism Regulations/Legislation.



There are no restrictions on the jurisdiction of the involved parties in a Maltese company, except for FATF black-listed persons.

### **CULTURAL CONCERNS RELATED TO ESTABLISHING A COMPANY**

---

Malta's official languages are English and Maltese, and all legal documents are prepared in English. The same goes for all correspondence sent by Government bodies and financial institutions. Hence, there are not cultural concerns which ought to be flagged.

### **OTHER COUNTRY-SPECIFIC ISSUES RELATED TO ESTABLISHING A COMPANY**

---

Malta in general is pro-business and geared towards international structures and set ups. It is a country with low levels of bureaucracy and excellent communications, together with a capable work force and sophisticated legislation including very attractive fiscal incentives which facilitate foreign businesses setting up business in or via Malta.