Key Facts
Holding Companies

Principal Features of a Maltese Holding Company
- A Maltese registered company can act as a holding company for the purpose of investing in another jurisdiction.
- Ownership of the holding company may be vested in non-resident natural or legal persons.
- Subject to certain tests being satisfied, shares held by a Maltese holding company in a non-resident company qualify as participating holdings and therefore benefit from a full exemption from any Malta tax on the income or gains derived from the non-resident company.
- No withholding taxes are applied upon distribution of dividends from a Maltese Holding Company to its shareholders.

The Use of a Maltese Holding Company

Non-Maltese Shareholders (Natural or Legal Persons)
Distribution to non-Maltese Shareholders: EUR100

Maltese Holding Company*
Distribution to Maltese Holding Company: EUR100

Foreign Company**
Trading Profits or Gains: EUR100

Income or Capital Gains

The Benefits of a Maltese Holding Company
- Ease of incorporation (in most cases between 24-48 hours)
- Low minimum capital requirements (minimum of EUR1,165 with only 20% being paid-up)

*No withholding taxes on distributions to non-Maltese shareholders. No Malta tax on income or gains from Foreign Company.
**The Foreign Company qualifies as a participating holding.
Key Facts Holding Companies

- A 0% corporate tax on dividends and gains derived from underlying non-Maltese resident entities qualifying as participating holdings subject to certain conditions being met¹

- Low registration and low annual return fees. These vary with the authorised share capital and range from EUR245-EUR2,250 for registration fees (non-recurring) and EUR100-EUR1,400 for annual return fees.

- Lower administration costs compared to other EU jurisdictions

- Access to Malta’s double tax treaty network spanning across 60 countries

- As an EU member, the application of provisions in the Parent-Subsidiary Directive and Interest & Royalties Directive result in further tax planning opportunities for a Malta Company

- No withholding taxes on dividends, interest and royalties paid out of the Company to its shareholders

- Capital gains on the transfers of shares in a Maltese Holding Company by non-resident shareholders are normally exempt

- No thin capitalisation rules

- A very flexible transfer pricing regime

- No CFC legislation

- No stamp duty is payable on the issuance of shares upon incorporation. Stamp duty payable upon the issuance of further shares or share transfers in companies held by non-residents can also be exempt subject to certain conditions being met.

- Possibility of redomiciling companies to and from Malta and no entry/exit taxes arising from these redomiciliations

- No exchange controls

- Tax losses can be carried forward indefinitely

- Free choice of currency of share capital, of functional currency for accounting purposes and for the settlement of any tax payable

¹ The shares held by the Maltese company in the foreign company must carry the right to any two of the following: a) right to votes b) right to dividends and c) right to surplus assets in the event of a winding up. In addition one of the following criteria must also be met:

- More than 10% of the equity shares are held OR

- The investment in the non-resident company amounts to EUR1.2m held for at least 183 days OR

- The Maltese company holds at least 1 equity share and has an option to acquire the balance of equity shares OR

- The Maltese company holds at least 1 equity share and has a right of first refusal to acquire the balance of equity shares OR

- The Maltese company holds at least 1 equity share and has the power to appoint a director OR

- The Maltese company holds shares in furtherance of its own business and not as trading stock.
Offices

The Americas/Caribbean

Bahamas
Trident Corporate Services (Bahamas) Ltd
T: +1 242 322 6154
bahamas@tridenttrust.com

Barbados
Trident Corporate Services (Barbados) Ltd
T: +1 246 621 0760
barbados@tridenttrust.com

British Virgin Islands
Trident Trust Company (BVI) Ltd
T: +1 284 494 2434
bvi@tridenttrust.com

Cayman Islands
Trident Trust Company (Cayman) Ltd
T: +1 345 949 0880
cayman@tridenttrust.com

Nevis
Trident Trust Company (Nevis) Ltd
T: +1 869 469 1817
nevis@tridenttrust.com

Meridian Trust Company Ltd
T: +1 869 469 1333
nevis@tridenttrust.com

Panama
Trident Trust (Panama) S.A.
T: +507 302 7494
panama@tridenttrust.com

United States
Atlanta
Trident Corporate Services, Inc
T: +1 404 233 5275
usa@tridenttrust.com

Miami
Trident Fund Services
T: +1 305 405 9006
miami@tridenttrust.com

New York
Trident Corporate Services, Inc
T: +1 212 840 8280
nyc@tridenttrust.com

Sioux Falls
Trident Trust Company (South Dakota) Inc
T: +1 605 679 4355
sd@tridenttrust.com

US Virgin Islands
Trident Trust Company (VI) Ltd
T: +1 340 774 7322
usvi@tridenttrust.com

Asia

Hong Kong
Trident Corporate Services (Asia) Ltd & Trident Trust Company (HK) Ltd
T: +852 2805 2000
hongkong@tridenttrust.com

New Zealand
Trident Trust Company (NZ) Ltd
T: +64 9 300 6067
nz@tridenttrust.com

Singapore
Trident Corporate Services (Singapore) Pte Ltd & Trident Trust Company (Singapore) Pte Ltd
T: +65 6653 1800
singapore@tridenttrust.com

EMEA

Cyprus
Trident Trust Company (Cyprus) Ltd
T: +357 258 20 650
cyprus@tridenttrust.com

Trident Fiduciaries (Middle East) Ltd
T: +357 253 53 520
fiduciariesme@tridenttrust.com

Dubai
Trident Trust Company (UAE) Ltd DMCC Branch
T: +971 4 423 9988
dubai@tridenttrust.com

Guernsey
Trident Trust Company (Guernsey) Ltd
T: +44 1481 727571
guernsey@tridenttrust.com

Isle of Man
Trident Trust Company (IOM) Ltd
T: +44 1624 646700
iom@tridenttrust.com

Jersey
Trident Trust Company Ltd
T: +44 1534 733401
jersey@tridenttrust.com

Luxembourg
Trident Trust Company (Luxembourg) S.A.
T: +352 26 30 28 48
luxembourg@tridenttrust.com

Mauritius
Trident Trust Company (Mauritius) Ltd
T: +230 210 9770
mauritius@tridenttrust.com

Seychelles
Trident Trust Company (Seychelles) Ltd
T: +248 4 422 000
seychelles@tridenttrust.com

Switzerland
Trident Corporate Services AG
T: +41 44 396 1080
switzerland@tridenttrust.com

United Kingdom
Trident Trust Company (UK) Ltd
T: +44 20 7935 1503
uk@tridenttrust.com

Trident Company Services (UK) Ltd
T: +44 20 7487 0460
corpservices@tridenttrust.com

© 2017, Trident Trust. All rights reserved. 06.17