



There are many reasons why Malta is a great jurisdiction for setting up and establishing a business, including:

- One of the most advantageous corporate tax regimes in the EU
- Onshore solution
- Share capital requirements as little as €1,165
- No language barrier – English is the official business language
- A decent climate – average 300 days of sunshine per year
- Low crime rates
- Low cost company formation
- No withholding taxes or stamp duty on the distribution of dividends of profit from Malta to non-resident shareholders

The main company legislation is the Malta Companies Act 1995 although shipping companies are regulated by the Merchant Shipping Act. Maltese company law also conforms with EU directives.

## TYPES OF COMPANIES

The most popular company vehicle in Malta is the Limited Liability Company as it has a separate legal personality and, as the name implies, offers shareholders limited liability to the capital invested in the company in Malta. This company can take the form of a Private Company or a Public Company.

## COMPOSITION

The minimum number of shareholders for public and private companies in Malta is two, but a private limited liability company in Malta may also be formed as a single-member company. The sole Shareholder and sole Director of a Maltese Company cannot be corporate entities and the objects clause is restricted to one main activity.

## SHARE CAPITAL

The minimum authorised and issued share capital for a Maltese company is as follows:

- Private companies – €1,165 with at least 20% thereof paid up.
- Public companies – €46,590 with at least 25% thereof paid up.

## CURRENCY

The company's share capital may be denominated in any currency. Malta does not impose any exchange control restrictions and this facilitates the use of Maltese corporate vehicles for international business. Exchange risk is further minimised by the fact that the company's income tax is paid in the same currency as the share capital. Any tax refunds are also given in the same currency.

## MALTA COMPANY REGISTRATION

A registration fee is payable to the Malta Business Registry (MBR) and is dependant on the amount of authorised share capital. The fee ranges between a minimum of €245 for companies with a share capital of not more than €1,500, up to a maximum of €2,250.

## MALTA COMPANY ANNUAL FEE

Companies must submit an annual return upon each anniversary of the company's registration date. The annual fee is payable together with the annual return.

The annual registration fee is also payable to the Malta Business Registry. The minimum fee is €100 for Malta companies having a share capital not exceeding €1,500; the maximum being €1,400 for Malta companies with a share capital of €2,500,000+.

## FIDUCIARY SERVICES

Malta has a fully-fledged trustee regime, therefore shares in Maltese companies may be held by licensed trustees in a fiduciary capacity, for and on behalf the subscribers.

## DIRECTORS AND COMPANY SECRETARY

Companies must appoint at least one Director and one Company Secretary. As a rule, a sole Director cannot occupy the post of Company Secretary as well, unless the company is a single member company and has 'exempt' status.

## ANNUAL ACCOUNTS

At the Company's financial year end, audited financial statements must be laid before and approved by the general meeting of the company and thereafter submitted to the MBR. A company may opt for a financial year end other than 31 December as long as the first period is not less than six months and not more than eighteen months. The time allowed for the submission of accounts before the general meeting is ten months after the financial year end for private companies and seven months after the financial year end for public companies. Audited financial statements must be prepared in accordance with the Companies Act.

## CONTINUATION OF COMPANIES

Maltese law allows companies to change their domicile in and out of Malta. Companies moving their domicile to Malta must come from a jurisdiction which allows this. This possibility enables companies to move freely from one jurisdiction to another without the need of going through liquidation process. Companies wanting to move their domicile to Malta must submit certain documentation to the Malta Business Registry. The Maltese Registrar will then issue a provisional certificate, which converts into a 'Certificate of Continuation' upon the presentation of evidence that the company has ceased to exist in the foreign jurisdiction.



## OUR SERVICES

COMPANY FORMATION AND ADMINISTRATION | PROVISION OF OFFICERS | BOOKKEEPING AND ACCOUNTING  
VAT REGISTRATION, ADMINISTRATION AND COMPLIANCE | TAX COMPLIANCE

## ABOUT SENTIENT

Sentient International is a privately owned group of independent, modern corporate and trust service providers, who between them have a solid track record of over 35 years.

Providing bespoke international business solutions to a broad spectrum of international clients, not only do we offer a wide range of services that are efficient, flexible and cost effective, our team of professionals offer complete in-house expertise as well as experience within a number of industry sectors.

We are committed to providing the highest level of customer care and ensure that the services we provide are delivered professionally, reliably and with complete integrity. We are proud to be more than just a company service provider.

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