



Secretary's Report 2020

About the Malta Institute of Taxation

The Malta Institute of Taxation is a professional body for advisors, practitioners and academics operating in the field of taxation in Malta, which has as its main purposes, the promotion of tax learning and ongoing professional education, as well as contributing toward the development of local tax policy and legislation.

Election of Council

The Malta Institute of Taxation held its 24th Annual General Meeting (AGM) on 4th December 2019 at the Malta Stock Exchange during which 27 eligible members voted.

This report covers the period 4th December 2019 to 31st December 2020.

Two nominees contested the election for the Council together with four other contestants that were the longest serving Council members. The President announced that Mr Shawn Agius was not contesting the election for a seat on the Council and thanked him for his sterling contribution towards the Council. Members elected for Council were: Dr. Jeanette Calleja Borg, Mrs. Ritianne Camilleri Galea, Dr. John Ellul Sullivan, Mrs. Geraldine Schembri and Dr. Rachel Zarb Cousin. These joined Dr. Conrad Cassar Torregiani, Dr. Edward Attard, Dr. Ramona Azzopardi, Dr. Robert Taylor East and Mr. Christian Vella.

At the first council meeting after the AGM no members were co-opted to the Council.



Official Positions

The Council for the year 2020/2021 was constituted as follows:-

President:	Dr. Conrad Cassar Torregiani
Vice-President	Mrs. Geraldine Schembri
Secretary:	Mrs. Ritianne Camilleri Galea
Vice-Secretary:	Dr. Robert Taylor East
Treasurer:	Mr. Christian Vella
Vice-Treasurer:	(vacant)
Members:	Dr. Edward Attard
	Dr. Ramona Azzopardi
	Dr. Jeanette Calleja Borg
	Dr. John Ellul Sullivan
	Dr. Rachel Zarb Cousin

The Council met seven times for council meetings and seven management committee meetings were held during the year 2020.

BRIDGING THE GAP

The Institute worked to bridge the gap between the tax authorities and the Institute's members, seeking to bring further clarity to its members on various issues. The Institute organised various meetings with the CfR, to highlight these concerns.

In fulfilment of this objective, the Institute, in 2020 participated in several consultation processes with the Office of the Commissioner for Revenue,



providing input on both draft legislation and official guidance documents. At an international level, MIT representatives have attended and contributed to virtual meetings of the CFE Technical Committees as well as the prestigious EU Commission's VAT Expert Group.

CFE

MIT representatives were present during the meeting held in January 2020 in Brussels organised by the CFE, the European body of tax advisers. Other CFE meetings that were due to be held during 2020 have been cancelled due to COVID-19.

In the news section of the website one can find the weekly CFE's top tax news.

VAT Expert Group

The Institute's representative on the VAT Expert Group, Dr. Sarah Cassar Torregiani attended two VAT Expert meetings during the year. MIT was re-appointed by the Directorate-General for Taxation and Customs Union of the European Commission in October 2019 to serve for a mandate of a further 3 years till 2022.

MEMBERSHIP

Membership base has been increasing all the time and this is of great achievement for the Institute, as members are recognising the various benefits that one can reap from being a member of MIT. At the moment, the

number of members is of 555 including student members.

FACING COVID-19

As from March 2020, the Institute shifted to online training in order to abide by the guidelines issued by the Health Authorities in respect of the outspread of the pandemic. Between April 2020 and June 2020, the Institute organized a monthly free webinar for its members on the COVID-19 Economic Measures, The Impact of COVID-19 on the application of Tax Treaties and the COVID-19 Economic Regeneration Measures that were announced by the Government intended to regenerate the economy. The MIT International Tax conference that is usually held in September and the Tax Masterclasses were not held due to COVID-19 restrictions.

WORKING WITH DIFFERENT STAKEHOLDERS

MIT tries to maintain good dialogue with authorities and over the past year, the Institute has held meetings with the Office of the Commission for Revenue (CfR), as well as collaborated with other organisations which are similarly placed to support matters relevant to the Institute's strategy. Some key stakeholders include the Institute of Financial Services Practitioners (IFSP), the Malta Institute of Accountants (MIA) and the Malta Chamber of Commerce, Enterprise and Industry (the Chamber). The Institute is also in touch with various other entities, banks, professionals, and specialists in various sectors.

The Institute made a number of submissions to the Office of the Commissioner for Revenue during 2020, some of which were made in



collaboration with the Malta Institute of Accountants and the Institute for Financial Services Practitioners including the Proposals in connection with measures to address the economic impact of COVID-19 and the Proposals for Budget Measures. MIT attended a meeting organised by the International Corporate Tax Unit (ICTU) regarding the Exchange of information.

SUPPORT TO MEMBERS

The Malta Institute of Taxation supports members at different heights by: communicating with members on various news from both local and international bodies, issuing guidelines to members, expressing the opinion of members practising the tax profession with local authorities and international bodies and produces various webinars for Continuing Professional Education (CPE) and tax courses.

COMMITTEES

The Institute has various committees that are constantly working on various projects. Mainly the committees consist of:

- Technical committees being the Direct Tax and the Indirect tax committees;
- Education committee;
- Finance committee;
- Professional Affairs committee;
- Ethics and Disciplinary committee;
- Membership committee; and,
- the Publications committee.

Committees meet from time to time to discuss projects that are being undertaken by the MIT.

The Institute's **technical committees** under the leadership of Dr. John Ellul Sullivan (Direct tax) and Mr. Chris Borg (Indirect tax) respectively have worked on a number of initiatives this year, documenting discussions and analysis of select tax technical issues into MIT Position Papers and other resources for the Members of the Institute. All the technical output of the Institute may be accessed from MiTAX and the Position Papers & Reports section in the Members Area of the Institute's website.

MIT's academic curriculum remains the flagship of the Institute. Education is crucial to the Institute. MIT works to promote knowledge and good practice in the tax profession. The **Education Committee** has, under the leadership of the chair of the Education Committee (Dr. Rachel Zarb Cousin), once again delivered. September saw over 60 students receive their certification for the MIT Course on Taxation (MQF Level 6) and the MIT Course on Tax Compliance (MQF Level 5) for academic year 2019/2020. The courses had to transition overnight to an online format in March in view of the onset of COVID-19, which transition progressed smoothly thanks to the effort of our CEO supported by the administration team, and the co-operation of lecturers and students alike. In October the Institute kicked off the 2020/2021 academic year, once again welcoming over 60 new students. This year, the Institute has again innovated our education program, updating the content to adapt to the ever-changing landscape and is now offering persons who do not wish to follow the full course the opportunity to attend any individual module/s of their choice. This is also a good opportunity for those who have completed the full course in the past to 'refresh' their knowledge, in particular in those areas of most relevance to them or which have undergone significant change over the



past few years.

In January 2020, the Institute held a Think-Tank session between the Council members and the members of the Direct Tax Committee during which the Transposition of the Tax Intermediaries Directive into Maltese Law and the anti-hybrid legislation in Malta were discussed. The discussions held during this session were also the topic of two Seminars organised by the Institute.

The Institute also offered a number of **CPE events in 2020**. The Education Committee selected a number of relevant and important topics of interest and invited experts in the field to deliver the training. The topics included ATAD2, Mandatory Disclosure Rules (DAC 6), Preparing for VAT 2021 and Tax considerations of employment. The seminar/webinar schedule for 2021 is being finalised and promises to address topical and important tax issues relevant for practitioners and businesses.

Webinars held during 2020:

Preparing for VAT 2021: B2C Transactions in Goods and the extension of the Mini One Stop Shop
Adjusting to anti-hybrid legislation in Malta
Changes to the Corporate Tax Return for YA2020
Corporate and Tax Law Considerations relevant to Mergers and Acquisitions
Intra-EU transactions in goods: Chain Transactions (incl. triangulation)
Personal Tax – Cross Border Employment
Recent developments on the GloBE Proposal under Pillar Two: Malta's perspective
Recent direct tax decisions of the CJEU
Tax Compliance Series: 1 - Individual Taxation
Tax Compliance Series: 2 - Capital Gains & Stamp Duty
Tax Compliance Series: 3 - VAT Returns
Tax Compliance Series: 4 - Tax Returns for Companies



The New ATAD GAAR
The transposition of the Tax Intermediaries Directive into Maltese Law
VAT Considerations for Funds
VAT Considerations for Holding Companies
VAT Grouping
VAT Practical: Input Tax Recovery
VAT: DIRECTORS & OTHER OFFICE HOLDERS (INCLUDING THE SUPPLY OF DIRECTORS AND OTHER STAFF)

PUBLICATIONS

This year the Institute published a number of Position Papers which document the Institute's views on certain issues as well as Information Papers and Q&A documents.

These papers can be downloaded from the Position Papers & Reports section of the MIT Website (Members' Area). The Institute published the 2020 Legislative Round-up which is an overview of key legislative developments in the area of taxation that took place between 1 January 2020 and 22 December 2020.

All news that is related to the taxation area was also circulated to Members and Subscribers, in 'The MIT Weekly'. This included local legislation, legislative matters concerning the Budget 2021, CfR Guidelines & Administrative Practices and EU Legislation.

MIT WEBSITE AND SOCIAL MEDIA CHANNELS

Besides communicating through the MIT website, the Institute keeps its online presence through its main social media channels, mainly Facebook,



Instagram and LinkedIn. The various communication channels are constantly being used to regularly keep in touch with members, students and the general public.

Gratitude

This year has been a tough year for everyone but through determination and perseverance and the support that Institute has from its staff, mainly the CTO, the CEO, the President and the Council and the committee, the Institute has made it through another year and members have been kept informed about tax developments and were given the tools to be a success in their tax profession even in these unusual times.

Mrs. Ritianne Camilleri Galea
Secretary