

Report of the Council of the Malta Institute of Taxation

Covering the period 23rd June 2022 to 16th June 2023.

About the Malta Institute of Taxation

The Malta Institute of Taxation (the “MIT” or the “Institute”) is a legal entity which has, as its main objectives: the advancement of education and good practice in taxation and contribution toward the development of local tax policy and legislation.

Election of Council

The MIT held its 26th Annual General Meeting (AGM) at St Aloysius College on 23rd June 2023 at 4p.m.

During this AGM an election for Council was held, during which Dr Rachel Zarb Cousin, Dr John Ellul Sullivan, Dr Trudy Muscat, Ms Sarah Casolani and Ms Geraldine Schembri were elected for Council. Ms Ritianne Camilleri Galea was not re-elected.

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

Official Positions

The Council for the period being covered by this report was constituted as follows:

President:	Dr Conrad Cassar Torregiani
Vice-President	Ms Geraldine Schembri
Secretary:	Dr Rachel Zarb Cousin
Vice-Secretary:	Dr Robert Taylor East
Treasurer:	Mr Christian Vella
Vice-Treasurer:	Ms Sarah Casolani
Members:	Dr Edward Attard
	Dr Ramona Azzopardi
	Dr Trudy Muscat
	Dr John Ellul Sullivan

Throughout the period under review, Council meetings were typically held on a monthly basis, whereas management committee meetings were held on a quarterly basis.

Licensing with the Malta Further & Higher Education Authority (MFHEA)

In October 2022, the Institute became accredited as a blended educational institution, meaning that our MFHEA-accredited courses, the MIT Course on Taxation MQF level 6 and the MIT Course on Tax Compliance MQF level 5, now take place 70% online and 30% in-person (lectures were held at St Aloysius College).

Membership

The Institute retains a good Membership base and continues to endeavour to provide a valuable service to Members and to encourage more tax professionals to become members. Since the last AGM 24 new membership applications were received. 17 applicants have been approved by the Council, whilst seven other member applications are currently being vetted. The current number of members has so far increased from 391 to 406 members.

Membership subscription

New membership terms were introduced with effect from 1 January 2023:

- A membership benefit of two complimentary CPE events was offered to existing Associate and Fellow members who renewed their membership (with payment in full) by the end of February 2023. This benefit was not available to non-paying members, including students.
- New members joining in first 6 months of the year, benefit from two complimentary CPE events, and those joining from June onwards are eligible to one complimentary CPE event.
- The membership fee for new members enrolling during the year is as follows: €20 admin fee plus €15 per month, starting from the 1st of the month, following membership approval.

Support to members and technical initiatives

The MIT supports members at different levels by: communicating tax news (both local and international), as well as updates received from the Office of the Commissioner for Revenue (CfR), issuing guidance to members, representing members at EU fora such as the EU VAT Expert Group and CFE Tax Advisers Europe, delivering training relevant for Continuing Professional Education (CPE), and actively participating in discussions and consultations with the relevant authorities around tax legislation and administration.

As in previous years, at the end of 2022 the MIT published an overview of key tax legislative developments that took place in the calendar year 2022 and hosted a webinar on the subject-matter which was complimentary for MIT Members.

During the period, the technical committees of the Institute have been working on a number of initiatives which have resulted in draft technical/position papers being submitted to Council for review. We anticipate that a number of these will be circulated to members in the coming months.

MIT Membership Directory

MIT Members now have the option for their details to be included in the MIT's online Membership directory. This directory of Associate and Fellow Members, which will be accessible to the public, will give the general public a means through which they can identify individuals who, as MIT Members, have the status of "tax professional" for the purposes of the Schedule to the Income Tax Act.

Bridging the gap

The Institute continually strives to bridge the gap between the tax authorities and its members, seeking to bring further clarity to its members on various issues. In fulfilment of this objective, in 2022 and 2023 (to date), the Institute participated in several consultation processes with the Office of the CfR, providing input on both draft legislation and official guidance documents. The Institute's representatives also participated in meetings and/or exchanges with the Office of the CfR, on practical issues and concerns raised by its members.

At an international level, with effect from 1 October 2022 the MIT was once again re-appointed to the EU Commission's VAT Expert Group for a mandate of 3 years. MIT representatives also attended and contributed to meetings of the CFE Technical Committees.

Working with different stakeholders

The MIT has collaborated with other organisations which are similarly placed to support matters relevant to the Institute's strategy. As in previous years the MIT has collaborated with the Malta Institute of Accountants (MIA), and the Institute of Financial Services Practitioners (IFSP) on a number of CfR consultations and has also organised a webinar on the VAT in the Digital Age Proposals in collaboration with these Institutes. The Institute has also collaborated with the Malta Stock Exchange Institute on a number of CPE events.

In addition in the Professional Affairs sphere, representatives of the Institute have attended a number of meetings with regulators, authorities and public officials and participated in a range of consultation processes, including the National Risk Assessment, on which the National Coordinating Committee on Combating Money Laundering and Funding of Terrorism took a lead.

New educational Initiatives

This year, in collaboration with ITC Leiden, the Institute developed and delivered a course in Transfer Pricing to employees of the Office of the Commissioner for Revenue. In March 2023 the MIT held its first VAT Practitioners' Forum – this event brought together professionals who work in the field of VAT to discuss select topical VAT issues from a technical and practical perspective. It is an opportunity for dialogue amongst practitioners as well as with representatives of the Office of the CfR.

In 2022-2023 the MIT event calendar saw some new CPE events, including a Short Course on Tax AML and a new series of webinars covering the Tax Return Attachments.

Committees

The Institute has various committees that are constantly working on various projects. These are:

- Technical committees - the Direct Tax Committee (which is divided into 3 sub-committees) and the Indirect Tax Committees
- Professional Affairs Committee;
- Education Committee;
- Finance Committee;
- Ethics and Disciplinary Committee;
- Membership Committee;

These committees have convened regularly to discuss the diverse initiatives that are being undertaken by MIT and, in the case of the technical committees, the technical issues of relevance to members and related initiatives. The notable developments relating to the MIT committees during the period June 2022 – June 2023 are:

- **The Direct Tax Committee:** After the last AGM, Council took the decision to change the format of the Direct Tax Technical Committee and split it into three focused sub-committees:
 - International Tax sub-committee – Chairperson: John Ellul Sullivan
 - Domestic & Compliance sub-committee - Chairperson: Daniel Caruana
 - Personal Tax sub-committee – Chairperson: Edward Attard
- **The Professional Affairs Committee (Chairperson - Edward Attard):** Post-greylisting, the MIT's Professional Affairs Committee has dedicated time and resources during the last year to steer and empower the Institute to better educate and sensitize its members and other relevant professionals and organizations on the importance of their role as an integral part of the law enforcement process designed to ensure financial propriety in Malta. This is particularly relevant in the AML/ Tax Evasion/ Exchange of information space. To this end, the MIT has organized a number of relevant educational programmes, including the MIT Short Course on Tax AML. Furthermore, this committee is responsible for the initiative relating to the publication of the list of Associate and Fellow members, which will give the general public a means through which they can identify individuals who, as MIT Members, have the status of “tax professional” for the purposes of the Schedule to the Income Tax Act.
- **The Tax Technology Committee:** In recognition of the ever-increasing significance of technology and technological applications to taxation and tax administration and reporting, as well as of the impact of digitalisation and digital transformation on tax matters, the Council of the MIT has established a Tax Technology Committee. The Committee will identify and discuss the key issues with a view to contributing to the broader discussion with the relevant stakeholders, including the Office of the CfR, and will create awareness through publications and/or educational initiatives. Ramona Azzopardi was appointed Chairperson of this Committee.

The MIT Annual Tax Conference and other Events

The MIT Annual Tax Conference was held at the Radisson Blu Resort & Spa Golden Sands on the 12th October 2022. The theme of the conference, which was very well attended, was ‘Malta’s Tax System: Hard Reboot?’

The graduation ceremony for the graduands of the 2021-2022 intake of the MIT Course on Taxation and the MIT Course on Tax Compliance was held on the 14th September 2022 at The Sheer Bastion in Isla. The ceremony was followed by a Networking dinner for graduates and MIT Members.

MIT website and social media channels

Besides communicating through the MIT website, the Institute retains its online presence through its main social media channels, mainly Facebook, Instagram and LinkedIn. The various communication channels are constantly being updated to keep in touch with members, students and the general public.

Investments and Projects

A new initiative has been the IT platform project which, with a total budget of €50,000, has been split into two phases. The first phase has been completed, with an investment of €36,000. This phase has been set up to handle the tasks that the administrative team require in order to handle administrative tasks for: accredited courses, registrations, memberships, CPE certificates, event management and some aspects of billing. This project was done in conjunction with Smart Technology Ltd.,



The MIT Team

There were no changes to the MIT staff complement since the last AGM, which presently stands as follows: Sarah Cassar Torregiani - CTO, Sharon Cusens - CEO, Francesca Sciberras - Academic Co-Ordinator, Charlene Cutajar - Assistant Academic Co-Ordinator, Maria Pisani - Office Support and Billing.

The Institute hosted five interns at intervals of eight to 12 weeks each.

I would like to express my appreciation towards past and present employees, as well as our CTO, the CEO, the President and the Council members and the committees for their continuous support towards the Institute.

Dr Rachel Zarb Cousin
Secretary General