



Examiner's Feedback Report – Module B 2024-2025

General Comments

The first sitting and the re-sit examination papers were in general structured to assess the students in two different manners:

- Questions / sub-questions including both theoretical questions expecting the students to provide (i) brief written replies on key aspects of the relevant legislation and (ii) brief computation aspects. The questions mainly covered:
 - Controlling Interest and Global Transfer aspects in terms of the Capital Gains Rules;
 - Collective Investments Schemes;
 - Group exemptions;
 - Trusts;
 - Value Shifting and De-grouping considerations; and
 - Transfers of immovable property or shares in terms of Article 5 and Article 5A of the Income Tax Act
 - AML scenarios;

(the 'Theoretical Questions')

- Questions / sub-questions with more complex case scenarios expecting students to predominantly compute the required tax and / duty assessments in line with the relevant rules. The computations were predominantly in relation to:
 - Tax Market Value in terms of the Capital Gains Rules;
 - Real Market Value in terms of the Duty on Documents and Transfers Act, and corresponding rules;
 - Taxation of rental income, including in terms of Article 31D of the Income Tax Act; and
 - In conjunction with the above, computation of personal taxation under the progressive rates.

(the 'Computational Questions')

In aggregate therefore, the questions were structured in a manner to distinctly assess the students' (i) theoretical knowledge; (ii) application of theoretical knowledge in specific circumstances resulting in a brief computation (collectively being the Theoretical Questions) and; (iii) application of different



theoretical aspects (without the express need to provide a write-up thereon) within a more comprehensive computation (being the Computational Questions).

To note that all questions are split into different sections to include an element of both Theoretical Questions and Computation Questions, in order for both aspects to be undertaken.

The first sitting and the re-sit were predominantly based /on assessing the same general topics detailed above, however differentiating the relative sub-questions and/or facets in order to assess different aspects of such topics and recalibrating marks according to complexity.

On the basis of the first sitting results (given the larger sample of students), it would appear that:

- The majority of the students opted for questions 1 and 2, and a minimal amount opting for question 3. Question 3 included a number of potentially more intricate Theoretical Questions and Computation Questions, and accordingly preference was more towards question 1 (more inclined towards Computation Questions) and question 2 (more inclined towards Theoretical Questions);
- Irrespectively of the above, students achieved comparable average marks in all three questions in the region of 60%, ultimately indicating a collective reasonable level of knowledge over the whole syllabus, with limited number of failures and a typical overall range of marks (minimal fail marks and high marks, and a high spread over the middle to low range markings);
- Anomalies persist, with a noticeable amount of students attempting two questions with significantly different outcomes: reasonable marks in one of the questions, but significantly incorrect and/or partially attempted in the other question, resulting in a low / fail outcome. Indeed the margin between the highest and lowest marks across the sitting where:
 - o 40 marks in question 1;
 - o 33 marks in question 2; and
 - o 39 marks in question 3.

In aggregate, although the pass rate appears to be high, the average mark hovers in the 60% range.

Concluding comments

- The majority of the students appear to have reasonable level of base knowledge, which has translated into a low failure rate but also resulted in a low average pass mark indicating clear room for improvement in all areas;
- A number of students appeared to disregard the time constraints, and opted to invest a disproportionate amount of time in questions where the students appeared to be more knowledgeable. This may have however entailed an unnecessary level of input and time spent on certain questions, and accordingly potentially limited time allowed for replies on other questions, adversely impacting marks; and



MALTA
INSTITUTE
OF TAXATION

- It is also notable that a number of students wrote in an almost unintelligible and unstructured manner, in certain instances partially impacting their marks as the reply could barely be read and/or understood. It is not unreasonable to assume that, in certain instances, this resulted from rushed replies also due to inappropriate time management.

The comments included above apply primarily to the first sitting, with similar outcomes however *prima facie* relevant for the re-sit.