



Examiner's Feedback Report – Module E 2025-2026

The examination team hereby provides comments on the candidates' knowledge of the subject matter of Module E, as observed from the candidates' performance during the exam, as well as general exam observations.

As in previous years, the examination consisted of a 2 hour and 15 minute exam containing three questions: questions 1 and 2 were case-studies, whilst question 3 required candidates to write short notes on four topics. The candidates were required to answer two questions, each carrying 50 marks.

General Comments

There was a fairly even balance in terms of candidates' choice of question, with questions 1 and 2 being, marginally, the most popular choices overall.

The examiners noted an acceptable overall standard and quality of responses, however with a slight decrease over last academic year in the average mark achieved for each question which came in at 30/50.

The average overall grade was 62%, a decrease of 6 percentage points over last year, with the highest overall mark being 86% and the lowest 27%.

The examiners noted that a number of candidates did follow the instruction to make reference to the relevant provisions of the legislation to support their responses and felt that a number candidates provided responses of a good standard, demonstrating preparedness and attentiveness during lectures. They also noted an increase over last year in the number of students that fared poorly on the exam, with brief, superficial responses that demonstrated a lack of preparedness below what is expected from an open-book exam. The students who underperformed in each of the questions were generally those who, notwithstanding having access to the legislation, still presented inaccurate responses, demonstrating failure to have grasped the basic principles and/or inability to interpret and apply the relevant rules in the context of the exam question.



Question 1

Question 1 was a case-study around the VAT treatment of real estate transactions. The questions required candidates to identify the Malta VAT treatment of the transactions being analysed and the right or otherwise for input tax recovery. Overall, candidates performed well in this case study, demonstrating a fairly sound understanding of the key principles, and appropriately applying the provisions to the context.

Question 2

This case study tested candidates' knowledge of the rules applicable to cross border transactions in goods. Overall, candidates performed well in this case study, demonstrating a fairly sound understanding of the key principles, and appropriately applying the provisions to the context.

Question 3

This question requested candidates to write short notes on the following:

- (i) The concepts of establishment of a business and fixed establishment for VAT purposes.
- (ii) The 'use and enjoyment' principle when determining the place of supply of services.
- (iii) The principles underpinning the Malta VAT treatment of services of medical professionals and services offered by hospitals and clinics.
- (iv) The status of a holding company for VAT purposes, distinguishing between a 'passive' holding company and 'active' holding company.

This question required students to demonstrate their knowledge of the principles, preferably with reference to case-law of the CJEU where applicable, and did not require specific application like the other two questions. A mixed performance was noted, with marks ranging from 7/50 to 40/50. This mixed performance was disappointing given that well-prepared students could do well with this format of question, and given that the content was covered in the lecture handouts. The candidates who obtained the lowest marks were those who either outrightly omitted one or more sections of the question, provided incomplete replies or merely reproduced the provisions of the law. Those who highlighted the key elements of the topics, with reference to the provisions of the law, as well as any relevant case-law, achieved the highest marks.