

Examiner's Feedback Report

Module E 2023-2024

General Comments

The examination team hereby provides comments on the candidates' knowledge, as observed from the candidates' performance during the exam, including general exam observations.

The examination consisted of a 2 hour and 15 minute exam containing three questions: Question 1 and 2 were case-studies whilst question 3 required candidates to write short notes on 4 topics. The candidates were required to answer two questions, each carrying 50 marks.

General Comments

Almost all students opted to answer one case study (question 1 or 2) together with Question 3, resulting in Question 3 being the most popular choice. This was followed by question 1 (concerning services relating to immovable property and input tax recovery).

The examiners were pleased to note an acceptable overall standard and quality of responses, similar to last academic year (which had seen an increase in the overall standard over previous years), with the average mark achieved for each question being around 31/50.

The examiners noted that notwithstanding an express instruction to reference the relevant provisions of the legislation to support their responses, the majority of candidates did not do so.

Question 1

Question 1 was a case-study around the purchase and exploitation of immovable property for commercial purposes. The question required students to identify the Malta VAT treatment of the transactions being analysed and to explain the implications on the rights of input tax recovery.

A number of students performed well in this case study, demonstrating a sound understanding of the key principles, and appropriately applying the provisions to the context.

Question 2

This question was a case study which tested candidates' knowledge of rules applicable to B2C intra-EU transactions in goods (including the Distance Sales rules) and the rules for cross-border supply of electronic services. This was the least popular question, with a lower average grade scored over the other two questions.

The students who underperformed in this question were those who, notwithstanding having access to the legislation, still presented inaccurate responses, demonstrating failure to have grasped the basic principles and/or inability to read and transpose the rules in the context of the reply.

Question 3

This question required candidates to write short notes on VAT registration under article 10 of the VAT Act; the notion of 'Fixed Establishment' for VAT purposes and its relevance; the scope of the exemption for certain supplies concerning sea vessels; and the deduction of input tax by a person engaged exclusively in supplying services consisting of transactions concerning payments and transfers. 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.

The candidates performed quite well overall, with those who highlighted the key elements of the topics discussed with reference to case-law achieving the highest marks. Those who failed to obtain a passing grade in this question had either left out one or more of the 4 topics, or presented inaccurate and/or very cursory and incomplete notes on the subject matter.