

Avanzia

Tax and



Firm Profile - Contents

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The Firm

- ▶ Avanzia Tax Advisors was set up in 2005 by a team of reputable and highly regarded Certified Public Accountants and Tax Professionals who between them share a wealth of knowledge and working experience in their respective fields.
- ▶ The firm employs a number of specialised graduates and experienced professionals in the areas of accounting, financial services, information technology, company law and taxation.
- ▶ The firm has access to a global network of leading tax advisors through its membership within Taxand.

Our Staff

- ▶ Our people have a certain energy and noticeable enthusiasm for what they do. All of our staff members are qualified individuals that hold at least a first degree, in the main in accounting.
- ▶ Our staff know how to build strong working relationships with clients and are trained and experienced to provide objective guidance and knowledge to enable our clients to succeed.
- ▶ We value and reward the sharing of knowledge in the firm, giving our staff the opportunity to leverage their skills in a successful way. In turn, our clients benefit, as we help them harness the power of knowledge in their own entities - driving towards performance improvement.

Our Vision

To be a respected and valued service provider to local and international clients.

Our vision for the future is supported by an integrated set of core values and business principles.

Achieving our vision requires the highest levels of commitment, performance and professionalism.

Our Values

- ▶ **Integrity** – We strive to give straightforward advice based solely on our desire to see the client succeed.
- ▶ **Trust** – We commit ourselves to establish long-term relationships by earning our client's firm belief in our honesty.
- ▶ **Caring** – We understand our clients concerns and the relationship that leads to their success.
- ▶ **Competence** – We seek to achieve and maintain abilities to provide solutions by having in-depth knowledge.
- ▶ **Continual Learning** – We work hard to keep our knowledge current and to keep abreast of developments.

Our Services (1)

Our firm provides the following services:

- ▶ Tax advisory and tax compliance
- ▶ International tax planning and treaty advice
- ▶ Transaction tax
- ▶ Restructuring
- ▶ Mergers and acquisitions
- ▶ Corporate law
- ▶ Indirect taxation – VAT, customs duties and duty on documents
- ▶ Tax litigation

Our Services (2)

Our firm provides the following services:

- ▶ Company formation, management and administration
- ▶ Formation of other entities
- ▶ Registered office and office facilities
- ▶ Fiduciary services (through our licensed company MSD Holding Ltd)
- ▶ Directorships
- ▶ Legal and judicial representation
- ▶ Company secretarial services
- ▶ Book-keeping and accounting, preparation of management accounts, interim reporting and financial statements

Our Services (3)

Our firm provides the following services:

- ▶ Incorporation – our one-stop shop incorporation procedure includes the drafting of the Memorandum and Articles of Association, opening of bank account and registration with the Registry of Companies, Inland Revenue Department and the VAT Department
- ▶ Redomiciliation – inwards and outwards
- ▶ Back Office – book-keeping, payroll and preparation of all statutory returns such as income tax returns, VAT returns, Intrastat returns, NSO returns
- ▶ Liquidation procedures including winding up accounts and scheme of distribution

Our Services (4)

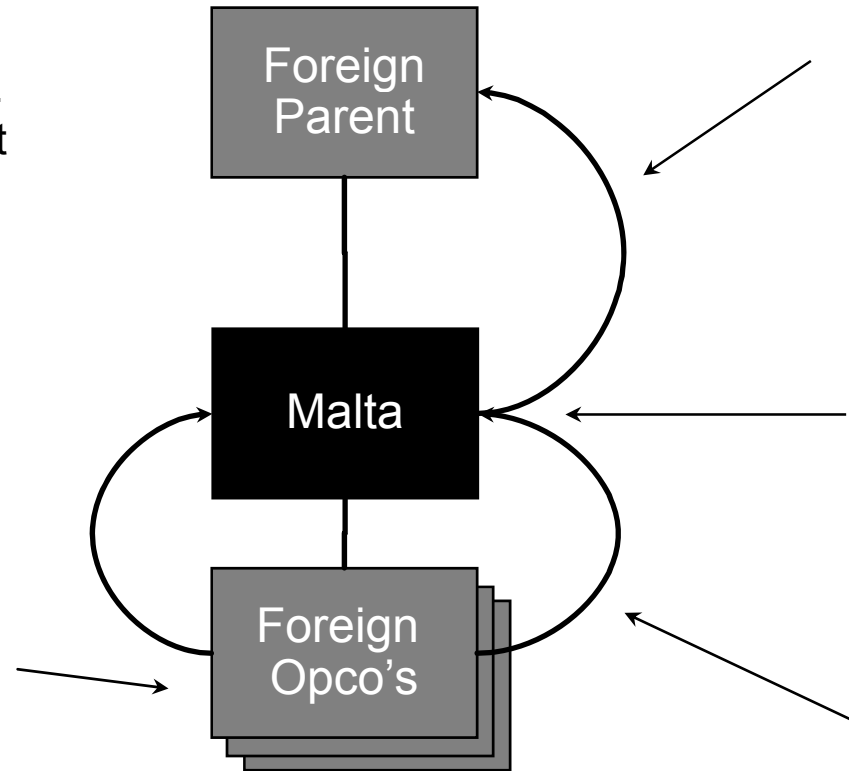
Our firm may incorporate any of the following:

- ▶ Holding companies, treasury and finance companies
- ▶ Intellectual property companies (including Trade name and trademark registration)
- ▶ Trading companies
- ▶ Shipping organisations and ship registration
- ▶ Online gaming and betting companies
- ▶ Professional Investor Funds (PIFs)
- ▶ Trusts
- ▶ Collective Investment Schemes (CIS)
- ▶ Credit institutions and financial institutions
- ▶ Insurance Management Companies
- ▶ Affiliated Insurance Companies

Example - Holding Company

No effective tax upon a distribution if there is a participating holding. Company may adopt the participation exemption

'Light' anti-abuse measures for the investment to qualify as a participating holding and benefit from the participation Exemption

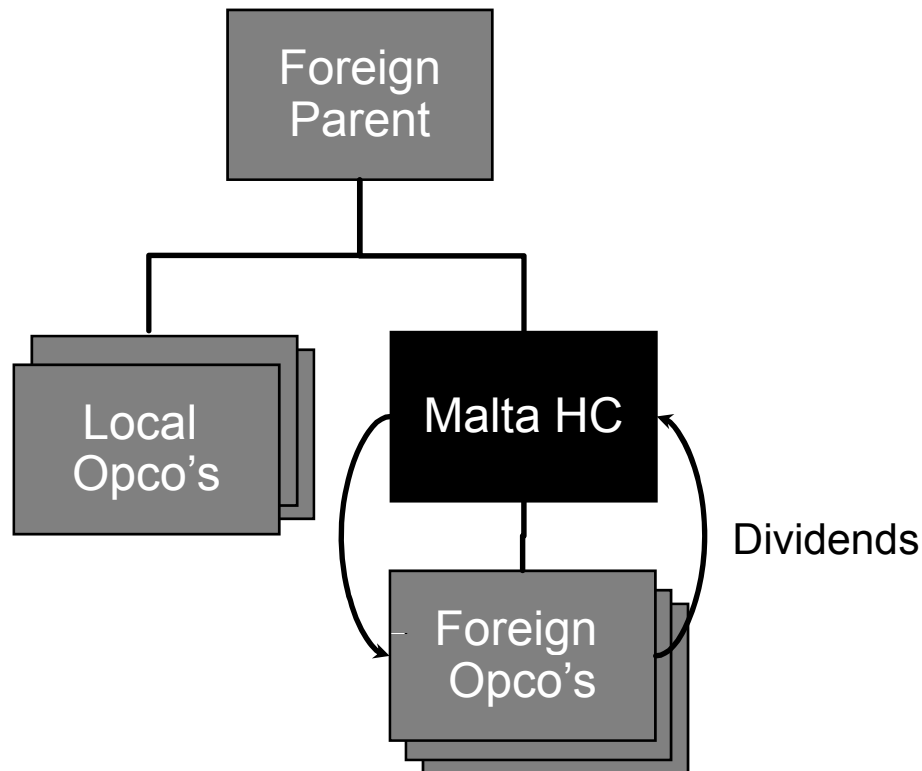


Upon a distribution:
1. No W/H tax
2. Full Imputation
3. Tax refunds

TREATY RELIEF,
UNILATERAL RELIEF
OR FRFTC

Reduced
treaty rates
may apply

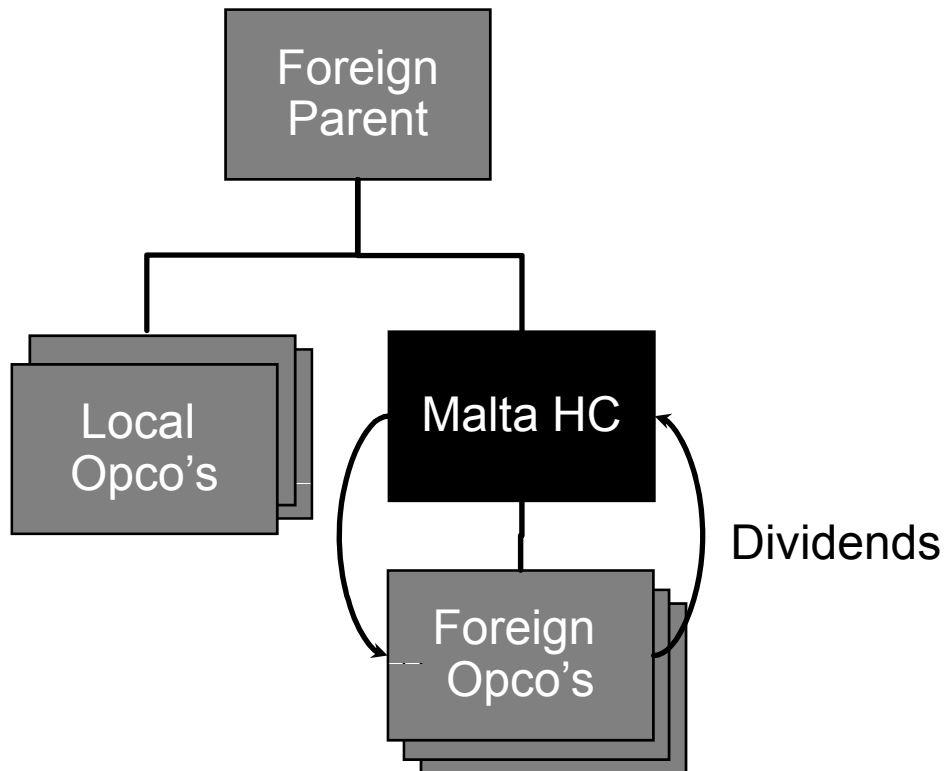
Example - Holding Company



Considerations:

- ▶ No withholding tax upon payment of dividends irrespective of shareholders' tax status and residence.
- ▶ No Capital duty or duty on documents.
- ▶ Wide Treaty Network – around 50 treaties in force and another 10 in the pipeline.
- ▶ Foreign Tax Credits – treaty relief, unilateral relief (multi-tier) or FRFTC.
- ▶ FRFTC of 25% may be claimed on foreign source income or capital gains.
- ▶ Nil or very low effective tax upon distribution of profits because of tax credits and tax refunds.

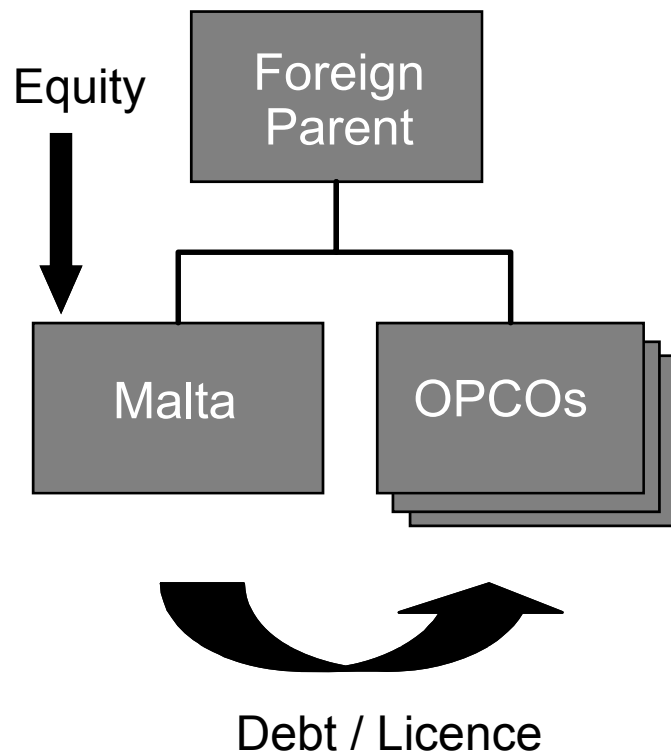
Example - Holding Company



Considerations:

- ▶ Capital gains treated as chargeable income
- ▶ No thin cap rules or debt to equity ratios
- ▶ No CFC rules
- ▶ Participating holdings
- ▶ Participation exemption
- ▶ Light anti-abuse measures
- ▶ Advance Revenue Rulings
- ▶ Tax refund within 14 days and in same currency
- ▶ No exit costs on liquidation or redomiciliation

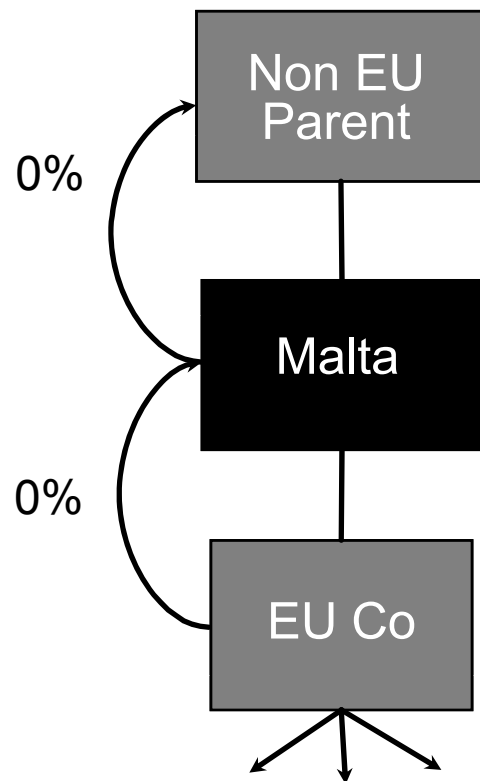
Example - Finance and Leasing



Considerations:

- ▶ Company subject to income tax at 35%
- ▶ Full imputation system and tax refunds
- ▶ Refunds are equivalent to 5/7ths of company tax or else 2/3rds if company claims FRFTC
- ▶ Dividend and / or refund may be exempt at parent company level under participation exemption rules
- ▶ No withholding tax in Malta
- ▶ No capital duty
- ▶ No thin cap rules or debt to equity ratios
- ▶ No CFC rules
- ▶ Expanding treaty network
- ▶ Some tax treaties have a 0% W/H on interest plus access to Interest and Royalties Directive

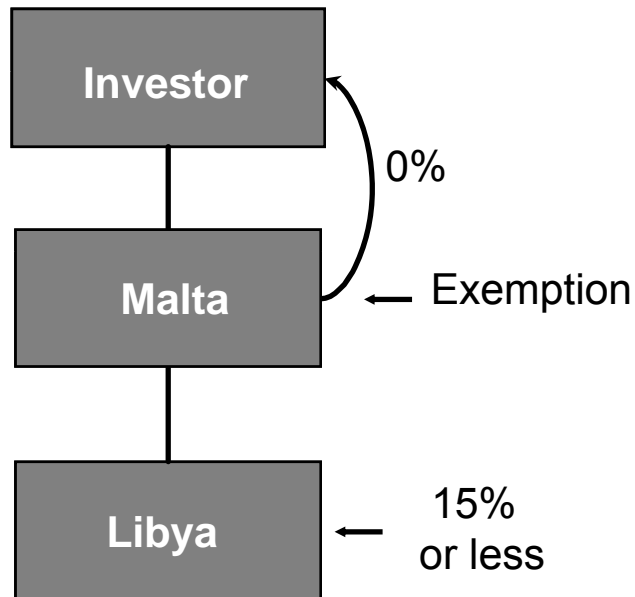
Example - An exit route out of EU



Considerations:

- ▶ Dividends from an EU company to Malta may benefit from the Parent Subsidiary Directive
- ▶ No WHT imposed in Malta irrespective of recipient's tax residence and status
- ▶ Apply participation exemption or pay tax at the standard rate of 35%
- ▶ A distribution of income from a 'participating holding' entitles the shareholder to a full refund of any Malta tax paid by the company
- ▶ No tax leakage
- ▶ Few substance requirements

Malta – The gateway to Libya



Advantages:

- ▶ Malta is one of the few countries having a treaty with Libya
- ▶ Article 9 provides that Libyan source income is subject to tax in Libya at a rate not exceeding 15% and the dividend income totally exempt in Malta
- ▶ Malta company may distribute dividend income 'in toto' without any WHT
- ▶ Law No 5 in Libya offers attractive benefits such as exemption from income tax for 5 years

Our Credentials

Our clients include:

- ❖ Fortune 500 and Global 1000 companies
- ❖ MNCs
- ❖ Listed companies
- ❖ Large manufacturing concerns
- ❖ Commodity companies
- ❖ International banks and other financial institutions
- ❖ Insurance and reinsurance companies
- ❖ High net worth individuals

Taxand

- ❖ TAXAND is a global network of leading tax advisors from independent member firms in around 50 countries. Our tax professionals—more than 300 tax partners and 2,000 tax advisors—grasp both the fine points of tax and the broader strategic implications, helping you mitigate risk, manage your tax burden and drive the performance of your business.
- ❖ TAXAND is passionate about tax. We collaborate and share knowledge, capitalising on our collective expertise to provide you with high quality, tailored advice that helps relieve the pressures associated with making complex tax decisions.
- ❖ TAXAND is also independent—ensuring that you adhere both to best practice and to tax law and that we remain free from time-consuming audit-based conflict checks. This, coupled with the compact structure of our member firms, enables us to deliver practical advice, responsively.

Our Offices

Our modern offices are situated on the Second Floor of Cobalt House on Notabile Road, Mriehel.

The building is close to the Malta Financial Services Authority which houses the Registry of Companies and the International Tax Unit of the Inland Revenue Department.



Contact details

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