

## MALTA'S INTERNATIONAL ADVISORY GROUP

# Registration of Ships and Yachts under the Malta Flag



## Lifestyle

Centrally located in the Mediterranean, Malta a full EU member state, comprises three main islands and enjoys an attractive Mediterranean climate, 300 days of sunshine yearly, hot dry summers and mild winters.

With a very low crime rate, excellent medical and communications infrastructure and an enviable lifestyle, Malta is often cited as one of the best places to live or retire in the whole of the EU.

For yacht owners, Malta is also a maritime hub for services, facilities and beautiful surroundings.

time, extends to those who reside, do business or have significant ties and connections to these countries.

The Community Malta Agency (CMA) is responsible for administering the citizenship application process on behalf of the Maltese Government.

## Leading Maritime Tradition

Malta has a long maritime tradition and has developed a strong regulatory and legal platform, which has given it the reputation of a flag of choice for ship and vessel owners worldwide.

Malta's shipping register is one of the largest in the world - and Europe's largest.

## Key Information

### Who can apply for Maltese registration?

The Maltese flag admits all types of vessels – yachts, merchant ships, oil rigs, platforms and more.

## Registration - Malta Company

Whether to hold private or commercial yachts, or established as shipping companies, a Malta company can be set up swiftly and cost-effectively, affording several income, corporate and VAT advantages.

## Private Registration

It is possible for foreign owners to register a vessel in Malta: these would require appointing an authorised resident agent.

There are stepped requirements for vessels above a certain age. Vessels over 25 years old are in principle not registrable, subject to certain exceptions.

## Advantages of the Malta Flag

- Ability to register in the name of a person or company, whether based in Malta, the EU or a third country.
- Progressive reduction in registration costs and tonnage tax for younger ships.
- No nationality restrictions
- No trading restrictions
- Registration under construction
- Registration of mortgages

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- Flag requirements known to major shipyards and classification societies
- Preferential treatment in certain ports, favourable treatment in major ports.

## Provisional Registration

The first step to register a Maltese vessel is provisional registration for six months, including:

- Application form + fee
- Proof of qualification to own a Maltese ship
- Appointment of a resident agent for international owners
- Declaration of ownership (sworn).
- Ship Radio Station Licence (depending on equipment).
- Bill of Sale
- Cancellation of previous registry

Provisional registration may be extended for up to six months where the documentation proves difficult to obtain - allowing the prospective owner to collate all the documents necessary for permanent registration.

## Permanent Registration

Upon successful submission of all remaining documents, e.g. survey documents or documents proving that the vessel has all the required markings - registration is converted to permanent registration,

## Yacht Registration - Private & Commercial

Yachts can be registered for either private use, or commercially for charter purpose.

Private yachts are registered with fewer formalities, being destined for personal use. Any vessel larger than 6m can be registered under the Malta flag.

The Commercial Yacht Code applies to vessels over 15m that are to be used for chartering purposes and places certain

technical requirements on the vessel. Commercial registration entails fiscal advantages in terms of the ability to set off VAT incurred in expenses, as against the VAT applicable on charters - assisting cash flow.

## Bareboat Charter Registration

The Maltese flag permits the bareboat charter registration of foreign vessels under the Malta flag, or the foreign bareboat charter registration of Maltese vessels - the main requirement is the compatibility of the two legal systems.

Bareboat chartered ships under the Maltese flag enjoy all the rights and privileges as ships registered in Malta and have the same obligations.

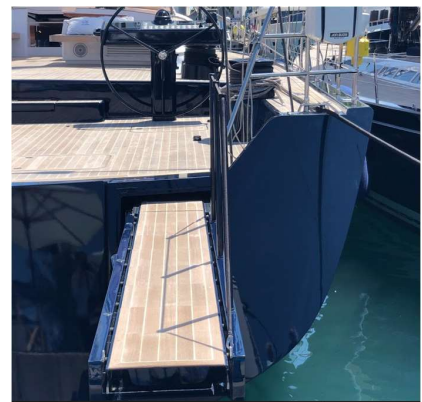
## Ships Under Construction

Ships that are still being built or equipped are capable of being registered under the Malta flag; this ensures the protection of the rights of both the builder and the prospective owner in the transaction.

## International Conventions

Malta has adopted all the major maritime conventions including SOLAS, MARPOL, the Tonnage Convention and COLREG.

Maltese vessels must always carry valid statutory certificates; these are issued on behalf of the Maltese government by Recognised Organisations - specialised organisations that may be engaged to provide services of issuing survey, tonnage and convention certificates in compliance with international requirements.



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## Mortgages

Ships registered under the Maltese flag are also capable of being subject to a mortgage, which is a registrable charge on the vessel denoting the claim of a creditor.

Mortgages rank according to the order in which they are filed, so that the time of filing is also noted.

## Acumum Advisory

### How can Acumum help?

Acumum is an award-winning boutique set of advisory, tax and fiduciary firms - with an associated barristers' chambers, located in the EU tax & fiscal efficient jurisdiction of Malta. Our senior management of lawyers, accountants & tax advisers provide expert, trusted and cost efficient, bespoke services to an international clientele: individuals, family offices, corporations, Governments and other service providers.

Believing in long term relationships, we provide holistic, sustainable and practical solutions to clients, whilst being committed to a superb and personalised level of client service.

We can provide advice and support at all stages of the registration process. This includes advising on application requirements, assisting with the process itself and providing expert support to ensure efficient progress towards successful completion.

To find out more or have a no-commitment initial conversation contact one of our Acumum offices.

## Key Contact

### Dr Geraldine Spiteri Director, Advocate (Malta)

Dr Geraldine Spiteri graduated from the University of Malta (2001) and subsequently obtained her warrant to practice in Malta (2002), after which she obtained her Magister Juris in European and Comparative Law (2003) and her LL.M. in International Maritime Law.

Geraldine leads the marine and aviation teams at Acumum, with her main practice areas being maritime and yachting, aviation

and transport, and corporate law. Geraldine also lectures in these fields.

Geraldine has hands-on experience in the management of yachts and yachting companies, assisting a large number of yachts with their administrative and corporate requirements, under the Malta flag and other jurisdictions.



### Qualifications

B.A. (Legal & Humanistic Studies)  
Dip. Notary Public  
LL.D.  
Dip. Eccles. Trib.  
Mag. Jur. (EU & Comparative)  
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