



THE MALTA CHAMBER

PRESS RELEASE

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Positive Proposals but need for a Long Term, Sustainable Fiscal Vision

The Malta Chamber's reaction to the Leader of Opposition's Budget speech

The Malta Chamber welcomes the fact that several of the measures it proposed were taken on board by the Leader of Opposition in his response to last week's Budget. The most notable were the establishment of a specialised due diligence unit accessible to professionals such as accountants and lawyers and the reduction of VAT rate for all restaurant sales and hotel services to 7% to assist the Tourism sector.

The Malta Chamber is particularly concerned with the Leader of Opposition's statement on the extension of VAT exemptions up to €60,000 declared revenue, particularly in view of new EU VAT simplification rules that will come into effect as of January 2025 whereby all EU SMEs which do not surpass the local thresholds will be allowed to benefit from the same exemptions as local traders and businesses.

The Malta Chamber insists on the importance of a prudent approach in terms of budgetary proposal financing. It is crucial that in the weeks and months to come, the two main political parties do not enter into populist discourse. Any unsustainable measures that are proposed will ultimately be borne by the taxpayer and will render any deficit and debt targets unattainable.

The Malta Chamber calls for a mature discussion in the run-up to the next election and calls for political consensus in addressing fiscal targets and restoration of our international reputation, which is adversely impacting our attractiveness for foreign direct investment.

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