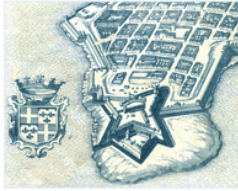




QUBE SERVICES LIMITED

NEWSLETTER

January 2008



QUBE Services Limited is a one-stop-shop provider of a comprehensive range of services to all international business structures, trusts, individuals and the funds industry.

We are a boutique firm, established in Malta, seeking to provide premium quality services in a timely manner to the satisfaction of our selected clients.

NEWS

QUBE NEWSLETTER – JANUARY 2008

Malta adopts the Euro

Malta joined the euro-zone on 1 January 2008. The Maltese Prime Minister, Lawrence Gonzi, hailed the euro adoption as the foundation of the next successes which Malta is determined to achieve. The President of the European Commission, Jose Manuel Barroso, praised Malta for moving so swiftly to the heart of European integration and stated that “it is the fruit of years of hard work, a firm commitment to sound economic policies and bold reform” whilst the President of the European Central Bank, Jean-Claude Trichet, commented that “not only did Malta perform exceptionally well in its convergence process to the euro area, but also the cash changeover was exemplary so far”.

EU borderless payments

Clients of Maltese banks will have their credit frontier pushed open as the Maltese banking system joins the other 26 EU members to create a Single European Payments Area (SEPA) on Monday 28 January 2008. Through the new system, a customer may make electronic payments to any beneficiary located anywhere in the single payments area using a simple bank account and a single set of payment instructions. It is estimated that bank charges will drop substantially as a result.

Trusts in Malta

3 years after the trusts law in Malta came into effect, the Malta Financial Services Authority (MFSA) has recorded an increased international recognition for Malta’s trust law. As at the end of December 2007, the MFSA has authorised, and are monitoring, 87 professional licensed trustees. A Malta branch of the Society of Trust and Estate Practitioners (STEP) has also been formed.



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INTERNATIONAL TAX PROVISIONS – GENERAL INFO

Resident but not domiciled

A person who is either not ordinarily resident or not domiciled in Malta is charged to tax in Malta on any income and capital gains arising in Malta, and on any income (but excluding capital gains) remitted to Malta. Income arising outside Malta which is not remitted to Malta, together with capital gains arising outside Malta (even if remitted to Malta), is not subject to tax in Malta.

Tax Rates

An individual holding a Residents Scheme Certificate is taxed in Malta at 15% on his or her chargeable income, subject to a minimum annual tax liability (after any double taxation relief) of approx €4,200 (\$6,165 / £3,113 / CHF6,765).

An individual holding a Residence Permit (available to EU/EEA nationals) is taxed in Malta at the normal progressive income tax rates (current maximum rate is 35%) applicable to every Maltese resident person on his or her chargeable income. There is no minimum annual tax liability.

Double Taxation Relief

Double taxation relief is available to Maltese residents in respect of tax levied outside Malta on any income remitted to Malta (which is subject to tax in Malta). Malta has concluded double taxation treaties with close to 50 countries, but when income is derived from a country with which Malta does not have a treaty, a domestic system of unilateral relief is available.

Other Considerations

There are no estate duty taxes / wealth taxes or death duties in Malta. Duty on documents and transfers (so-called stamp duty) is payable (whether on death or otherwise) on transfers of immovable property situated in Malta and on shares in Maltese companies (unless listed on the Malta Stock Exchange). Duty on acquisition of immovable property is currently 5%.

A Residents Scheme Certificate does not subject the holder thereof to any statutory minimum periods of presence in Malta.

EU/EEA nationals may choose between the Residents Scheme Certificate and a Residence Permit; however the income tax rates and other conditions attaching to each kind of permit are distinctly different.

For more information regarding the above, or any other matter concerning Maltese issues, please do not hesitate to contact Michael Ellul (michael.ellul@qubeservices.com) or Thomas Jacobsen (thomas.jacobsen@qubeservices.com) on +356 21227553

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