

SUBSIDIARY LEGISLATION 123.96**DONATIONS (NATIONAL HERITAGE) RULES**

3rd November, 2006

LEGAL NOTICE 266 of 2006, as amended by Legal Notice 409 of 2007.

1. (1) The title of these rules is the Donations (National Heritage) Rules. Citation and commencement.

(2) These rules shall be deemed to have come into force as from the year of assessment 2007.

2. These rules shall apply only to companies as defined in the Income Tax Act, hereinafter referred to as "the Act". Applicability.
Cap. 123.

3. (1) Where, in any year of assessment, a donation of not less than two thousand and three hundred and twenty euros (2,320) is made in cash or in the form of any other asset, excluding immovable property, to any of the following: Deduction for donations.
Amended by:
L.N. 409 of 2007.

- (a) the Superintendent of Cultural Heritage;
- (b) Heritage Malta;
- (c) Fondazzjoni Patrimonju Malti;
- (d) non-Government cultural heritage organizations,

such a donation may be claimed as a deduction against income for the year of assessment in which it is made, provided that:

- (i) a relevant signed certificate in respect of such a donation has been issued by any of the above and is attached to and submitted together with the income tax return for the relevant year; and
- (ii) the donation is made for the purpose of research, conservation or restoration, education and exhibition of the cultural heritage, which purpose shall also be indicated in the said certificate; and
- (iii) in the case of a donation falling under paragraph (d), the donation is made to a non-Governmental cultural heritage organisation registered with the Superintendence of Cultural Heritage in terms of the Cultural Heritage Act, that is not in any way related to the donor company. Cap. 445.

(2) The certificate referred to in sub-rule (1) shall indicate:

- (a) the date of the donation,
- (b) the name of the donor,
- (c) the value of the donation,
- (d) the purpose for which the donation is being made.

(3) Where capital allowances have been allowed in respect of an asset donated in accordance with sub-rule (1), the value of the

donation shall be considered to be the written down value of the asset as on the date of donation.

(4) Where an asset donated in accordance with sub-rule (1) is purchased by the donor for forwarding to any of the said donees or is issued out of the donor's own stock, whether purchased or manufactured by the said donor, the value of the donation shall be equivalent to its cost to the donor.

Deduction for
restoration works.
Amended by:
L.N. 409 of 2007.

4. (1) Where, in any year of assessment, a donation of not less than eleven thousand and six hundred euros (11,600) is made in cash to any of the entities listed in rule 3(1) for the purpose of carrying out restoration works and such restoration works are approved and undertaken by, or on behalf of, any of these same entities, such donation may be claimed as a deduction against income for the year of assessment in which it is made, provided that a relevant certificate in respect of such donation has been issued by the Superintendence of Cultural Heritage and is attached to and submitted together with the income tax return for the relevant year:

Cap. 445.

Provided that no such deduction is allowed where it is made to a non-Governmental cultural heritage organisation that is not registered with the Superintendence of Cultural Heritage in terms of the Cultural Heritage Act or is in any way related to the donor company.

(2) The certificate referred to in sub-rule (1) shall show the date of the donation, the name of the donor and the value of the donation.
