



## **Rent Subsidy on Private Residences Rented Before 1 June 1995**

### **1. Title**

This scheme may be cited as the Rent Subsidy in Private Residences Rented Before 1 June 1995, hereinafter referred to as the “Scheme”.

### **2. Purpose of the Scheme**

In order to make rent more affordable this scheme will provide a rent subsidy paid on properties rented as ordinary residence and affected by a judgment given by the Rent Regulation Board or the Rural Leases Control Board.

### **3. Definitions**

In this Scheme, unless the context otherwise requires:-

“applicant” means a person who applies under this scheme for the rent subsidy of a private dwelling house affected by a judgment given by the Board and where more than one person has the right to continue the lease, the application must be made by all persons who have this right. The definition of the word applicant includes all applicants.

“the Authority” means the Housing Authority established by section 3 of the Housing Authority Act, 1976, (Cap 261);

“basic year” means the calendar year on which the annual income is assessed at the hearing of the case before the Board for the first assessment or the last calendar year before the application is submitted;

“ordinary residence” does not include summer residence;

“prescribed” means prescribed by the Authority;

“Board” refers to the Rent Regulation Rent Regulation Board or Rural Leases Control Board;

In this Scheme the singular shall import the plural and the masculine shall import the feminine.

### **4. Qualifications for the rent subsidy under this Scheme**

A person qualifies for the rent subsidy under this scheme if he/she meets the following conditions:-

- (1) The applicant is:
  - (a) the recognized tenant of the residence in accordance with a judgment of the Board;
  - (b) entitled to continue to lease the property in the absence of the recognised tenant in accordance with the definition of tenant as set out in Article 2 of the Housing De-Control Ordinance, Cap 158 of the Laws of Malta, or Article 2 of the Building Lease Renewal Ordinance, Cap 69 of the Laws of Malta or the Land Lease Renewal Act, Cap 199 of the Laws of Malta
  - (c) the successor of the recognized tenant who is enjoying the right to continue to occupy the residence for a period of five (5) years in accordance with the provisions of the Housing Control Removal Ordinance, Cap 158 of the Laws of Malta or the Building Lease Renewal Ordinance, Cap 69 of the Laws of Malta, or for a period of eight (8) years in accordance with the provisions of the Land Lease Renewal Act, Cap 199 of the Laws of Malta. In order to be eligible, the applicant must satisfy the income and capital criteria of the means test in accordance with article 34 of Act No. XXIV of 2021.
- (2) The property applied for is used as the ordinary residence of the applicant and his family only;
- (3) The property was leased by the tenants or their predecessors in title before 1 June 1995 and is a lease regulated by the provisions of the Housing De-Control Ordinance, Cap. 158 of the Laws of Malta or the Buildings Lease Renewal Ordinance, Cap. 69 of the Laws of Malta or the provisions of the Land Lease Renewal Act, Cap. 199 of the Laws of Malta;
- (4) The residence is affected by a judgment given by the Board ordering an increase in rent in accordance with the provisions of the Housing De-Control Ordinance, Cap. 158 of the Laws of Malta or the Buildings Lease Renewal Ordinance, Cap. 69 of the Laws of Malta or the provisions of the Land Lease Renewal Act, Cap. 199 of the Laws of Malta. The applicant shall submit the Judgment number before the Board to the Authority;
- (5) The recognised tenant of the residence falling under Chapter 199 of the Laws of Malta, must satisfy the income and capital asset criteria by passing a means test.

## **5. Method of application**

- (i) A person who qualifies for the rent subsidy under this scheme shall submit an application found on the Housing Authority's website [housingauthority.gov.mt](http://housingauthority.gov.mt) or take the prescribed form and deliver it to the Authority during the prescribed weekdays and times.

- (ii) The prescribed forms can be downloaded from the Housing Authority's website [housingauthority.gov.mt](http://housingauthority.gov.mt) or can be collected from the offices of the Housing Authority, 22 Pietro Floriani Street Floriana, Malta and from the Housing Authority, branch 74 Office 5 Level 3 George Borg Olivier Street Victoria, Gozo

## **6. Information**

The Authority may require the applicants to sign and confirm any declaration in any form even under oath it may consider necessary for the carrying out of this scheme. The Housing Authority reserves the right to carry out the necessary verifications on the lease with the landlords of the property.

## **7. Penalty for false information**

If at any time, it results that applicants have made a false declaration or given incorrect information/documents for the purposes of any application or in connection with any revision exercise made under this Scheme, without prejudice to any penalty for which they may have become liable under any other law, applicants shall be liable to the payment to the Authority, of a fine equivalent to the total of any benefit from which applicants have benefited under the provisions of the Scheme. They will also be disqualified for a period of five (5) years from benefiting from any scheme made with the approval of the Minister responsible for Social Accommodation, and shall forfeit the right to any benefit under this Scheme.

Incorrect or false declaration/documents may also lead the applicant to the commencement of criminal procedures against him/her.

## **8. Abandoned applications**

- (i) Where any applicant under this scheme fails to appear on the agreement regulating the receipt of the housing benefit when asked to do so by the Authority, their application shall be deemed to have been abandoned.
- (ii) Any expenses incurred by the applicants in connection with their application, shall not be recoverable by the applicants whether or not their application is successful.

## **9. Aggregate annual income**

The applicant's aggregate annual income is taken into account in accordance with article 34 of Act No XXIV of 2021 or Act No XXII of 2022.

## **10. Rent Subsidy**

- (i) The rent subsidy is calculated as follows:

- (a) In the case of applicants under the age of sixty-five (65) who are gainfully employed, the difference between twenty-five percent (25%) of their earnings and the rent set by the Board is up to a maximum of €10,000.
  - (b) In the case of applicants under the age of sixty-five (65) and whose income comes only from a pension or social assistance, the difference between the rent determined by the Board and the amount which would have been due as rent if no action had been brought before the Board is up to a maximum of €10,000. However, the subsidy will be calculated in accordance with clause (a) if it turns out that an applicant has ceased to work in order to be eligible for a larger subsidy, at the absolute discretion of the Authority.
  - (c) In the case of applicants over sixty-five (65) the difference between the rent determined by the Board and the amount that would have been due as rent if no action had been brought before the Board, is up to a maximum of €10,000.
  - (d) In the event that one of the applicants is under sixty-five (65) and gainfully employed while another applicant is over sixty-five (65), the difference between twenty-five percent (25%) of their earnings and the rent set by the Board is up to a maximum of €10,000. In this case, only the income from the employment will be considered.
  - (e) Notwithstanding the provisions of clauses (a) to (d), the subsidy shall be calculated in accordance with clause (a) in the case of successors of tenants who are enjoying the right to continue the lease for a period of five (5) years in accordance with the provisions of the last paragraph of article 10 of Act No. XXIV of 2021 or for a period of eight (8) years in accordance with the provisions of the Land Lease Renewal Act, Cap 199 of the Laws of Malta
- (ii) The subsidy is paid directly into the applicant's bank account via direct credit.
- (iii) (a) The basic calendar year on which the annual income is assessed shall be that of the calendar year taken into account at the hearing of the case before the Board for the first assessment and then every two years thereafter.
  - (b) A review on the benefit is made whenever there is an increase in rent or every two years, whichever comes first. Beneficiaries who lose their job or stop working because they reach retirement age can request a review before the end of these two years.
  - (c) In each year of the review the applicant must meet all the conditions of the scheme; failing which the subsidy shall be stopped. If on the date of the review he does not meet any condition he will not be entitled to any further subsidy.

- (iv) The subsidy will be effective from the first day the increased rent becomes effective but future revisions will be effective from the next payment after two years from the date that covered the first payment of the subsidy. In the case of judgments under the provisions of Act XXVII of 2018 of Act No of 2022 rendered before June 1, 2021, the subsidy will be effective from June 1, 2021.
- (v) The subsidy is paid to the applicant as from the Judgement date and for the following six months in advance. While the Housing Authority will not ask the applicants to submit the rent receipts every six months, and this because the subsidy will be issued as long as the applicants continue residing in the rented property, the applicants are obliged to keep the rent receipts for at least a period of six months.

If the applicants fail to submit the rent receipts when asked for by the Housing Authority, they will be obliged to refund the subsidy that has been given under the Scheme during. In addition, the Housing Authority retains the right at its discretion, to request for rent receipts when it deems appropriate.

- (vi) The minimum subsidy that will be provided under this scheme will be €1500 per year, while an additional €125 per year will be given to families who have a member suffering from a disability.
- (vii) For the sake of clarity, it is clarified that the rent in respect of the Farm Lease Renewal Act, Cap 199 of the Laws of Malta for the purposes of this scheme only concerns the rent on the farm which is used by the tenant as his sole place of residence.

## **11. Qualification for rent subsidy**

The applicant continues to qualify for the subsidy after the Authority has ascertained that the information provided is correct and valid.

A person who, on the first date of publication of this scheme in the Government Gazette, has an application under any previous Housing Authority rent subsidy schemes, may apply to terminate the previous application and apply under this scheme. The application will be considered only if it meets all the conditions of this scheme and the change will be effective from June 1, 2021. The administrative fee already paid on the first application will not be refunded.

## **12. Disqualification**

An applicant will be disqualified from receiving any kind of subsidy if he is not eligible, that is if:

- The tenant is not recognized or entitled to continue to lease the property in accordance with Act No XXIV of 2021 or Act No XXII of 2022;

- Does not meet the criteria for revenue and capital of the means test in accordance with article 34 of Act No XXIV of 2021 or Act No XXII of 2022;
- Does not live in the residence on which the subsidy is claimed
- The property was not leased before 1 June 1995
- The property is not affected by a decision of the Board stipulating an increase in rent

### **13. Loss of subsidy**

If the beneficiary:-

- (a) fails to provide the documents requested within the stipulated time; or
- (b) has provided information which, at any time, is found to be incorrect; or
- (c) fails to comply with the conditions of the scheme; or
- (d) ceases to live and use the property as his/her ordinary residence; or
- (e) fails to provide valid rent receipts paid together with a copy of the electricity and water bill issued by ARMS Ltd;

automatically:

- (i) forfeits the right to the rent subsidy for the period fixed by the Authority in its absolute discretion, and
- (ii) be subject to penalties of up to twice the subsidy he/she has received, as determined by the Authority in its absolute discretion.

### **14. When a residence on which assistance is being provided is vacated**

When the applicant vacates his/her residence on which assistance is being provided even if in order to move into a nursing home, he/she must notify the Authority at least two months in advance and the subsidy will be stopped immediately as soon as the applicant ceases to reside in this residence, and any subsidy paid for such period as may occur after the applicant ceases to reside in the residence, shall be refunded to the Housing Authority.

### **15. Investigations and Audits**

Through the application, the applicant is authorizing the Housing Authority to carry out any necessary form of investigation and / or verification on the applicant, including through unannounced inspections to verify that the applicant lives in the property to which the subsidy is granted. This clause shall also be included in the rent subsidy agreement so that the Housing Authority shall maintain the right to carry out investigations and verifications whilst the applicant is benefitting from the subsidy.

### **16. Right of refusal of application**

Notwithstanding anything contained in the foregoing provisions of this scheme, the Authority shall have the right to refuse any application.

### **17. Duration of scheme**

This scheme shall remain in force for a period of one year from 1 June 2021 and shall be automatically renewed for a further period of one year unless a notice to the contrary is published in the Government Gazette indicating that the scheme has been withdrawn.

### **18. Interpretation**

In case the Maltese text differs from the English text, the Maltese text will prevail.

### **19. Amendment of scheme**

The Authority shall have the right to make any amendments to this scheme by publication of the said amendments in the Government Gazette. Such amendments may be made applicable retroactively. No amendments shall subject the Authority to an action for damages or any other legal action.

2026