



Grant to Assist Owners in the Construction and/or Completion or Rehabilitation of their First Home

The Chairman, Housing Authority notifies that the Authority is receiving applications for a grant to assist with the construction and/or completion of rehabilitation of a first dwelling house according to the conditions of this Scheme.

1 Title

Grants under this Scheme are intended as part compensation of expenditure in respect of the cost of construction and/or completion or rehabilitation works on first dwelling house. The owners of first residences, who due to an increase in the number of family members they require to construct additional rooms or carry out various alterations to their premises, are entitled for a grant under this scheme.

2. Definition

For this Scheme, unless the context otherwise requires:-

“fiscal receipt” means a receipt as defined in the Fourteenth Schedule to the Value Added Tax of 1998 (Act XXIII);

"applicants" means:-

- a) a single person aged over eighteen (18) years;
- b) a single person aged over eighteen (18) years with physical, intellectual disability or who is suffering or suffered from chronic mental illness;
- c) a couple, either married or engaged. These should apply jointly;
- d) a single parent including legally separated/annulled or divorced parents who have the custody of their children;
- e) a widow/widower who has unmarried children still residing with him/her;

"dwelling house" has the same meaning as assigned to it in section 2 of the Home Ownership (Encouragement) Act, 1988 (Cap. 328);

“the Chairman ” means the Chairman, Housing Authority and includes any person authorised to act on his or her behalf;

“the Authority” means the Housing Authority;

The masculine shall imply the feminine and the singular shall imply the plural.

3. Who can apply for a grant under this Scheme

Subject to the other provisions of these regulations, the scheme is restricted to applicants as defined in Clause 2 who on the date of the application are:

- a) Maltese Citizens or EU Citizens. In case of married couples who are not separated, one of the couple must be Maltese or EU citizen,
- b) EU citizens who are acquiring their first residence. Non Maltese Citizens have to satisfy the criteria issued by any Authority and/or by the Office of the Prime Minister.
- c) have resided in Malta for not less than eighteen (18) months in the last twenty four (24) months immediately preceding the application.

4. Legally Separated Applicants

Legally Separated applicants with unmarried children living with them who acquire the first residence after separation are entitled for a grant under this scheme. But those applicants, who alone or with their spouses, have already benefited from previous VAT refund schemes administered by the Department for Social Accommodation and/or the Housing Authority cannot qualify under this scheme.

5. Grant available under the scheme

Eligible applicants may apply for a grant, up to the maximum of €5,824 in respect of expenditures made in connection with the acquisition or construction/rehabilitation of their first dwelling.

An additional €1,165 is granted for the rehabilitation or reconstruction of a property that was built and ready for habitation at least 15 years prior to the submission of the application under this scheme.

Grants will only be made following the presentation of fiscal receipts issued in the name of the applicants.

Grants under this scheme shall only be made in respect of either one of the following categories and shall be made in two separate instalments as indicated hereunder:

- (i) Category A: first dwelling house which was constructed or completed after 1st January 1999;

First instalment: A grant amounting to 13.04% in the case of works completed by the 31st December 2003 and 15.254% in the case of works completed after 1st January 2004 on the actual taxable value of goods and services supplied and paid for on or after the date of acquisition of the property relating to construction including excavation, foundations, masonry and concrete including screed, and fees related to the construction of the dwelling - up to a maximum of €3,028.

Second instalment: A grant amounting to 13.04% in the case of works completed by the 31st December 2003 and 15.254% in the case of works completed after 1st January 2004 of the actual taxable value of goods and services supplied and paid for on or after the date of acquisition of the property relating to finishing works - including plastering and painting, electricity and plumbing, tiles and marble, internal and external doors, windows and bathrooms up to a maximum of €2,796.

- (ii) Category B: Rehabilitation, reconstruction and extensions of a property for use as a first dwelling where works related to the same residence were carried out after 1st January 1999 and which property was built and ready for habitation at least fifteen (15) years prior to the date of submission of the application under this scheme:

First instalment: A grant amounting to 13.04% in the case of works completed by the 31st December 2003 and 15.254% in the case of works completed after 1st January 2004 of the actual taxable value of goods and services supplied and paid for on or after the date of acquisition of the property relating to costs of demolition (where applicable), reconstruction and extensions including excavation, foundations, masonry and concrete, including screed, and fees related to the construction of the dwelling - up to a maximum of €3,727

Second instalment: A grant amounting to 13.04% in the case of works completed by the 31st December 2003 and 15.254% in the case of works completed after 1st January 2004 of the actual taxable value of goods and services supplied and paid for on or after the date of acquisition of the property relating to finishing works - including plastering and painting, electricity and plumbing, tiles and marble, internal and external doors, windows and bathrooms up to a maximum of €3,262.

6. Method of Application

- (1) Applications shall be made to the Authority on the prescribed form and shall contain all the information, details and certifications as required by the said form and by these regulations.

- (2) Applications shall be accompanied by original fiscal receipts issued in the names of the applicants showing the payments made by them relating to the costs of acquisition, construction and rehabilitation of the dwelling house as well as the documents listed in the application form.
- (3) Any expenses incurred by applicants in connection with their application shall not be recoverable by the applicants whether or not their application is successful.
- (4) Applications will be vetted by the Authority and only those found to conform with the provisions of this Scheme shall, subject to what is provided for below, be eligible for payment of the grants referred to in Clause 5 and 8 hereof.
- (5) Applications under this Scheme including the documents mentioned in this Clause shall be handed in personally by the applicants at the offices of the Authority, in Malta at 22, Pietro Floriani Street, Floriana and in Gozo at 25, Enrico Mizzi Street, Victoria during normal office hours.

7. Non-payment of Grants

No grant is payable to applicants:-

- (i) who do not qualify under the conditions of the scheme; and
- (ii) for works carried out before 1st January 1999.

8. Payment of Grants

The payment of grants under:-

- (a) both categories mentioned in Clause 5 will only be paid after the Authority is satisfied that the claimed expenditure refers to costs actually incurred on the qualifying works and are covered by the relative fiscal receipts.
- (b) both categories A and B will not be made:-
 - (i) before completion of works up to shell form in the case of first instalments, and
 - (ii) before full completion of finishing works in the case of second instalments.

9. Conditions

- (a) Successful applicants will be required to satisfy the Authority that they are to occupy the dwelling house within two years from the date of their request for the payment of the second instalment and that they are to continue to reside permanently in it as their ordinary residence for an uninterrupted period of five years from date of occupation provided that the five years occupation happen within a period of seven years from date of request for payment of the second instalment.
- (b) Payments of grants under this Scheme are not issued under this scheme or any other scheme replacing it:-
 - i) if the works to which the subsequent application refers is made by the same applicants, or
 - ii) if in the cases where the premises have been disposed of by the beneficiaries/applicants, works are carried out by the new owners before the lapse of five years from the date of the first application submitted by the original beneficiaries/applicants under this scheme.
- (c) Following the payment of a first instalment, the claim for the second instalment of the grant may be made by any one of the applicants. This claim is to include the relative architect's certificate and fiscal receipts covering the second stage of construction and/or rehabilitation as the case may be and such other documents as the Authority may from time to time require at its absolute discretion.

10. Refunds by applicants to the Authority

Beneficiaries of a grant under this Scheme who fail to comply with any conditions or obligations under this Scheme shall be liable to refund to the Authority the full amount of the grants paid to them under this Scheme. In the case of married or engaged couples, applicants and beneficiaries will be jointly and severally responsible to the Authority. The obligation remains in force up to five years from when the Authority is informed or finds out that the beneficiaries have not honoured the obligations of this scheme.

In the case of beneficiaries who during these five years cannot continue to live together due to the fact that the beneficiaries have signed a contract of separation or annulment, the Authority can in its absolute discretion, not oblige the beneficiary to pay back the subsidy enjoyed.

11. Non-approval of payment of Grant

The Authority may, at its own absolute discretion, refuse to approve payment of a grant or part thereof under this Scheme because of an infringement of any of the terms and conditions of these regulations, in which case the applicant or applicants shall not be entitled to make any claim against the Authority. In such cases the Chairman will state in writing the reason for such refusal.

The Chairman's decision will be final.

12. Duration of scheme

This Scheme shall remain in force for a period of one year from the date of its publication in the Government Gazette, and shall be automatically renewed for further periods of one year each unless a notice to the contrary is published in the Government Gazette.

13. Right of refusal

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

14. Amendment of Scheme

The Authority shall have the right to make any amendments to the Scheme by the publication of the said amendments in the Government Gazette.

15. Interpretation

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