

# THE MALTA FINANCIAL & BUSINESS TIMES

COLLABORATING PARTNER OF 

ISSUE NO. 343

www.businesstimes.com.mt

## Tax compliance unit targeting health care specialists

By Karl Schembri

Specialists in the medical field are under the Tax Compliance Unit's microscope in an exercise that will hopefully lead to individual three-year tax agreements after a similar exercise with general practitioners has just been concluded.

Speaking to *The Malta Business and Financial Times*, Parliamentary Secretary in the Finance Ministry Tonio Fenech said that around 160 GPs had reached an agreement with TCU for the next three years.

He said the unit was holding discussions with specialists but agreements with such doctors would have to be more personalised given their varied specialisations, and every case will have to be treated on its own merits.

But the checks seem to be irritating the Medical Association of Malta, which feels doctors have been singled out. The association is calling for a similar treatment of other professionals and self-employed.

"Our position is that criteria should be fair for everyone," said



**Financial X-ray:** The Tax Compliance Unit has been silently investigating health care professionals and will continue doing so with other sectors of the self employed

MAM Secretary General Dr Martin Balzan. "Of course, doctors should

abide by the regulations, but the criteria should be clear. They can-

not put everyone in the same boat. "Doctors are not the only self-

employed in Malta... we're only 200 of some 34,000 self-employed (official statistics show there are 15,000) ... it's either everyone or nobody."

Mr Fenech however rebuts such criticism by saying that the unit was looking at all professions although "one has to start from somewhere," and that one could not apply a blanket agreement. He said that another sector targeted by the unit was that of mechanics.

Fenech said that those with whom the unit had reached tax agreements were now paying much more in tax than they previously paid, although he would not divulge any figures.

While discussions take place in the light of individual income tax declarations, other information available to the TCU is utilised although any agreement reached is strictly on a voluntary basis.

However, whenever there is evidence that a taxpayer could have under-declared income in the past, they are liable to be investigated further in accordance with the provisions of the Income Tax Acts.

karl@newsworksmt.com

**MSE Index: 2,534.303**  
see page 23

### World indices

NASDAQ	1978.36	-1.41%
FTSE	4376	-0.62%
CAC 40	3657.04	-0.84%
DAX	3944.91	-1.27%
H. SENG	12284.08	0.26%
NIKKEI	11475.27	-0.58%
S&P	1119.21	-0.55%
DJIA	10252.97	-0.29%

### Rates of exchange

EURO	2.3428
US DOLLAR	2.8853
UK STERLING	1.5740
SWISS FRANC	3.5589
JAPANESE YEN	315.9569
CANADIAN DOLLAR	3.8145
GOLD US Dollars	395.3250
SILVER US Cents	587.5000

## Dampened moods and slow business for Trade Fair - GRTU survey

By Matthew Vella

In the midst of economic uncertainty and a troubled government cabinet that has lost one of its most senior ministers, the GRTU survey for the first week of the Malta International Trade Fair trade fair has revealed a less than optimistic mood amongst exhibitors and traders.

The GRTU's first survey covers the comments from businesses at the Trade Fair for the first week of the fair on overall businesses performance, opinions and expectations for the fair. The second survey will be held at the end of the Trade Fair.

First indications of a dampened mood amongst traders at the Naxxar grounds was the feeling amongst the majority of businesses that sales had decreased by over 20 per cent, with a total of 53 per cent claiming their business had registered a drop



**Dark clouds:** Consumer spending is down as tax hikes and uncertainty are causing people to hold on to their hard-earned cash

in sales of between 5 per cent and over 20 per cent.

Sixteen per cent said business levels had not changed since the 2003 fair.

Continues on page 2

## GWU calls for 'urgent' MCESD meeting

The General Workers' Union yesterday called on the chairman of the Malta Council for Economic and Social Development to hold an urgent meeting in the wake of what it called the government's unilateral and arbitrary financial decisions.

Referring to the Prime Minister's plan presented to the European Union to curb the country's deficit, the GWU expressed its concerns regarding the way the government was planning financial matters all on its own.

GWU Secretary General Tony Zarb wrote to the MCESD chairman to convene the council as urgently as possible in the presence of the Prime Minister.

"We want to be informed about the government's direction agreed upon with the EU as well as about the tough decisions the government bound itself to take," Zarb wrote.

Continues on page 2