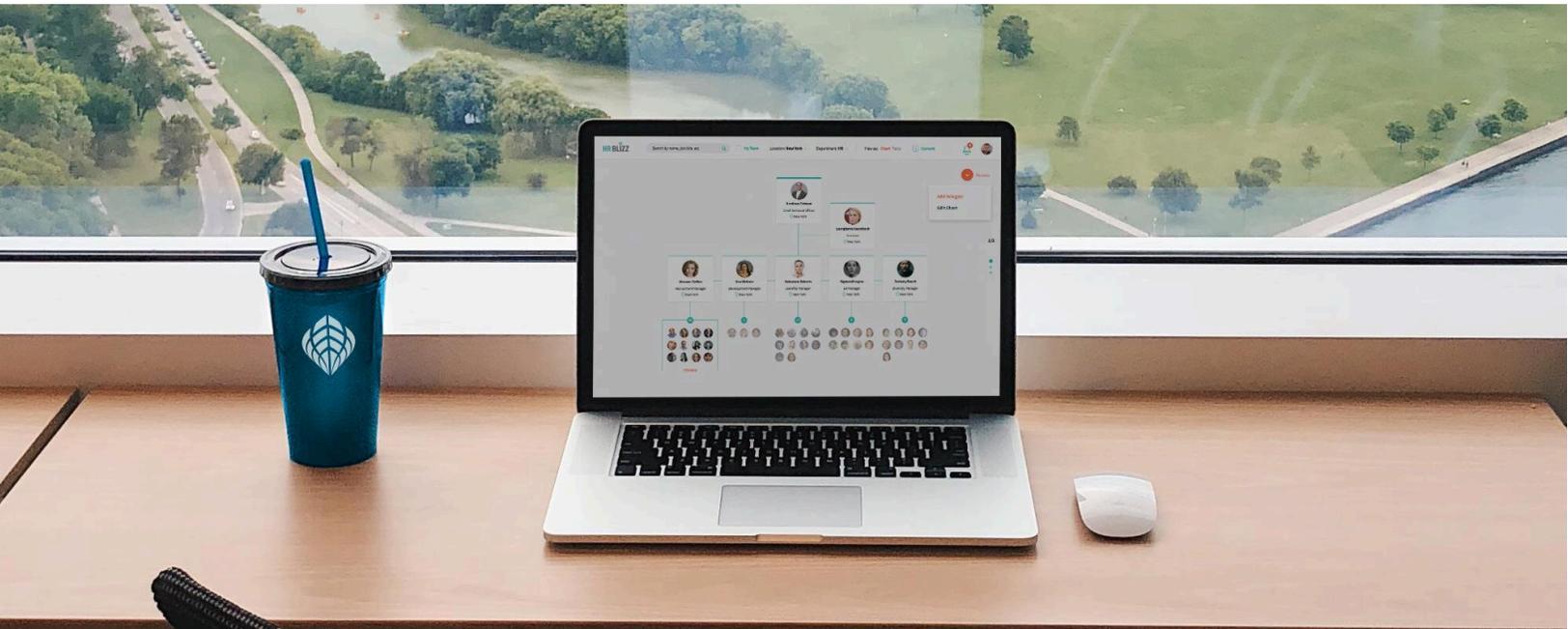




Simplifying Employment  
Tasks Worldwide

# Statutory Change Alert

Malta – Income Tax Table and Social Security Changes –  
January 2025



**MALTA**



Jan 8, 2025

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# We help you achieve your global ambitions

Thank you for trusting Mercans to outsource your HR and Payroll functions. We propose HR consulting services, actionable solutions, and cost-effective global payroll processing tools to energize your human capital management in real-time and augment your performance. We are dedicated to becoming your business growth facilitator.



## Global Payroll Solutions – Boost your HR brand and employee satisfaction

Rationalize your HR budgets, monitor your data, and optimize your global payroll tasks in real-time. Systematize processes and streamline HRM lifecycles with HR Blizz™, our unified SaaS platform, to ensure your employees are paid accurately and on time.



## PEO/GEO Services – Easily hire, deploy and manage your workforce abroad

A reliable Professional Employer Organization (PEO), Mercans is your trusted employer of record to globally select, engage, and manage highly qualified personnel on your behalf, through integrated Global Employment Outsourcing (GEO).



## Global Talent Acquisition – Quickly fill vacancies with only the best candidates

Mercans supports you in designing/deploying long-term HR strategies and processing full-cycle recruitment. Our ATS Suite Mesaar™ and our hiring experts help to screen, select, attract the right candidates for your organization and populate your pipeline of prequalified talents.



## BPO Services – Reclaim the focus on your core activities to expand your business

Concentrate on the essentials: outsource non-primary activities and your front- and back-office functions to Mercans. Save the time, money, and energy needed to refine the value chain engagement of your customers and suppliers and increase revenue.



## HR Management SaaS – Access customizable cloud-based online platforms

Centralize your HR function on an all-in-one user-friendly and self-service platform. Combined with the expertise of our consultants, the Mesaar SaaS offers a built-in applicant tracking system and easy-integration features to improve internal processes.



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### **Local Statutory Compliance – Forget the hassle of setting up branches abroad**

Mercans seasoned HR advisory team are compliance experts specialized in local cultures, business protocols, and tax and legal specificities. They are committed to ensure quick go-to-market abroad and achieve a compliant global expansion, risk-free from A to Z.



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## Mercans at a Glance

<b>160+</b> Countries	<b>20</b> Years of Success	<b>1K+</b> Payroll and HR Specialists
<b>22k+</b> Clients Worldwide	<b>97%</b> Client Retention Rate	<b>1.5X</b> Annual Revenue Growth
<b>95k+</b> Largest Single Country Payroll	<b>25M+</b> Pay Slips per Annum	<b>0</b> Security Breaches

**Number one** for outsourced payroll services, we are endorsed by international authorities.



**Mercans has the highest industry quality and IT security certificate certificate**





# Changes To Income Tax Tables and Social Security rates

The Minister of Finance for Malta delivered the 2025 budget speech. The budget speech proposes the following tax measures:

## Tax Table Changes:

### 'Single' / separate computation

2024 Income Bracket	2025 Income Bracket	Applicable Tax Rates	Maximum Tax Saving
€ 0 - € 9,100	€ 0 - € 12,000	0%	€435
€ 9,101 - € 14,500	€ 12,001 - € 16,000	15%	€585
€ 14,501 - € 19,500	€ 16,001 - € 60,000	25%	€585
€ 19,501 - € 60,000	€ 16,001 - € 60,000	25%	€675
€ 60,001 and over	€ 60,001 and over	35%	€675

### 'Married' / joint computation

2024 Income Bracket	2025 Income Bracket	Applicable Tax Rates	Maximum Tax Saving
€0 - €12,700	€0 - €15,000	0%	€345
€12,701 - €21,200	€0 - €15,000	15%	€525
€21,201 - €28,700	€23,001 - €60,000	25%	€525
€28,701 - €60,000	€23,001 - €60,000	25%	€645
€60,001 and over	€ 60,001 and over	35%	€645



## Parent computation

2024 Income Bracket	2025 Income Bracket	Applicable Tax Rates	Maximum Tax Saving
€0 - €10,500	€0 - €13,000	0%	€375
€10,501 - €15,800	€13,001 - €17,500	15%	€545
€15,801 - €21,200	€17,501 - €60,000	25%	€545
€21,201 - €60,000	€17,501 - €60,000	25%	€650
€60,001 and over	€ 60,001 and over	35%	€650

## Changes in social security contribution

Following the increase in the minimum wage €213.54 to €221.78 per week, Malta's Commissioner for Revenue has published the social security and maternity fund contributions for the 2025 tax year.

Class 1 categories and rates are mentioned below:

Category	Description
A	Persons under 18 years of age earning not more than the amount indicated below.
B	Persons aged 18 and over, earning not more than the amount indicated below.
C	All persons whose basic weekly wage is between the amounts indicated below
D	All persons whose basic weekly wage is equal to or exceed the amount indicated below.
E	Students * under 18 years of age.
F	Students * 18 years and above.

\*Students who are following a full-time course of studies or instruction under the student-worker scheme, or other similar schemes (including the extended skills training schemes but excluding the worker-student schemes) involving distinct work and study periods for which they are receiving remuneration.

Category	Basic weekly wage from (€)	Basic weekly wage to (€)	Employee Rate (%)	Employer Rate (%)	Total	Maternity (%)
A	0.10	221.78	6.62	6.62	13.24	0.20
B	0.10	221.78	22.18*	22.18	44.36	0.67



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\*Or if the employee chooses, 10% of the basic weekly wage. This rate of contribution entitles the contributor to pro-rata contributory benefits.

Rates for persons born up to 31<sup>st</sup> December 1961:

Category	From	To	Employee Rate (%)	Employer Rate (%)	Total	Maternity (%)
C	221.79	451.91	10	10	n/a	0.30
D	451.92	n/a	45.19	45.19	90.38	1.36

Rates for persons born from 1<sup>st</sup> January 1962 onwards:

Category	From	To	Employee Rate (%)	Employer Rate (%)	Total	Maternity (%)
C	221.79	544.28	10	10	n/a	0.30
D	544.29	n/a	54.43	54.43	108.86	1.63

Rates for persons born from 1<sup>st</sup> January 1962 onwards:

Category	From	To	Employee Rate (%)	Employer Rate (%)	Total	Maternity (%)
E	n/a	n/a	10% (Max 4.38)	10% (Max 4.38)	n/a	0.30% (Max 0.13)
F	n/a	n/a	10% (Max 7.94)	10% (Max 7.94)	n/a	0.30% (Max 0.24)

Please contact your Mercans' services delivery team for any additional information regarding the implications of the above change.



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## They already trust Mercans





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# What Makes Mercans your HR and Payroll Partner of Choice?

## We Simplify Employment Tasks Worldwide

### Everywhere for Everyone

We are a borderless people engagement enabler, driven by technology and innovation. We deliver bespoke human capital management services and global payroll solutions to empower businesses across 110+ countries regardless of their organizations' size and their industry. We pride ourselves on being global people experts with a striking local presence, committed to making your teams happy, and ensuring the consistent and sustainable growth of your organization.

### Local Presence. Regional Strategy. Global Success

Supported by 500+ payroll and HR specialists with in-depth local knowledge, Mercans operate globally. Our pioneering human resources consulting services and trailblazing SaaS platforms are already satisfying 5,000+ international clients, ensuring timely measurable results and bottom-line savings. Thanks to success-oriented teams striving for excellence and taking care of our clients' tasks within budget, we have gained the trust of major multinational companies.

### A Revolutionary Service Delivery System

Say goodbye to third-party service providers, offshore call centers, fragmented data, and endless chains of sub-contracts.

Mercans cloud-based SaaS Products, HR Blizz™ & Mesar™, combine the performance of proprietary technologies with a human touch. Cost-effective, they are fully-compliant self-service tools, packed with smart built-in features for your peace of mind. All your data are integrated into single interfaces accessible from everywhere and on any device.

### Trailblazing Cloud-Based SaaS Products

HR Blizz & Mesar, our Software-as-a-Service platforms, both propose a preconfigured API integration capability with all the major global HRMS platforms, including SuccessFactors, Workday, Oracle HCM, and MS Dynamics. All Mercans systems and processes are GDPR compliant, ISO 9001, 20000, 27001 certified, and SOC 1 and SOC 2 audited. A registered Finpro expert, Mercans is also a member of the Global Payroll Association and the Global Payroll Management Institute.



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