

MARSH CAPTIVE SOLUTIONS: MALTA

The Marsh Captive Solutions' Malta office was established in 2005. Malta offers well-developed infrastructure with all major captive managers represented, offers leading banking, legal, and other services, and has a highly skilled workforce at very competitive cost levels compared to other EU Domciles. Frequent and direct flights from all major European are available. Malta is a member of the European Union (EU).

TAXATION

Malta has a standard tax rate of 35%. However, if a company underwrites risks situated outside Malta, it is able to operate the foreign income account and non-resident shareholders may benefit from the refund of tax on distributions from this account, thus reducing the tax rate to 5%. Malta has Double Tax Treaties with 63 countries.

INSURANCE REGULATION

Acceptable insurance subsidiaries include reinsurance single parent, direct-writing insurance captives (both life and non-life), Reinsurance special purpose vehicles (RSPVs), Securitised Cell Companies (SCC), Insurance Linked Securities (ILS), Protected Cell Company (PCC), and Incorporated Cell Company (ICC). Domiciliation legislation in and out of Malta.

Effective January 1, 2016, direct writing and reinsurance captives operating in Malta are licensed to write business under Directive 2009/138/EC (Solvency II) as implemented into Irish law. These regulations govern the solvency capital, minimum capital, corporate governance, and reporting requirements of entities writing business in the European Union.

REGULATORY AGENCY

Malta Financial Services Authority (MFSA), www.mfsa.com.mt

SERVICES AND CAPABILITY

- Captive feasibility study.
- Captive management.
- Actuarial.
- Regulatory and compliance consulting.
- Solvency II tool.
- Risk consulting.

CAPITALIZATION & SOLVENCY REQUIREMENTS

- Capitalization requirements (in line with Solvency II requirement).
- Reinsurance: €1.2 million.
- Direct writing: €2.7 million (no class, 10-15 of business) or €3.7 million (class 10-15).

Head of Office

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Senior Team

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