

Guidelines on the First-Time Buyers Exemption

These guidelines are issued under Article 22A (2) of the Duty on Documents and Transfers Act (Cap. 364). The purpose of these guidelines is to provide an explanation of the first-time buyers' exemption under Article 3 of the *Exemption of Duty in terms of Article 23 Order* ([SL 364.12](#)).

General Terms and Conditions to qualify for the benefit:

For transfers of property which satisfy the following conditions, the first €150,000 of the consideration or value is exempt from duty:

- a) The transfer is made on or after the 5th November 2013 but before the 15th October 2019;
- b) The property is acquired for sole and ordinary residence and would qualify under Article 32(4)(a) of the Duty on Documents and Transfers Act (hereinafter referred to as the 'DDTA');
- c) The property is the first immovable property acquired *inter vivos* by the transferee.

For transfers of property which satisfy the following conditions, the first €175,000 of the consideration or value is exempt from duty:

- a) The transfer is made on or after the 15th October 2019 but before the 1st January 2021;
- b) The property is acquired for sole and ordinary residence and would qualify under Article 32(4)(a) of the DDTA;
- c) The property is the first immovable property acquired *inter vivos* by the transferee.

The notary who receives such deed is to record in the deed a written declaration by the person acquiring the property that this is the first immovable property acquired *inter vivos* by him and the notary also has the duty to warn the said person of the importance of the truthfulness of such declaration.

This benefit does not apply where a notice of a promise of sale or transfer relating to such property has been given to the Commissioner before the 1st July 2013.

Together with the notice to the Commissioner in terms of Article 51 of the DDTA, legal evidence is to be submitted showing that no other immovable property had been acquired *inter vivos* before. The said form is to be submitted to the Commissioner on or before the 28th February 2021.

The first-time buyers exemption applies on a *pro rata* basis according to the share of the property being acquired.

In respect of transfers of property made on or after the 9th June 2020, for the purpose of determining whether the property is the first immovable property being acquired *inter vivos* by the transferee, the previous acquisition by such person of an undivided share of immovable property representing less than twenty-five per cent (25%) of the real value of the whole of such property, shall not be taken into account. The exemption will not apply if the transferee has been granted the relief provided under article 32(4)(a) of the DDTA or has already benefitted from the first-time buyers exemption ([Legal Notice 240 of 2020](#)).

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