

MEMORANDUM BY THE MINISTER OF INDUSTRIAL DEVELOPMENT  
AND TOURISM

IMPORT DUTIES ACT

1. In a memorandum submitted by the Chairman of the Duty Free Shop Committee it was considered that the establishment of duty free shops would be another source of foreign exchange as the sales effected in such shops would cover the import costs of the goods sold as well as their "added value" such as wages, commission, rent, transport and the profit accruing to the concessionaire. The turnover from these shops would help Malta's balance of payments and as a further inducement to tourists such a measure would also tally with the tourist policy of Government.

2. In its submissions to the Ministry of Industrial Development and Tourism the Committee considered it desirable to preclude local residents from making use of the duty free shop. It was, therefore, held that only the following categories of passengers should be permitted to buy goods from duty free shops:-

- (i) Persons leaving Malta on anything but the first part of a return ticket;
- (ii) Servicemen not returning to Malta;
- (iii) Certified emigrants;
- (iv) transit passengers;
- (v) Persons (otherwise than citizens of Malta) holding a passport not originally issued in Malta and travelling from Malta on a one way ticket.

The Chambers of the Crown Advocate-General were asked to draft the pertinent regulations covering the sales from duty free shops under the Import Duties Act, but it was found out that before publishing the Regulations the principal law had to be amended inasmuch as the law contemplated exemptions only in respect of tourists. Some of the categories recommended by the committee do not fall within the tourist nomenclature and this explains why the expression "tourist" in section 15 of the principal law is being amended as meaning any class of persons as may be prescribed by the proper authority under the enabling provision of the Import Duties Act.

Honourable Ministers are invited to recommend.

28th December, 1965.

A B I L L  
entitled

AN ACT further to amend the Import Duties Act, 1964.

BE it enacted by the Queen's most Excellent Majesty,  
by and with the advice and consent of the House of Representatives  
of Malta, in this present Parliament assembled and by the  
authority of the same as follows:-

Short title. 1. This Act may be cited as the Import Duties (Amendment  
No. ) 1965, and shall be read and construed as one with the  
Import Duties Act, 1964, hereinafter referred to as "the  
principal law".

Amendment of section 15. 2. In section 15 of the principal law for the words  
"tourists visiting these Islands" there shall be substituted  
of the the words "such class or classes of passengers as may be  
principal prescribed".

Objects and Reasons

The object of this bill is to extend the operation  
of section 15 of the Import Duties Act 1964 in order that  
exemption from duty may be granted also to passengers other  
than tourists in relation to purchases effected for use or  
consumption outside these Islands.

L-Arkivji Nazjonali ta' Malta