

Malta is a small European country located between Sicily and the North African coast. The archipelago is only 122 square miles, which makes it one of the smallest but most densely populated countries in the world. Today, it's known for its historic sites related to a long succession of rulers from different nations.

If your company wants to expand to Malta, you need the help of a global PEO such as Globalization Partners. Our team helps companies expand to countries around the world, including Malta. Through Malta payroll outsourcing and our suite of Global Expansion Platform™, you can work in Malta quickly without worrying about meeting the country's compliance laws.

Malta Taxation Laws

Malta's taxation rules will impact both your company and your employees. The corporate income tax rate is 35% of taxable profits, and employees and employers must contribute 10% of gross salaries each. Employees also need to pay income taxes at a progressive rate from 0-35% depending on their annual income. Employers are required to deduct these taxes from an employee's paycheck using a Pay As You Earn (PAYE) system, so you need to ensure that you're following the right laws.

Malta Payroll Options

Companies expanding to Malta can take advantage of four different Malta payroll options:

- **Internal:** Establishing an internal payroll is one way to pay your employees right from your subsidiary. However, you'll need to hire a large HR staff and make sure you have the budget to sustain the infrastructure.
- **Remote:** Many companies cannot support an internal payroll and need another option. Using your parent company's remote payroll will ensure that your employees get paid, but you'll need to follow different employment compliance laws per country.
- **Malta payroll processing company:** If you want to work with a Malta payroll processing company, we recommend choosing one with a great reputation. Your company will be responsible for this company's actions, including any mistakes.
- **Malta payroll outsourcing:** Deciding on Malta payroll outsourcing with Globalization Partners will give you ultimate freedom and peace of mind. We will add your employees to our payroll and also handle compliance on your behalf.

Requirements for Setting up Your Malta Payroll

You may want to start your payroll as soon as you decide to work in Malta, but you'll need to bypass several restrictions first. The most important is your subsidiary. Malta requires you to have a registered subsidiary in the country before you set up your payroll or begin working. The only exception is working with a global PEO, such as Globalization Partners. Instead of establishing your own subsidiary, you can use our existing entity to work fast.

Entitlement and Termination Terms You Need to Know

Entitlement and termination terms are often more complicated in a foreign country like Malta. If you can create clear entitlement and termination terms before you set up your Malta payroll, you won't have to worry about potential litigation. Every time you terminate an employment contract, you must inform Jobsplus. Employees are usually entitled to compensation in lieu of notice.

Globalization Partners Can Make Your Expansion Easier

Globalization Partners wants to help you expand to Malta with ultimate peace of mind and security. [Contact us today](#) for more information about Malta payroll outsourcing.