

The measures that matter to **Aviation**



Airline connectivity incentives

A review of airline incentives will prioritise winter and shoulder-season routes and higher-value tourism markets, potentially influencing route profitability and network planning.



KM Malta airlines strategic partnership

Ongoing discussions with prospective strategic partners could create opportunities for improved connectivity, operational efficiencies and aviation service providers, subject to the outcome of negotiations.



Aircraft leasing framework

Continued improvements to Malta's regulatory and administrative framework could strengthen its attractiveness for aircraft leasing, financing and associated professional services.



Employment and recruitment costs

A €6.41 weekly COLA and higher third-country-national permit charges (€800 for new applications, plus a €400 annual contribution) will increase employment-related costs, particularly for internationally staffed operators.



Taxation and investment incentives

A proposed 25% tax rate on retained or reinvested profits for qualifying companies with turnover up to €1 million, alongside continued digitalisation incentives, may support investment by eligible aviation service providers.

Our take on the budget

The Budget highlights potential opportunities for aviation connectivity, leasing and investment, while rising employment costs make workforce planning, operational efficiency and commercial competitiveness key considerations for aviation businesses.

