Inland Revenue
Te Tari Taake

24 November 2026

Exemption – non-resident shipping operations

Malta – 24 November 2026

Reciprocal tax exemption for shipping operators from Malta

On 4 September 2026, the Commissioner of Inland Revenue received an application for New Zealand's reciprocal exemption for foreign shipping operators to apply to shipping operators resident in Malta.

After consultation with the Malta Tax and Customs Administration, the Commissioner of Inland Revenue is satisfied that Malta provides a reciprocal exemption for New Zealand-resident shipping operators. Therefore, income derived by shipping operators resident in Malta from transporting people or property by sea from New Zealand to a destination outside New Zealand will be exempt from tax in New Zealand in accordance with sections CV 16(3) and YD 6(3) of the Income Tax Act 2007.

Income years covered

The exemption applies to the 2026–27 and later income tax years. It also applies to earlier income tax years that are not yet time barred under section 108 of the Tax Administration Act 1994.

Reciprocity requirement

The exemption will cease to apply if Malta no longer provides the corresponding exemption for New Zealand-resident shipping operators.

Legislation:

Sections CV 16(3) and YD 6(3) of the Income Tax Act 2007 provide that the Commissioner may reduce the New Zealand-sourced income of a non-resident shipping operator, to the extent the operator's state of residence would treat an equivalent amount derived by a New Zealand-resident shipping operator as not having a source in that state, or as otherwise exempt or not liable to income tax in that jurisdiction.