

FISCAL BENEFITS AND INCENTIVES

Smart&Start Italia

Projects must include expenses and eligible costs between € 100,000 and € 1.5 and have a duration not exceeding 24 months after the contract sign. The aid finances the creation and growth of innovative startups, established for no more than 60 months, that have a strong technological dimension, operate in the digital economy, enhance research results (spin-offs from research). Interest-free loan up to 80% of the total investment (10 years repayment schedule). Up to 90% if the startup is composed exclusively by women or young people under the age of 35, or if it includes at least one Italian PhD who is working abroad and wants to return in Italy.

Innovative Startups

Italian startups under 5 years old with revenues of less than €5m receive an exemption from certain taxes and access to flexible employee contracts. 30% tax relief for investors in innovative startups (cap at €1m for individuals, €1.8 for companies).

Tax Credit on Assets

Companies investing in tangible and intangible capital goods accordingly to the Industry 4.0 national strategy can benefit of a wide range of tax credits from 15% (intangible assets) to 20-40% (tangible assets). Companies investing in ordinary tangible assets can benefit of a 6% tax credit.

Patent Box

Fiscal deductibility on IRPEF (personal income tax) or IRES (tax on company revenues). Partial tax deduction of 50% for incomes arising from direct use or licensing of qualified intangible assets: property rights, industrial patents, trademarks, designs and models, as well as processes, formulas and information relating to experiences acquired in legally protected industrial, commercial or scientific fields.

Employment

Firms that employ workers under the age of 35 are granted a reduction in the labor taxes for the first three years of their employment, up to a maximum of 3,000 euros per year. The age limit will be reduced to 30 years starting from 2021.

New Residents

Employees, self-employed, researchers and professors who move to Italy and have not been resident in Italy in the prior 2 years can benefit of a special tax regime with a tax exemption equal to 70% of their incomes for 5 years (extendible under certain circumstances).

New Enterprises Zero Interest Rate

Investment programs with eligible expenses up to € 1.5m to be implemented by micro and small companies established by no more than 12 months and composed, for more than half of members and shares, of people aged between 18 and 35 years old or by women. Program duration not less than 3 years from project completion. Benefits are granted in the form of a subsidized loan (max. 8y) with a zero-interest rate covering up to 75% of the eligible expenses.

INNOVATIVE STARTUPS

REQUIREMENTS:

- The company's core business consists in the development, production and commercialization of
- innovative goods or services of high technological value;
- Established for no longer than 5 years;
- Subjected to Italian taxation ;
- Turnover that does not exceed 5 million euros;
- Does not distribute profits;
- Does not result from the merger, division or transfer of business from an existing company;
- Either 30% of the company's costs are related to Research & Development, or >1/3 of the employees hold a PhD or are PhD candidates or have conducted research for >3y, or the Company is the owner or the licensee of a patent.

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Development Contract

The incentive supports large and innovative investments in Manufacturing, Green Economy, Biomedical, Telemedicine, Tourism and Environmental Protection of more than € 20m (€ 7.5m for food processing). The investment type and the company size define the aid intensity. Large companies can apply if the investment project comprises both industrial and R&D correlated elements. Projects presented by foreign companies providing an investment of at least € 50m gain access to the Fast-Track procedure (time shortening evaluation, ad hoc resources, jump of the queue). Additional funds have been allocated to extend Fast-Track procedure access to companies applying for the Incentive with investment projects in the Green Economy, Biomedical and Telemedicine sectors.

Industry 4.0 Training

40% tax credit on the cost of personnel employed in training courses for the acquisition and consolidation of skills in "4.0" fields.

ACE-Allowance for corporate equity

The incentive aims at encouraging the capitalization of companies through the possibility of deducting from the net income and to mitigate the different tax treatment applied to companies funded with debt and others funded with equity. The benefit entails a notional deduction from corporate income taxable base on company revenue (IRES) equal to the net increase in the "new equity" employed in the company, multiplied by a rate yearly determined annually (1.3% for FY 2020).

Energy Efficiency National Fund

€ 310m budget to support energy efficiency investments on buildings, plants and production processes. The aid consists in a soft loan up to the 70% of the total eligible investment (between € 250k and € 4m), a guarantee on individual financing operation, up to the 80% of the investment, for a total amount between € 150k and € 2.5m.

R&D Circular Economy

The aid supports the transition of economic activities towards a circular economy model, supporting R&D projects aimed at a more efficient and sustainable use of resources. Eligible expenses between € 500k and € 2m, with a duration \geq 12 months and \leq 36 months. Soft loan up to the 50% of the eligible expenses and direct contribution to expenditure (micro and small companies: 20%, medium companies 15%, large companies 10%).

POR FESR 2014-2020 - FRIM FESR 2020 R&D

Supporting R&D investments aiming at boosting SMEs innovation and generate positive impact on Lombardy's competitiveness. Projects must comply with the "Regional strategy of smart specialisation for research and innovation S3)" guidelines. € 30 mln of allocated funds for SMEs regularly registered in the Register of Companies at the moment of the application and with an operational branch in Lombardy at the time of the contract signing. Mid-term loan up to 100% of the admissible expenses for a total amount between 100k and 1 mln. 3-7 years duration with max. 2 years of pre-amortisation. Fixed rate of 0.5%. Applications open since: November 2020.

WHAT WE DO

We support foreign investors along the entire process of settlement and expansion of the investment, giving quick and useful responses to their needs with our **free of charge** services.

- **Facilitation** in the dialogue with the **Public Administration** and **bureaucratic support** with visas, permits, and documentation;
- Specialised support accessing **national and local fiscal incentives**;
- **Location scouting**;
- Introduction to a selected **network of legal, fiscal, labour, and real estate** consultants (fees may be applied by these professionals);
- **Networking** with local stakeholders and universities aimed at recruiting specialized human capital and connecting with **potential partners**;
- Information on the **local supply chain** (fees may apply).