



DOING BUSINESS

IN TUSCANY



Regione Toscana



Le ali alle tue idee



As Governor of Tuscany, it gives me great pleasure to introduce the updated edition of Doing Business in Tuscany, a useful tool of work and information for foreign companies wishing to set up a business in Italy (and, particularly, in Tuscany).

Tuscany, already worldwide-known for its fine arts and natural heritage, can be considered as well an interesting and competitive environment for the location or consolidation of research, manufacturing and other economic activities.

In effect, our region already hosts 500 leading multinational companies with a very low rate for

relocations. Today, the primary goal for Tuscany is therefore to become even more attractive for foreign investment, in particular in the manufacturing, high-tech and high-level tourism sectors. Traditional sectors can also offer opportunities through partnership with local business excellences and the unique collateral “brand-resonance” embedded in Tuscany.

For such a reason I am personally committed to attract and expand foreign direct investments, either by awarding significant financial support from European development funds to innovative ventures and research projects involving businesses, and by increasingly taking direct action to cut red tape and speed up processes for authorising new industrial settlements or the expansion of the already existing ones.

Companies that wish to invest in Tuscany can be assisted by a new specific office (Invest In Tuscany), directly reporting to me, able to both interact with foreign decision-makers and provide assistance to those that wish to invest or increase their presence in our region.

Moreover, our staff is able to bring together the needed coordination between all the other public and private bodies involved in the administrative process, the clear identification of responsibilities and objectives to be achieved, thus considerably reducing the timing for authorizations and for the execution of any other required support.

The political and institutional stability of the Tuscan framework, the commitment to accelerate and streamline the administrative procedures, together with the local availability of skilled work-force, which is also the result of a system of higher education and research among the most advanced in Europe, could therefore represent a compelling and competitive platform also for investments from abroad companies.

I’m also proud of a recent success of our work: according to ‘FDI Magazine – Financial Times,’ which compares data and information on 481 locations for European cities and regions, Tuscany has been ranked second among Mid-sized European Regions of the future 2016/17 – FDI Strategy”.

In addition to reading more about Tuscan leading advantages, I encourage you to visit investintuscany.com or contact our professional staff of the Invest In Tuscany office. They can help you to expand and succeed here in Tuscany and abroad.

I hope you find the following report useful and informative.

My best regards,

Enrico Rossi

A handwritten signature in black ink that reads "Enrico Rossi". The signature is written in a cursive, slightly stylized font.



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TUSCANY, A KEY INVESTMENT DESTINATION

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EXI

NANOTECHNOLOGIES
EDUCATION
LIFE SCIENCES
RESEARCH
PHOTONICS
SHIPBUILDING
ICT
MECHANICS AND AUTOMATIVE
UNIVERSITIES
ARTS
GREEN ECONOMY
START UP
SKILLS
INNOVA
TE





ROAD SHOWS
NETWORKING
STUDY TOURS
PARTNERING
EVENTS
CONFERENCES
MEETINGS
SUMMIT
VISITS

ROBOTICS
EXPERIENCE SHARING
PRESENTATIONS
DEVELOPMENT
WORKSHOPS
CULTURAL HERITAGE



"The region of Tuscany, synonymous with great minds such as Galileo Galilei, Antonio Meucci and Leonardo da Vinci, established its success through the ongoing integration of **history, culture, tradition and innovation**. There are numerous multinational corporations that have chosen to headquarter their businesses within the region ... "

Special FDI magazine devoted to Tuscany

THE MAIN REASONS TO CHOOSE

TO INVEST IN TUSCANY

1

VAST POOL OF TALENT

The quality of human resources and availability of skills is ensured by the excellent, universally recognized university system able to guarantee a superior level of education and research than the national average. There are many interventions implemented by the Region to attract and retain new resources in the area.

2

DYNAMIC AND DIVERSIFIED ECONOMY

With a per capita GDP of €28,300, higher than the national and European average, and a deep-rooted tradition in the production, design and marketing of Made in Italy products, Tuscany is one of the richest regions not only in Italy but also in Europe.

3

CENTRALLY LOCATED IN ITALY AND IN THE MEDITERRANEAN AREA

Halfway between Rome and Milan, investing in Tuscany means ensuring geographical proximity to customers located anywhere in Italy. Its central position in Italy and in the Mediterranean area allows easy access to a large consumer market. Tuscany is also at the centre of excellent integrated transport networks ensuring competitive linking with the major European capitals and Euro-Mediterranean markets.

4

OUTSTANDING QUALITY OF LIFE

Multiple factors ensure that Tuscany has a quality of life among the highest in Italy, due to the optimal balance between different aspects of wellbeing (environment, health, safety, leisure, business, work ...), Tuscany offers a unique cultural and natural environment, perfect for attracting and retaining top talent.

5

REGIONAL GOVERNMENT "OPEN TO BUSINESS"

The Tuscan regional system, strongly oriented to the economic development of the territory, has always shown particular attention to promoting legislation in support of investors, due to interventions and forms of incentives aimed at supporting the establishment and development of business in the territory.

6

LEADING-EDGE UNIVERSITIES AND RESEARCH CENTRES

The university system within the territory is one of the strengths of the Tuscany region which has always shown a strong interest in technological innovation investing over €1B annually in public and private research and allowing the creation of a skilled workforce; there are over 14,000 active researchers within the region.

7

COMPETITIVE COSTS

In the region of Tuscany the cost of living is highly competitive; costs, particularly those relative to the real estate and labour market are lower than the national and European average.

INTRODUCTION

The goal of this “Guide to investors” is to provide valuable tools of work and information for foreign companies wishing to invest in Tuscany. The Guide is designed according to the following logic:



THE REGIONAL CONTEXT AND THE OPPORTUNITIES ASSOCIATED WITH IT WILL BE PRESENTED THROUGH THE DESCRIPTION OF THE CHARACTERISTICS THAT DISTINGUISH THE LOCAL PRODUCTION SYSTEM BASED MAINLY ON SMALL AND MEDIUM-SIZED BUSINESSES AND INDUSTRIAL DISTRICTS.

The central position in Italy and in the Mediterranean basin and the excellent integrated transport networks ensure competitive linking with the major European capitals and Euro-Mediterranean markets; therefore, the guide offers an overview of the **market infrastructure** that regulates the movement of people and goods within and outside the EU community.

Another point of concern in starting a business could be the legal form which is better suited to the business needs of its future activities. It will therefore be beneficial to have an understanding of the main **corporate forms** and the **administrative procedures for business start**.

Another important aspect to consider is the recruitment process and the

different **forms of contracts provided for in the legislation and the contribution system in force**.

Tuscany, thanks to the **quality** of its **regional governance** and the efficiency of its public administration, offers a business friendly environment: for this reason, this guide provides information about **incentives for companies** which will be helpful to people wishing to undertake business activities in Tuscany.

Businesses that invest in Tuscany can benefit from a supportive environment, based on a unique **model of collaboration between industry, academia, research centers and public authorities**, which over the years has fostered the growth of spin-offs, SMEs and world leading companies.

OVERVIEW OF REGIONAL CONTEXT AND ITS OPPORTUNITIES

TUSCANY



- **AREA:** 22.994 Km²
CAPITAL: Florence
OTHER MAIN CITIES: Livorno, Pisa, Lucca, Siena, Prato
- **GDP PER CAPITA:** €28.300
- **POPULATION:** 3.7 million inhabitants (6.2% of Italy)
- **A REGION INTERNATIONALLY RENOWNED FOR:**
 - Fashion and “Made in Italy”
 - Tourism (historic sites, art cities, nature)
 - Processed and agriculture products (ceramic, precious metals, wine, olive oil...)
 - Quality of life
- **EXPORT:** approximately 8% of Italian exports
- **MANUFACTURING TRADITION**
- **12 TECHNOLOGICAL CLUSTERS:** Fashion, furniture and design, marble and ornamental stones, life science, new materials,
- automotive and mechanics, yacht building and ports, rails, energy and green economy, ICT, Smart city/tourism and cultural heritage
- **SKILLS, RESEARCH, DEVELOPMENT & INNOVATION**
 - 3 Universities, 5 Higher Education Institutes
 - 12 Innovations poles, 5 Technology clusters
 - 17 National Research Council (CNR) Institutes
 - FDIs: > 500 Foreign Multinationals

Source: EY processing by Region of Tuscany official website www.regione.toscana.it⁴

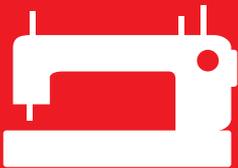
THE STRENGTHS OF TUSCAN ECONOMY

INDUSTRIAL DISTRICTS



The development model of Tuscany, characterized by the presence of major industrial districts, has evolved progressively towards a system based on leading companies in close relationship with efficient sub-supplying companies. It is noted that there are already **400,000 companies in the region.**

MANUFACTURING PRODUCTION



Tuscany heavily specializes in the production of **personal and household goods**; to date, 5% of employees in the manufacturing industry are employed in the production of **textiles, clothing, leather goods, footwear, jewelry, and furniture.** In addition, the Region of Tuscany has strong leadership in both the **food industry and in the mechanical sector** (there are many leading companies in these sectors that have chosen the Region for their business headquarters).

INTERNATIONAL MARKETS



Tuscany has a strong presence in **international markets** both in Europe (mainly in Germany, France and the United Kingdom) and outside Europe (around 17% of exported goods are turning to the US market), covering **8% of Italian exports.**

TOURISM



Every year the Region of Tuscany welcomes approximately eleven million arrivals of which a third are foreigners. Two main tourist flows, one aimed at art and the other one aimed at the seaside resorts are showing record growths.

The regional economic development model, with a prevalence of small and medium-sized businesses, has enabled rapid growth of private and collective wealth: the per capita GDP in Tuscany, equal to €28,300, is higher than the national and European average, placing the region not only among the richest in Italy but also in Europe¹.

Located in a **central position** relative to Italy and the Mediterranean, the region of Tuscany, has a strategic geographical location serving as a privileged point of access to the mainland market and is among market leaders, in our country, in terms of exports: with over €32B in 2014 (+4.4% compared to 2013), the region exports a lot more than the Italian average (which grew by +2.6%)².

Tuscan exports, directed mainly to Europe (58%), include 98% manufacturing products (i.e. leather, ceramics), food products (i.e. wine, oil) and industrial products (i.e. general purpose machinery, precious metals) and represent 8% of the national total.

Tuscany is also **the undisputed star of global tourism,** known around the world for the beauty of its landscapes and its natural and cultural heritage³.

¹ Regional Institute for Economic Planning of Tuscany

² The economic situation in Tuscany - Regional Institute for Economic Planning of Tuscany

³ Currently are 6 sites recognized as World Heritage by UNESCO (Val D'Orcia and the Historic Centres of: Florence, Siena, Pienza, San Gimignano; Piazza dei Miracoli in Pisa)

⁴ http://www.regione.toscana.it/regione/giunta/enrico-rossi-presidente/toscana-in-breve/-/asset_publisher/7wr472jlePAD/content/toscana-in-numeri

PRODUCTIVE PROCESS: THE MOST SUCCESSFUL SECTORS

2.



The development model of Tuscany, historically characterized by the presence of major industrial districts, has evolved progressively towards a system based on leading companies in close relationship with an efficient network of subcontractors.

There are many cases in which the leading company is a foreign company which settled in a specific area precisely to take advantage of an established network of sub-suppliers. In some cases, the informal relationship has evolved in the creation of a "business network", a legal status under Italian law.

These business networks allow the acquisition and activation of common services: **professional consulting and training, IT networks, collective purchases of equipment that allow for reduction of costs and restoring of profitability.**

Another important aspect was the role of the public in defining specific agreements for enhancing the area: the so-called "supply-chain pacts" (note for example, the one signed for the leather goods supply-chain).

The objectives of such agreements may be summarized as follows:

- I. TRANSFER OF INNOVATION
- II. MONITORING AND DISINCENTIVE FOR UNFAIR COMPETITION ALONG THE SUPPLY-CHAIN (i.e. exploitation and tax avoidance)
- III. IMPROVEMENT OF CREDIT TERMS
- IV. TRAINING COURSES

Today, there are important industrial artisan districts specialising in the production of goods Made in Italy that have developed along the Arno valley from the Province of Arezzo to the inner part of the Province of Pisa.

FOCUS INDUSTRIAL DISTRICTS WHICH RECORDED POSITIVE GROWTH TREND IN Q1 2015



AMONG THE HIGH PARTICULARLY PERFORMING TUSCAN DISTRICTS IN THE FIRST QUARTER OF 2015, THE LEATHER AND FOOTWEAR DISTRICT OF VALDARNO STANDS OUT, LOCATED WITHIN THE TRIANGLE FORMED BY FLORENCE - AREZZO - SIENA, WHICH, WITH AN INCREASE OF +34.8%, IS AMONG THE MOST DYNAMIC LOCAL SECTORS IN THE TUSCAN AND ITALIAN LANDSCAPE.

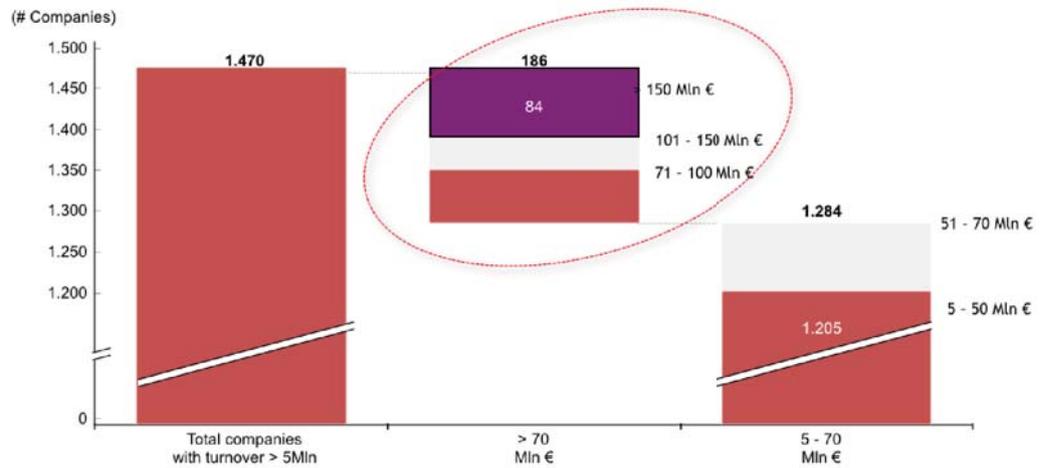
Noteworthy, is the strong recovery reflected by the paper sector of Capannori (+21.9%, gained thanks to the renewed dynamics of the European markets) and by Chianti wines (+25.9%), which particularly benefited from the boom in sales in the United States. Exports of drugs (20.6%) from the Tuscan axis are also growing at a fast pace, recording better results than other Italian areas of specialisation. Strong recoveries were also found for furniture of Poggibonsi Sinalunga (+20.7) and ceramics of Sesto Fiorentino (+24.1%). The footwear and leather goods sector in Florence, with a slower growth of 4.6%, nevertheless was confirmed as the district leader in Tuscan district exports, with 34 million of additional exports compared with the same period in 2014. The results of the district of Carrara marble (+2.8%) and Lucca footwear (+2.6%) are in line with the regional average, and continue to show signs of gradual improvement⁵.

Although the industrial sector is characterized by an average of small and medium size industrial companies, there are approximately 1,500 businesses that

have a turnover of more than €5Mln, with total revenues of approximately €90B. The 90% of these companies consists of corporations.

CHART 1 TUSCAN BUSINESS WITH TURNOVER > 5 M EURO - BREAKDOWN BY TURNOVER TYPE

BUSINESSES WITH A TURNOVER > €5MLN

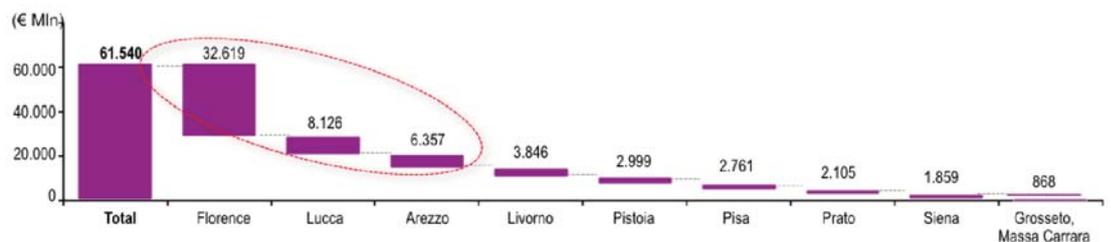


The 186 companies that produce a higher turnover, for a total of approximately €61B (shown in the graph above in three turnover

clusters) are highly concentrated in the provinces of Florence, Lucca and Arezzo.

CHART 2

TURNOVER FOR PROVINCES



The success of the Tuscan industry, as mentioned earlier, lies mainly in the ability of businesses to **create a system**, building a localized highly integrated set of productive activities rooted within a specific local area. Universities, local Public Agencies and public and private

research centres, operate jointly with businesses in a highly synergistic manner. The Life Sciences, Fashion/Design, ICT, Nautical, Agribusiness and Logistics areas, are among those that have greatly benefited from this **business model**.

⁵ Data as of 31/03/2015 - Monitoring of the districts of Tuscany - Study carried out by the Intesa Sanpaolo Directorate of Studies and Research for Banca CR Firenze

In addition to the industrial fabric, one of Tuscany's main components of gross domestic product is in the **service sector**. In the first five months of 2015, Tuscany, characterized by the presence of a historical and artistic heritage unique in the world, has seen an increase in the number of tourists equal to 3.2% over the same period of 2014, with a sharp rise in foreign visitors (+6.2%).

A land it is a region where **traditions and treasures of the past are still intact**, which is characterized not only for the promotion of its cultural heritage and landscape, but also for its excellent accommodation/hospitality capacity of hotels and staff.

Every year Tuscany welcomes 11 millions visitors, a third of which come from abroad.

There are two main tourist flows: one aimed at **art**, that gathers around the museums and monuments of Florence, Pisa, Siena and many other small and large cities and towns (such as Cortona and San Gimignano) and the other aimed at the **seaside resorts**, particularly "Versilia and Viareggio, but also the islands of the Tuscan archipelago (such as the island of Elba) and Maremma in Southern Tuscany.

There is growing interest in emerging products: with numerous requests for theme tours ranging from gastronomy to golf, the cycling and the **"Wedding destinations"**.

The positive "open air" tourism trend is also evident in the popularity of farmhouses and thermal parks such as Montecatini and Chianciano.



⁶ Official site of the Region of Tuscany <http://www.regione.toscana.it>

⁷ Acknowledgement received by the Financial Times - [http://www.repubblica.it/economia/affari-e-finanza/2014/03/10/news/investimenti_la_toscana_regina_deuropa-80626005/](http://www.repubblica.it/economia/affari-e-finanza/2014/03/10/news/investimenti_la_toscana_regina_deuropa-80626005/Riconoscimento_ricevuto_dal_Financial_Times_-_http://www.repubblica.it/economia/affari-e-finanza/2014/03/10/news/investimenti_la_toscana_regina_deuropa-80626005/)

FIGURE 2 KEY SECTORS



LIFE SCIENCE

Tuscany is home to a Technological District for Life Sciences, created by the Regional Government of Tuscany. The third largest district in the country for the pharmaceutical and biotechnology sectors, it promotes business and investment opportunities in an environment dedicated to biotech, medical innovation, pharmaceutical discoveries, medical devices, research and clinical trials. The district operates in strong synergy with universities, public institutions, research centres, investors, incubators and science parks.



FASHION

Tuscany plays a vital role in creating a mark of recognition for Italian design abroad, and also has strategic advantages for companies in the design sector that plan to locate in the region. Florence has the highest concentration of international institutes and academies of design, and is a recognized centre of excellence for know-how relating to industrial and artistic design (European Institute of Design; University of Florence Design Campus in Calenzano; Polimoda; Italian Leather Goods Institute; Italian design Academy). TOP worldwide players are located in Tuscany: Gucci, Ferragamo, Prada, Celine, Roberto Cavalli, Stefano Ricci, Ermanno Scarvino, Braccialini, Peuterey, Patrizia Pepe etc...



ICT

Businesses that invest in Tuscany in ICT can benefit from a supportive environment, based on a unique model of collaboration between industry, academia, research centres and public authorities, which over the years has fostered the growth of spin-offs, SMEs and world leaders and facilitated the transformation of ideas pertaining to the ICT sector into products with commercial potential. Tuscany is home to a Technological District called "F.O.R.T.I.S", which provides investment opportunities in a stimulating environment dedicated to photonics, optoelectronics, robotics, telecommunications, IT and aerospace.



YACHTBUILDING

The yachtbuilding sector in Tuscany has great potential for investors and partners across multiple areas, exploiting all the advantages of working in a creative, flexible and exciting environment. In recent years, Tuscany has become the worldwide leader in Mega Yachts production, with a significant orientation to export (90 of 250 megayachts registered in Italy have been produced in Tuscany and 36% of Italian production is in Tuscany). The subcontracting network offers a wide range of skills, specializations and professions in synergy with other clusters in the region, such as mechanics, fashion, furnishing and engineering. Relevant TOP worldwide players are located in Tuscany: based on the ranking published by the American Showboats International magazine, six (Azimut-Benetti, Sanlorenzo, Overmarine, Admiral Tecnomar, Fipa Group, and Cerri-Baglietto) of the world's top twenty builders are active in the Region.



LOGISTICS

Thanks to its central location and its infrastructure and services, Tuscany is the perfect logistical platform for the markets of central Italy, Europe and the Mediterranean.



AGRIBUSINESS

Currently counting a wide range of certified products (PDO - Protected Designation of Origin and PGI - Protected geographical Indication), the easy access to healthy raw materials, and an internationally recognized brand, Tuscany represents a perfect place for setting up a company dedicated to the manufacturing or the trade of agrifood products. The leading factors are: an origin land that ensures a strong connection between culture and territory; great tradition and high quality of products and raw material; international leadership in some excellence products (such as extra virgin olive oils and wine - Chianti Classico, Brunello, but also SuperTuscans such as Sassicaia, Ornellaia, Tignanello, Paleo etc.); an entire Supply Chain present within the region.

Source: EY processing by Region of Tuscany

TECHNOLOGY CLUSTERS

The Tuscany Region has been able to recognize the transformation of local production processes and therefore has undertaken a strong reforming activity to facilitate the aggregation and growth of Technology Clusters where Tuscany excels in terms of competencies and innovation capacity. This local strategy refers to the European policy of “Smart Specialization Strategy”.

The aim is to foster a stronger competitiveness of the existing and highly export intensive productive areas, through the development of research and innovation activities on key technologies.

TECHNOLOGICAL PRIORITIES - Following the strategic objectives identified by the European “Smart Specialization Strategy”, a journey of Tuscan entrepreneurial rediscovery has been undertaken. This process has been supported by analysis above the innovation and research system, by critical evaluation of previous policies to favourite industrial innovation, as well as

foresight and road mapping activities. The key sectors of new Technology Clusters of Tuscany are:

ICT AND PHOTONICS: Tuscany hosts a highly qualified network of research excellence centers and companies able to compete at the international level, operating in Bio-Photonics and Telco. Other opportunities come from research results in some emerging technologies, such as info-mobility and aerospace, having ICT and Photonics as their main reference technologies.

SMART FACTORY (INDUSTRY 4.0): it refers to all technologies related to automation, mechatronics and robotics; in Tuscany there are also many concrete opportunities of applications of these kind of pervasive technologies in traditional industries: fashion, gold, marble, leather, food transformation, etc..

CHEMISTRY AND NANOTECHNOLOGY: the main priority for this technological area is to support product innovation both to enable consolidation of the well established chem-pharma sector in Tuscany and to develop brand new materials.



12 TECHNOLOGICAL CLUSTERS OF TUSCANY

"TECH" CLUSTER	PRESIDENT (Steering Committee)	COMPANY
Automotive	Alberto Marinai	CEO Continental Automotive Italy SpA
Railway System	Arcangelo Fornelli	Senior Vice President External Operations Hitachi Rail Italy
Yacht Building	Vincenzo Poerio	CEO Azimut Benetti
Life Sciences & Med Tech	Rino Rappuoli	CSO at GSK vaccines
New Materials	Giovanni Baldi	Head of Research Center CERICOL Colorobbia
ICT/Photonics/Robotics/ AeroSpace/Optoelectronics	Leonardo Masotti	CEO EL.En.
Fashion	Francesca Lusini	President of Peuterey Spa
Interior Design	Giuseppe Bianchi	Presidente of Experimental Center on Furniture
Marble	Paolo Carli	CEO at Henraux SpA
Paper & Tissue	Luigi Lazzareschi	CEO at Sofidel
Green Tech	Nicola Marucci	Turbine & Compressor Product Leader at GE Oil & Gas

ATTRACTIVE MARKET FOR FOREIGN INVESTMENTS

DURING THE 2011-2013 THREE-YEAR PERIOD, FOREIGN INVESTMENT AIMED AT TUSCANY HAS ACCELERATED: CAPITAL INFLOWS FROM ABROAD WERE, ON AVERAGE, €400MLN A YEAR COMPARED TO THE €300MLN RECORDED DURING THE 2005-2010 FIVE-YEAR PERIOD.

FROM 2010 TO 2014, THE REGION OF TUSCANY ATTRACTED FOREIGN INVESTMENTS TOTTALLING €1,55B WHICH IS ASSOCIATED WITH AN INCREASE OF APPROXIMATELY 3,500 EMPLOYEES.

There are many interventions implemented by the Region of Tuscany to attract international investments. **According to 'FDI Magazine – Financial Times,' which compares data and information on 481 locations for European cities and regions, Tuscany has been ranked second among Mid-sized European Regions of the future 2016/17 – FDI Strategy**”; in the short to medium term, this will result in a greater capacity to generate employment in the region.

The following are some recent cases of companies that have chosen to settle in Tuscany. In this regard, it is noted that there are already approximately **500 multinationals in the area.**

- **Yanmar** of Japan, has opened its European research centre in Florence;
- The American company, **Powerone** (now part of ABB), has established a research centre for renewable energy near Arezzo;
- The German company, **Dialog Semiconductor**, has opened a research and design centre for semi-conductors in Livorno;
- The American company, **General Electric**, further consolidated its presence in Florence and Massa, creating a single logistics centre in Collesalveti and announcing a major project of Piombino;
- The Algerian company, **Cevital**, which took over the former company Lucchini to produce steel, and also to create an agrifood business and a logistics centre;
- The French company, **McpHy**, which produces hydrogen fuel cells and decided to invest in Ponsacco;
- The American company, **Eli Lilly**, active in the pharmaceutical industry, with the first biotechnology plant in Italy;
- The Argentinean company, **Corporacion America**, settling in Tuscany with a regional airport hub.
- ...and more: the American companies, **Whirlpool**, **Lionstone**, the French **Thales** and **Gucci**, Germany's **Continental** and **laika**, the Swedish company **Ikea** and Japan's **Hitachi** and **Toray** Industries.

YANMAR POWERONE DIALOG SEMICONDUCTOR
GENERAL ELECTRIC CEVITAL MCPHY ELI LILLY
CORPORACION AMERICA LAIKA WHIRPOOL
THALES GUCCI CONTINENTAL IKEA LION

MARKET ACCESSIBILITY

3



The Region of Tuscany has always placed a strong focus on local cooperation to improve the mobility of people and **goods within the territory.**

The infrastructure of Tuscany has ensured, until now, satisfactory levels of accessibility with their roadways proving to be the most used channel of transport (approximately 77%).⁸

⁸ *Infrastructure and Mobility Integrated Regional Plan - PRIM*
<http://www.regione.toscana.it/-/piano-regionale-integrato-delle-infrastrutture-e-della-mobilita-priim>

FIGURE 3

INFRASTRUCTURE SYSTEM



MOTORWAYS

Motorways provide good transport links throughout Italy:

- 2 key north-south motorway axes (the A1-E35 Milano-Roma and the A12-E80 Genova-Livorno)
- 1 east-west motorway (A11-E76 - Viareggio-Pistoia)



PORTS

2 commercial ports in Livorno (7th Italian port, 6th for container traffic serving all the major ports in the world) and Piombino, in close proximity to other major Italian ports



RAIL INFRASTRUCTURE

An excellent, rapid rail link system guaranteeing:

- 50 daily links between Florence and Rome (1hour 31 min)
- 24 daily links between Florence and Milan (1hour 35 min)
- 17 daily links between Florence and Venice (2 hours 5 min)



AIRPORTS

2 major international airports, Pisa and Florence, for passengers and freight, with numerous daily flights to major Italian and European cities



Source: EY processing by Region of Tuscany and other official website (Autostrade per l'Italia S.p.A., RFI - Rete ferroviaria italiana, Toscana Aeroporti S.p.A.)

THE EXCELLENT MOBILITY MAKES THE AREA EVEN MORE COMPETITIVE AND ATTRACTIVE.

For 2014-2020, €23B was provided to further improve the logistics system of Tuscany.

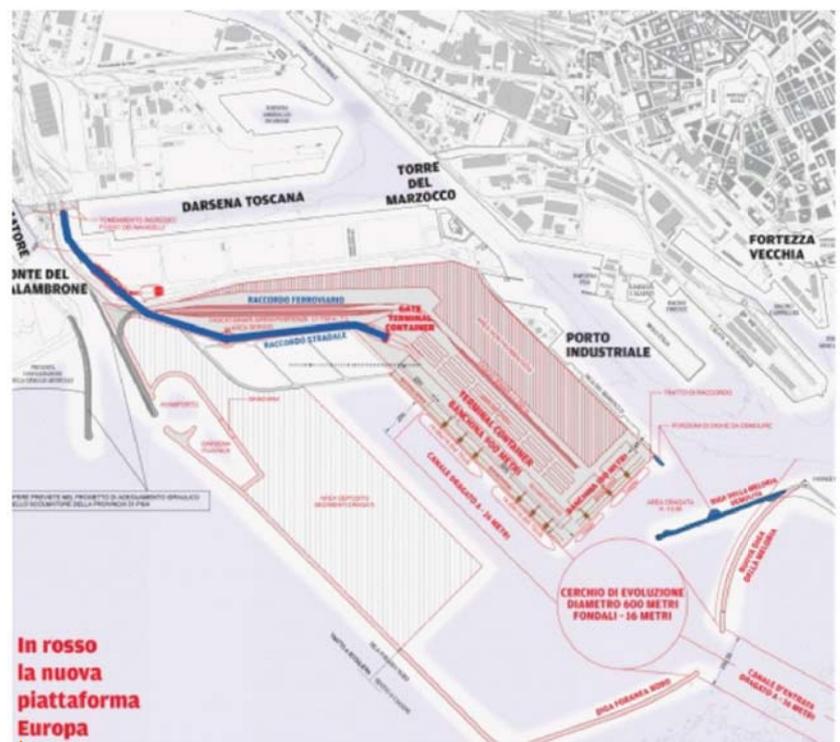
The main actions planned include:

STRENGTHENING THE PORT OF LIVORNO:

It is a priority project for improvement of the Scandinavian - Mediterranean Corridor. The project involves the enlargement of the port of Livorno which will be able to accommodate container vessels (including New Panamax ones and Triple -E ones).

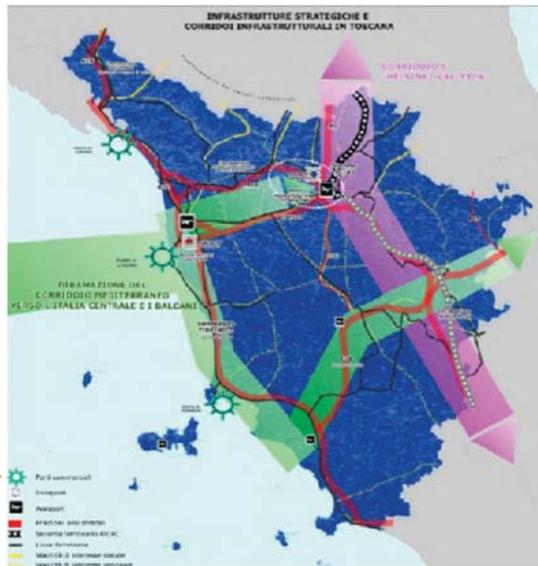
The new infrastructure will be composed of three terminals:

- 1 - One dedicated to container traffic,
- 2 - One dedicated to Ro-Ro (Roll-on/Roll-off) traffic and
- 3 - One to liquid bulk (eg. petroleum).



In rosso
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STRENGTHENING THE MEDITERRANEAN CORRIDOR TO THE BALKANS:



The integration and completion of the existing network is planned, with a branching of the Mediterranean Corridor, based on relations between the Western Mediterranean regions (Spanish ports) and the region of the Upper Tyrrhenian region (Port of Livorno), developing the Motorways of the Sea and port infrastructure also for a greater connection with North Africa.

INTEGRATION OF THE TWO AIRPORTS OF FLORENCE AND PISA

The strategic objective is to build the Tuscan airport system as "best in its class" allowing it to become one of the main Italian airports.



LIVING TUSCANY

4



The Region of Tuscany has a life expectancy rate among the highest in Italy. This results in part from the good state of health, due to climate and/or lifestyle aspects, and in part to a successful policy of preventive health and social care which further contributes to lower mortality rates.

The Health Service of Tuscany, as attested by the feedback from the Ministry of Health, **ranked first in terms of quality and effectiveness of hospital care for two consecutive years (2013 and 2014).**

Furthermore, in Tuscany there is the Observatory on Security, established in 2000 under the Special Project "A safer Tuscany", which aims to provide a cognitive framework of the security conditions in Tuscany, in order to improve them.

The strong tourist attraction, mainly due to the presence of several historical cities in the region has led also to a number of leisure activities. In Tuscany there are in fact more than 390 museums (10% of the museums in Italy) a heritage that every year attracts millions of visitors to the area.

Another indicator that helps to define a state of well-being for citizens is the **employment rate**. While in Italy in recent years we are seeing a contraction in labour supply, unemployment in Tuscany has reached very low levels, falling in less than a decade by more than 3%.

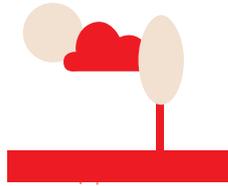
The upward trend appears to be further improving in 2015: in fact, in the first quarter there was an increase in employed parties of approximately 7,000 units compared to the same quarter last year.

Has reached very low levels, falling in less than a decade by more than 3%.

The upward trend appears to be further improving in 2015: in fact, in the first quarter there was an increase of approximately 7,000 jobs compared to the same quarter last year.

QUALITY OF LIFE WHICH IS AMONG THE BEST IN ITALY

POSITIVE ENVIRONMENT AND HEALTHY LIFESTYLES HAVE HELPED TO INCREASE THE LIFE EXPECTANCY OF THE CITIZENS



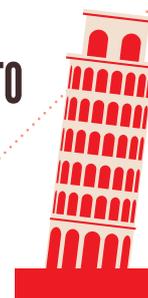
THE HEALTH SERVICE OF TUSCANY IS ONE OF THE BEST IN THE COUNTRY IN TERMS OF THE QUALITY AND EFFECTIVENESS OF HOSPITAL CARE



TUSCANY HAS A SECURITY OBSERVATORY WHICH AIMS TO PROVIDE A COGNITIVE FRAMEWORK OF THE LOCAL SECURITY CONDITIONS



THE STRONG TOURIST ATTRACTION, MAINLY DUE TO THE PRESENCE OF SEVERAL HISTORICAL CITIES IN THE REGION, HAS LED ALSO TO A NOTABLE PRESENCE OF LEISURE ACTIVITIES



WHILE IN ITALY RECENT YEARS WE ARE SEEING IN A CONTRACTION IN THE JOB MARKET, IN TUSCANY THE EMPLOYMENT RATE IS INCREASING



▶ Tuscany health service employs over 50,000 people, including doctors, nurses and technicians who work daily in n° 40 hospitals.

▶ The ranking of regions on the Essential Levels of Care (LEA):

TOP 5	SCORE 2013
1 Tuscany	214
2 Emilia Romagna	204
3 Piedmont	201
4 Marche	191
5 Veneto	190

Source: Reports of the end of term
http://www.regione.toscana.it/documents/10180/70832/ReportFineLeGislatura_def.pdf/9352ce4c-2c7b-4a5b-8368-38a3254edb08

▶ Equal Health care services and treatments are guaranteed to EU and Non-EU citizens who are enrolled in the National Health Care System.

DOING BUSINESS IN TUSCANY

1-CORPORATE FORMS

5.

One of the first elements that should be evaluated by an investor willing to set up in Italy is represented by the choice of the most suitable corporate form. It depends on the type of business activity (production and/or sale, provision of services or the promotion and representation) and the budget of the investment. In details the most significant elements to take into consideration are:

- **the capital that you want to invest**
- **the type of risk:**
the entrepreneur can decide whether to limit his/her liability to the subscribed capital or to involve his/her entire amount of assets;
- **organization:**
i.e. partnerships/corporations



On the basis of assessment of the elements mentioned above, investors can to choose between:

- **Representative office;**
- **Branch office of a foreign company (Branch);**

• **Italian company** (independent or controlled by foreign company: Subsidiary).

THE RAPPRESENTATIVE OFFICE

A representative office is an office established by a company to conduct exclusively marketing and other non-transactional operations (such as market research and promotional activity).

BRANCH

An Italian branch is a representative of the foreign company's core business including a permanent establishment in Italy with decision-making power. The Italian branch office is not a separate legal entity and the parent company is responsible for its initiatives.

INDEPENDENT ITALIAN COMPANY

Is an independent legal entity incorporated under the forms provided by the Italian jurisdiction, completely autonomous.

TYPES OF INVESTOR ACTIVITIES

Italian law provides various legal company forms that can be divided into two large groups:

- Individual companies: a single individual who has unlimited responsibility of all personal assets and obligations of the company. This group includes the family business.
- Collective companies (partnerships and corporations): consist of two or more partners distinguished by the number of shares or capital contributed.

This guide will only cover aspects relative to collective firms because these legal forms are more in line with the business models of foreign entrepreneurs who decide to open a business in Italy.

Collective firms, whose profit can be distinguished in two categories (partnership and corporation), are distinguished in the following corporate forms in the chart below:

TYPES OF INVESTOR ACTIVITIES

PARTNERSHIP COMPANY

Share capital: the law does not stipulate a minimum amount of share capital.

Type of risk: the company's liabilities are paid off by the company itself with its' own equity (the members' shares). However, in the event that these shares are not enough, the members shall pay off the liabilities (personally and fully) using their personal shares.

Organization: no company organs are provided. Each member who is fully liable by law, may manage the company.

- **Sole proprietorship (S.s.):** no specific structure is required for the authenticity of the company
- **Partnership (S.n.c.):** a company contract is required (an instrument of incorporation) with a minimum content required by law
- **Limited partnership (S.a.s.):** a company contract is required (an instrument of incorporation) indicating the two categories of members: general partners and silent partners

CORPORATION

Share capital: the law lays down a minimum obligatory amount of share capital.

Type of risk: for corporations, company liabilities are paid off, solely and exclusively by the company through its' own equity. Members are not personally liable for the company obligations.

Organization: a wide range of company organs are provided which have specific responsibilities and operate based on a majority principle, in accordance with the law.

- **Limited liability company (S.r.l.):** minimum of share capital: €10.000. When the company is formed, at least 25% of share capital must be paid into a bank
- **Single-member company (S.u.r.l.):** minimum €10.000. When the company is formed, all of the share capital must be paid into a bank.
- **Simplified limited liability company (S.r.l.s.):** from € 1 to € 9.999,99. When the company is formed, the share capital must be paid in full to the administrative entity.
- **Public limited company (S.p.A.):** minimum €120.000. When the company is formed, at least 25% of share capital must be paid into a bank.
- **Limited partnership with a share capital (S.a.p.a.):** minimum €120.000. When the company is formed, at least 25% of share capital must be paid into a bank.

The corporate form most used in Italy is the Limited Liability Company (S.r.l.).

The specific focus of this type of company is detailed below or the purpose of helping the foreign investor to better understand the characteristics of this type of company.

LIMITED LIABILITY COMPANY (SOCIETÀ A RESPONSABILITÀ LIMITATA - S.R.L.)

The Limited liability company (S.r.l.) is a typical means of investing in the Italian market. The principal risks for investors are limited to the shares held in the company. This rule also holds in the case where there is only one shareholder, in the sense that the risks are limited to the amount of capital invested, subject to compliance with certain formalities.

The minimum amount of capital required for an S.r.l. is €10,000. In addition to cash it is possible to set up an S.r.l. on the basis of contributions in kind, such as receivables and immovable properties.

The S.r.l. has the following governing bodies:

- **The shareholders**, who appoint the directors, approve the accounts, the amendments to the Company's by-laws and the extraordinary transactions, such as mergers, spin offs and transformations of the company. They also approve the execution of ordinary activities of the managing body if required by the Company's by-laws and are involved in extraordinary activities which may concern the company;
- **The Sole Director**, the Board of Directors or two or more Directors who operate jointly or disjointly where permitted by law, constitute the body to whom is entrusted the administration of the company;
- In addition to these bodies a **Board of Statutory Auditors** may be appointed voluntarily or must be appointed when the

size of the company in terms of revenues, assets or number of employees is above a certain level. The Board of Statutory Auditors is responsible for monitoring of the administration and evaluate the adequacy of the organizational structure.

To set up an S.r.l. a public deed has to be executed, i.e. a notary must draw up an incorporation deed (to whom is enclosed the Company's by-laws) which contains the rules governing the company in accordance with the ones provided for by the Italian Civil Code. Foreign directors must be assigned of an Italian tax number (fiscal code); its delivery is immediate.

The treaties signed by Italy guarantee that only for few nations the non-reciprocity still exists and excludes for their citizens to be able to be appointed as directors or shareholders of Italian companies. 25% of the capital (or 100% if the company is set up by a sole shareholder or the capital is lower than €10,000) must be deposited in a provisional bank account before the meeting with the notary or given to the Sole Director or to the Chairman of the Board of Directors.

The cost of starting an S.r.l. (legal fees, consultancy fees, enrolling on the Companies Register, taxes and other miscellaneous expenses) is on average a few thousand euros, while the annual management costs of the company (such as for professional assistance) may vary according to the size of the company and the type of business carried on.

**TABLE 1:
THE
SIMPLIFIED
S.R.L.**

Features	Simplified S.r.l.
Age requirement	No age limit
Method of establishment	Agreement / unilateral document
Form of incorporation	Public document in compliance with the standard model typified by the ministry
Share capital	From €1 to €9,999.99 paid exclusively in cash to the administrative body
Directors	May also be non-members

Source: <http://www.diritto24.ilsole24ore.com>

DOING BUSINESS IN TUSCANY

2-ADMINISTRATIVE PROCEDURES FOR STARTING A BUSINESS

6.



After choosing the legal form that best fits the needs of the foreign investor, it is necessary to establish a procedure for the establishment of the company whose duration and whose formalities vary depending on the type of activity chosen.

In general the **formation process of a company** is divided into three phases:

- 1.** Preparation of the Memorandum and articles of incorporation;
- 2.** Procedures for the establishment of partnerships;
- 3.** Obligations aimed at the establishment and performance of production activities.

1. MEMORANDUM AND ARTICLES OF INCORPORATION

The **Memorandum** is the document that explains the intention to create a company and varies according to the type of company chosen. It is more detailed for corporations and less for detailed unincorporated partnerships. It must be signed with the notary. This applies to both corporations, whose instrument of incorporation must be drawn up by a notarial authentic

instrument, and unincorporated partnerships whose instrument of incorporation, to be registered in the Business Registry, must be drawn up in writing and authenticated by a notary. Attached to the Memorandum, the "Articles of Incorporation" contain the rules established by the partners for carrying out the business activity.



2. PROCEDURES FOR THE ESTABLISHMENT OF PARTNERSHIPS - COMUNICA

As a result of the establishment of partnerships, the notary presents the Unique Communication (ComUnica) to the competent register of companies. As already mentioned, the ComUnica provides a unique performance for carrying out all formalities necessary to the **Constitution of the company and, in particular:**

- I** - Request the allocation of the Tax Code or VAT Code to the Revenue Agency;
- II** - Registration and modification of the company in the Company Register or in the handcraft business;
- III** - Compliance with the **INPS** social security purposes;
- IV** - Compliance **INAIL** for insurance purposes.

The preparation of ComUnica can take place through the use of special software provided free of charge by the

Chambers of Commerce.

Moreover, the results are notified to the certified e-mail address of the company, in particular:

- Immediately after filling the documents required by the Italian Revenue Agency;
- Until 5 days from registration of the documents, the Register of the company will confirm registration of the company;
- Until 7 days from the document registration, INAIL (Worker's Insurance Institute) will confirm company registration;
- Until 7 days of registration in the Business Register, INPS (Italian Social Security System) will confirm registration.

3. OBLIGATIONS AIMED AT THE ESTABLISHMENT AND PERFORMANCE OF PRODUCTION ACTIVITIES

In order to fulfil all obligations towards public administration, **the One-Stop Business Advisory Centre (SUAP) is available for investors.**

SUAP allows investors to deal with any administrative procedures involved in business activities, premises and/or plants.

The main purpose is to simplify, both in terms of cost and time, the procedures for granting authorizations necessary to undertake and carry out productive activities.

To receive such authorizations, the investor may approach the SUAP, which sends the documentation to the relevant departments and subsequently the investor will receive the opinion or the authorization required to grant permission.

SUAP offices are available in all municipalities of Tuscany accredited to the web site **www.impresainungiorno.it**.

As an alternative to a physical counter, the business owner can choose to submit their documentation to the electronic

SUAP, which makes use of technological tools.

Through the Chamber of Commerce with local jurisdiction, **the Certified Start of Business Activity Reporting (SCIA)** may be submitted to the SUAP attaching it to a Single Notice form .

The **SCIA** must be submitted before the start of a new business activity (production, commercial, craft, service) or as a result of expansion, transfer, amendment, sub-entry, suspension / resumption, name change / company name, and termination of business activities already under way.

After forwarding the Single Notice form to which a SCIA was annexed, the Chamber of Commerce shall immediately transmit the report to the pertaining SUAP and issue a receipt to the company with a statement of the operations carried out.

This receipt is valid for the purpose of starting the business activity¹⁰.

⁹ https://www.impresainungiorno.gov.it/-/scia-contestuale-comunica?p_p_id%3D101_INSTANCE_00Bot8FznqzD%26p_p_lifecycle%3D0%26p_p_state%3Dnormal%26p_p_mod%3Dview%26p_p_col_id%3Dcolumn-1%26p_p_col_count%3D5

¹⁰ In the event of transmission of the SCIA jointly with the Single Notice, the Chamber of Commerce only plays the role of electronic "acceptance" of the application. The SUAP will remain the competent party from an administrative point of view. Therefore, the business will continue to turn to the SUAP for all requests for information and assistance on the requirements to certify to carry out the business activity, on the contents of the application on its procedural course, on records or documents received or requested by the SUAP or by other competent authorities.
Ministry of the Interior - <http://www.interno.gov.it>

VISAS AND WORK PERMITS - ITALIAN IMMIGRATION LAW

The documentation, which the foreign investor must submit for a business trip in Italy, can vary depending on the nationality of the worker (Citizen of the European Community or Citizen who does not belong to the European Community) and the length of the stay.

HOW CAN A EUROPEAN CITIZEN APPLY FOR A PERMIT TO WORK IN ITALY?

All EU citizens are allowed to stay in Italy for a period not exceeding three months without any kind of authorisation (the citizen must be in possession of a passport or other travel document recognized as valid for crossing of borders).

EU citizens who wish to stay in Italy for a longer period, however, must apply to the relevant municipality to be included in the list of legal residents and demonstrate sufficient income to live in Italy.

Subsequently, EU citizens become legal residents in Italy. Even non-EU relatives of EU citizens residing legally in Italy have the right to stay and work in Italy but must submit a specific request to the pertaining Police Authority to obtain the so-called "Residence permit for relatives of EU citizens".

HOW CAN A NON-EU CITIZEN APPLY FOR A PERMIT TO WORK IN ITALY?

Relative to access in Italy of non-EU citizens, the stay and performance of a business activity are governed by specific national laws on immigration and international mobility. Regular entry in Italy for a period less than three months requires:

(I) an entry visa, which must be requested at the Italian embassy or consulates in the

country of origin or residence of the non-EU citizen,

(II) and a passport or other equivalent travel document. For longer stays (more than 3 months) granting of a residence permit is required in addition to an entry visa and a passport.

Entry into Italy due to work reasons must take place within the entry quotas established by periodic decrees (usually annual), the so-called "flows-decrees", issued by the President of the Council of Ministers on the basis of the criteria stated in the three-year program document on immigration policies.

The flows-decrees normally provide a reserve of quotas for citizens of countries with which the State has concluded agreements to regulate entry flows. Italian immigration law, however, provides several special cases where it is possible to obtain work permits beyond the limits provided by the flows-decrees.

These special cases are listed in Art.27 of Legislative Decree 286/98 as amended and supplemented (i.e. persons authorized to stay for reasons of vocational training, employees of foreign companies temporarily transferred to Italy, technical-artistic staff for shows ...).

¹¹ Ministero dell'Interno - <http://www.interno.gov.it>

TALENT AND LABOUR MARKET

7



The resident population in Tuscany is approximately 3.7 million (1.9 million women and 1.8 million men). The most populated province is Florence, home to one million people, followed by Pisa (420 thousand) and Lucca (395 thousand). Considering the residents of at least 15 years - according to ISTAT data in 2013 - approximately 77% received at least a middle school certificate, while the number of people who have a degree and / or a post-graduate degree has grown steadily over the past decade going from 270 thousand in 2004 to 415 thousand in 2013. The quality of human resources and skills availability is guaranteed by a university system that is one of the

points of excellence of the Region of Tuscany, able to ensure a superior level of education and research than the national average.

In the region there are **three universities** in the cities of **Florence, Pisa and Siena, which are among the best Universities in Italy** and top ranked worldwide and two schools for advanced studies: **Scuola Superiore Sant'Anna di Pisa (Greater School of University Studies and Refinement of Sant'Anna – SSSUP) and the Scuola Normale Superiore di Pisa (Normal Greater School of Pisa – SNS).**

¹² Times Higher Education's University Ranking (2015-2016) put the Scuola Normale Superiore di Pisa (Normal Greater School of Pisa – SNS) and the Scuola Superiore Sant'Anna di Pisa (Greater School of University Studies and Refinement of Sant'Anna – SSSUP) respectively at first and second place among Italian Universities ranking.

HIGH STANDARDS OF EDUCATION THANKS TO LEADING-EDGE UNIVERSITIES WITHIN THE TERRITORY:

- 3 Universities: Florence, Pisa and Siena, which are among the best Universities in Italy and top ranked worldwide
- 2 schools for advanced studies: Scuola Superiore Sant'Anna di Pisa and Scuola Normale superiore di Pisa
- 2 advanced Institutes: IMT – Advanced Studies Lucca and ISUF
- Institute of Human Sciences in Florence
- 3 major research centers: INFN National Institute of Nuclear Physics, INAF national Institute for Astrophysics, National Research Council with 19 locations in Tuscany

TABLE 2: DETAIL OF NUMBER OF GRADUATES AND DISCIPLINES

Source: MIUR 2014 Data

CORSO DI LAUREA	NUMBER OF GRADUATES	% TUSCANY/ITALY
Medicine	2.571	8%
Engineering	1.989	6%
Economics	2.366	5%
Pharmaceutical-chemistry	623	7%
Geology-Biology	1.030	7%
Agricultural sciences	447	8%
Other scientific majors	641	8%
TOTAL GRADUATES IN SCIENTIFIC + ECONOMICS MAJORS	9.667	6%
other disciplines	8.729	6%
TOTAL GRADUATES	18.396	6%

All Tuscan universities are included in the **Lifelong Learning Programme (LLP)**, a path aimed at promoting, cooperation, trade and mobility between the different systems of education and training within the community, in order to make Tuscan universities a benchmark of quality worldwide.

The Region of Tuscany also offers the possibility of studying in the International **School of Florence** which includes kindergarten through Middle School and High School, post High School, the **International Baccalaureate Diploma** can be received, a recognized degree for admission to Italian and

worldwide Universities; the **Lycée International Victor Hugo (French speaking)**, which starts from kindergarten and continues up to the International Baccalaureate; the Kindergarten which includes nursery, **Kindergarten**, elementary and middle school and others such as the **European University Institute, the Kunsthistorisches Institute, the Machiavelli Institute, the Canadian Island, etc.**

In 2014, the overall need for human resources has grown significantly, and after years of sharp contraction, open-ended employment contracts increased, although they are still at levels

below 2009.

More than half the labour demand is covered by fixed term employment, including outsourced work, however, the role of apprenticeship as a primary point of entry into the work world continues to be difficult.

In 2014, flexibility in recruitment slowed down; contract work, subject to review through the Jobs Act, show a 24% reduction compared to 2009 and a lower annual growth than the overall trend.

HOW TO FIND PROFESSIONALS IN TUSCANY

Professionals in Tuscany through both public and private channels. Among the public channels may include:

- **the Universities** offer job placement and work orientation services (the OJP of the University of Florence, the Diogene Service of the University of Pisa, the Placement Office of the University of Siena, etc.). They organize weekly meetings between graduates and companies interested in presenting their activities and in proposing job opportunities or internships;

- **the Employment Centers:** providing assistance to companies that need qualified staff through information services, reception, guidance, junction demand/supply.

Large recruitment agencies are available (**Adecco, Manpower, GI Group, Humangest, etc.**). These agencies deal with temporary and permanent (Staff Leasing) employment, research and selection of personnel, outplacement, and professional training.



FOCUS THE MAIN FORMS OF CONTRACTUAL WORK - INNOVATIONS INTRODUCED BY THE JOBS ACT -

The main types of sources concerning an employment relationship are:

- **National legislation** (Constitution, the Civil Code, special laws, decrees)
- **Regional legislation**
- **Applicable relative collective agreements** (national or company)
- **Corporate uses and/or practices**
- **The individual employment contract signed by each worker**, which can also provide for more favourable treatment for workers than the applicable national or company regulations and / or collective agreements.

The main types of contract are outlined below:

PERMANENT CONTRACT

A permanent employment contract is the most common form of employment contract, it is usually used for hiring staff. With this type of contract, the employee agrees to work for the employer, without limit of time.

The contract must be drafted in writing and must contain the main information on the work relationship, including job, position, applicable collective labour agreement, start date, *trial period, *remuneration, place of work and *working hours, holidays and hours of leave, plus conditions for termination. The contract must be terminated in written form and may be agreed by the parties, by the employee (resignation) or by the employer (redundancy). The contract can be full time or part time.

FIXED-TERM CONTRACT

The contract makes it possible to hire an employee for a limited fixed-term period in all cases, less than 36 months (where this period exceeds 36 months, the contract is deemed permanent). Fixed-term employees have the same rights in the event of illness, maternity and accidents as permanent employees. The contract term must be stipulated in writing, including the reasons for recruiting on a fixed-term basis when requested. Failure to do this will result in the contract being considered permanent. The contract can be full time or part time.

PROJECT-BASED CONTRACT

This is a contract in which activity is performed without a subordinate employment relationship. It is therefore characterized by the autonomy of the party engaging in the contract. The contractor's activity must be attributable to one or several specific projects identified by the client and managed independently by the collaborator. The project: must be operationally linked to an identified final result.

The employment contract must be drafted in writing and must provide for the payment based on the quantity and quality of the work and must not be less than the minimum amounts set specifically by collective labour agreements based on equivalent jobs carried out by paid employees.

ADMINISTRATIVE EMPLOYMENT CONTRACT

An administrative employment contract is a specific paid employment contract involving three parties:

- the administrator (an authorized party, for example, the administration agency);
- the user (company)
- the employee.

The employee is hired by the administrator but is sent to carry out his own activity with the user.

This type of relationship has two contracts:

- an administrative contract, of a commercial nature, between the user and the administrator;
- an employment contract between the administrator and the employee.

The administrative contract may be fixed-term or permanent and may also be performed on a part-time basis. During the period of the contract, the employee has the right to the same salary as an employee at the user's company carrying out the same activity.

APPRENTICESHIP CONTRACT

This is an employment contract based on training. The employer, other than paying a salary to the apprentice for the work carried out, must provide the apprentice with the training required for the professional skills for the role and the tasks for which they have been hired. The apprentice is obliged to follow a training course which may be carried out internally or externally. There are three types of apprenticeships, characterized by different training courses:

- Apprenticeship for qualification and professional diploma;
- Professional
- High level or research apprenticeship.

Apprentices can be paid less than other employees with the same jobs to the extent that the apprentice may be graded up to two levels lower than that stipulated by the CCNL for jobs or roles the apprenticeship is intended for. The duration of the contract, which must be no less than 6 months, varies according to the type of apprenticeship and the objective of definitive recruitment.

INTERMITTENT EMPLOYMENT CONTRACT

This is a contract through which an employee is made available to carry out a specific service when requested by the employer in accordance with legal terms and conditions. An intermittent employment contract may be drawn up in three situations:

- for non-continuous activity, according to the requirements identified by the collective contracts;
- for pre-determined periods during the week, month or year including weekends, summer, Easter or Christmas holidays;
- for services carried out by employees over 55 years old and those under 24 years old.

The intermittent employment contract shall be granted for each worker, for a period of no more than 400 days of actual work over three calendar years. There are two forms of intermittent employment contract:

- with an obligation to meet the request;
- without an obligation to meet the request.

End of work position

Termination must always be communicated in writing. In Italy individual termination of employees is subject to certain restrictions.

Termination of the open-ended contract

Open-ended contracts may be terminated without compensation or additional penalty only where there is "Just cause" or "**Justified Reason**".

Just cause means a very serious infringement (i.e. theft, serious insubordination) or the conduct of any employee who seriously undermines the relationship of trust that underpins the employment relationship.

Justified reason means:

- **justified subjective reason**, consisting of a less serious violation of the employee (for example, failure to follow important instructions, wilful, repeated unexcused absences from work);
- **justified objective reason**, consists of an objective reason connected to the needs of the employer to reorganize its production activities or an adjustment of the labour force.

Termination of a fixed-term contract

If one of the parties terminates the contract before the expiration date, and without just cause, the other party may receive appropriate compensation. Specifically, in the case of early termination by the employer, compensation is usually equal to what the employee would have accrued up to the date of expiry of the contract.

Resignation

Generally resignations need not take a specific form, but most collective

agreements require that these be issued in writing.

Advance-notice and pre-payments relative to the termination of the employment relationship

Upon termination of employment, employees are entitled to:

- a period of advance-notice of termination, the length of which varies depending on seniority of employees and professional level as provided by national collective agreements.
- payment of Severance Indemnities (TFR);
- the payment of certain minor severance benefits (i.e. payment of holiday pay and accrued pro rata share of 13 and 14 months);

The above payments are always due in the event of dismissal, while the advance notice period is not due in case of termination for just cause.

NATIONAL HOLIDAYS	DATE
New Year's	01 January
Epiphany	06 January
Easter Monday	Variable
Liberation Day	25 April
Labour Day	01 May
Republic Day	02 June
Assumption of Mary	15 August
All Saints	01 November
Immaculate Conception	08 December
Nativity of Jesus	25 December
St. Stephen Day's	26 December

The main advantages introduced by the Jobs Act

In the last twenty years, the Italian labour market has undergone a profound legislative, structural and social change following significant

Note:

***TRIAL PERIOD:** : is a clause which may be applied to any type of contract in order to allow both parties to assess the suitability of employment. The law sets the maximum trial period, namely six months, unless otherwise provided in collective bargaining agreement. During this period, the worker is entitled to receive a salary not less than that prescribed by the collective labour agreement: the only special feature is that, in this trial period, the parties may freely withdraw from the contract without advance notice and reason. The trial agreement must be made in writing and signed by both parties.

***REMUNERATION:** Remuneration is the consideration for the service provided by the employee. Generally the pay is determined freely by the parties, respecting, however, a minimum limit, that case law - on the basis of the principle of adequate remuneration - identified in the values of basic pay set by collective agreements relative to each qualification agreement. The monthly salary is characterized by basic elements, which form the base salary paid to the worker, in addition to ancillary elements that depend on the type of job and terms of work performed.

***WORK HOURS:** : Each collective agreement establishes the amount of hours of work performed in accordance with the general rule that provides for not exceeding 48 hours per week, including overtime. The employee can enjoy a few days of vacation quantified annually by law or by the contract: these non-working days are paid to the employee at 100% of the daily wage earned.

The table on the side shows the schedule of public holidays established by Law.

and incisive interventions on existing regulations. The most recent reform of labour law is the "Jobs Act" was enacted in two stages:

The first (Legislative Decree No. 34/2014, Law No. 78/2014) had the goal of taking urgent action on a labour market in real difficulties, with unemployment at record levels;

The second stage (passed by Parliament in December 2014 with Law No. 183/2014) was aimed to redesign the complete framework of the labour legislation. The subsequent implementing decrees of the Jobs Act then complete the Reform summarized in four main lines of action listed below:

1. Simplification and reorganization of the law of open-ended contracts (introduction of a new form of contract: the "Contract with Increased Protection");
2. Reshaping of fixed-term contracts;
3. New rules for dismissals;
4. Redesign of unemployment benefits.

The open-ended contract will be made more affordable than other types of contracts in terms of direct and indirect charges. As regards contracts with effect from 1 December to 31 December 2015, the exemption from payment of social security contributions paid by employers up to a maximum exemption amounts equal to €8,060 on an annual basis, is paid for a maximum period of 36 months.

Another item of particular interest is also the possibility of being able to deduct the cost of employees hired on open-ended contracts (and of employees over 55 hired with a fixed-term contract of at least two years). For new hires, from 1 March 2015 the open-ended contract with increasing protections CATUC), relative to length of service, was introduced. The introduction of CATUC represented the first step towards

the reorganization and streamlining of the various types of contracts in force: this type of contract reduces the scope of real protection (reinstatement in the workplace) in favour of forms of repayment according to parameters set by law. .

For apprenticeships the minimum mandatory confirmation of apprentices is confirmed: this threshold is 20%, unless otherwise established by the national collective bargaining agreements with the potential to identify different limits. In addition, the 1st and 3rd level apprenticeship is unified (for qualification, the professional and high school diploma).

The reform also includes demotion: the employer may unilaterally change the duties in cases of corporate reorganization or restructuring, when that is no objective technical and production reasons.

For the fixed-term contracts the obligation to indicate the "technical, organizational, productive and substitute reasons" is gone for the stipulation of fixed-term employment contracts.

A maximum of 5 extensions are permitted, over the total 36 months. The number of fixed-term contracts that may be in place cannot exceed the limit of 20% of the number of open-term workers.

In addition, starting from 1 January 2016, project work and shared employment contracts (job sharing), except in some cases have been abolished, renewing these work relationships to employment contracts. Relative to dismissals, the right to reinstatement in the workplace will be severely restricted to null and dismissals will be restricted dismissals "to specific types of unjustified disciplinary dismissals." For financial dismissals there will be no possibility of reinstatement in the workplace by providing "certain increasing financial compensation based on length of service."

TAXATION SYSTEM IN TUSCANY/ITALY

8



Taxation has, for a long time, been one of the most negative aspects of Italian investment options, in some cases discouraging foreign investors. In this regard, it should be noted that in recent years the Italian Government has implemented significant reforms, some of which still in progress, to both simplify the regulatory framework and make the current tax system more competitive.

The current scenario has therefore significantly improved thus resulting more attractive to potential investors. Recent incentives introduced, such as the patent box and the tax credit for R&D activity (discussed in the following paragraphs), are further proof of this change of direction.

Accordingly, for the different types of business (sole proprietorship, partnerships and limited liability companies), some general information will be provided for

direct and indirect taxes, as a guide for entrepreneurs.

Lastly, some information will be provided on opportunities and tax incentives will also be given.

The subjects covered have been summarized to facilitate their presentation. Some web links for reference have been provided for further review.

Any entity carrying out lucrative activity in Italy is subject to Italian tax legislation, on the basis of the principle of territoriality.

- The Italian tax system is divided into two main types of taxes:
- **Direct taxes are those affecting the immediate expression of taxable capacity of the taxpayer (i.e. taxes on assets or income);**
- **Indirect taxes are those affecting instead the mediated expression of taxable capacity of the taxpayer (these taxes actually hit wealth when it is used or transferred).**

DIRECT TAXES

Ires: Corporate Income Tax
Irpef: Income tax
Irapp: Regional Tax on production
Imu: Municipal Tax on Real Estate

INDIRECT TAXES

VAT: Value Added Tax
Stamp duty

DIRECT TAXES

Direct taxes change according to the type of company they refer to:

- corporations, with their own legal personality, are subject to the corporate income tax (IRES) and the regional tax on productive activities (IRAP);
- Partnerships or individual firms, on the contrary, having no legal personality, are not subject to an income tax. In such cases partners/shareholders have to pay taxes on corporate income (this income is taxed for transparency to partners/shareholders). The tax of reference is then the individual income tax (IRPEF). The same companies are also subject to the regional tax on productive activities (IRAP).

IRES (Corporate Income Tax): it is a proportional tax on corporate income yielded by companies and other similar entities. Taxable income is the difference between taxable revenues and deductible costs. This must be calculated separately for each tax period, allocating to the profit or loss resulting from the Income Statement, the tax adjustments provided by law (TUIR - Income Tax Code). The nominal tax rate to be applied is equal to 27.5%.

IRPEF (Income Tax): It is a progressive tax on the individual income. The basis of the tax is the possession of income included in the following categories provided by the TUIR (Italian Consolidated Law on Income Tax): income from lands and buildings, investment income, income from employment, income from independent work, business income, other income. This is a personal tax, being due by persons resident in Italy, on income from all of their activities and by those non-resident on their income yielded in Italy.

It is a progressive tax, because it affects the income with rates that depend on the following brackets:

TABLE 3: RATE VARIATION BASED ON INCOME

Brackets	Rate
Up to 15.000	23%
Over 15.000 up to 28.000	27%
Over 28.000 up to 55.000	38%
Over 55.000 up to 75.000	41%
More than 75.000	43%

When determining the tax, the personal and family situation of the taxpayer is also taken into account, through the estimate of specific deductions relative to persons to provide for and the activity carried out as well as through the deduction or the detraction of certain costs incurred by the taxpayer and / or his family (i.e. medical expenses, social security, welfare contributions, etc.).

IRAP (IRegional tax on productive activities): it is a regional tax, because it applies to productive activities rendered within the territory of each region (in this case, Tuscany). The basis for its application is the regular exercise of an independent organized activity for the production and exchange of goods or the provision of services. This tax applies to individuals with corporate or independent work income (not on an occasional basis), as well as partnerships and corporations.



TAXATION OF NON-RESIDENT INDIVIDUALS

Individuals who are not resident in Italy, are taxed only on income there yielded. There are, however, treaties with various foreign countries to avoid the double taxation. In many cases, as the application of a withholding tax directly applied by the subject providing the income, the non-resident individual has therefore no additional fulfilment.

It must be noted that if the employee is resident in a country with which no Treaty is entered into, the income received for the activities of subordinate employment is always taxed in Italy if they are rendered in the Italian territory.

If, on the contrary, Treaties are in force, income is taxed in the country where the employee is resident if the following conditions jointly exist:

the worker lives in Italy for a period or periods not exceeding 183 days,
wages are paid by or on behalf of an employer resident abroad,
the burden is not borne by a permanent establishment or permanent base which the employer has in Italy.

IRAP DEDUCTION

Taxpayers can benefit from numerous standardized deductions to be applied to the IRAP taxable base. Among the most significant it must be noted the so-called tax wedge consisting of the deduction of social security contributions and a lump-sum for each employee hired with no time limit and those provided for the personnel involved in the research and development (R & D) activity. An interesting novelty, with effect from tax year 2015, concerns the possibility to totally deduct the cost of employees hired with no time limit, with undeniable tax savings for businesses.

TAXATION OF DIVIDENDS

Dividends are the profit paid by a company to its shareholders.

Taxation of dividends paid by companies residing in Italy varies depending on the subject which receives them: distribution to IRES payer. 95% of the dividends is excluded from taxation; thus, only 5% of the amount of dividends is taxed at the IRES rate of 27.5% distribution IRPEF payer. The following cases must be distinguished:

Profits received by individual entrepreneurs or partnerships. 49.72% of profits received (40%, if the dividends consist of profits gained before 2008) are included in income

Profits received for qualifying holdings by individuals who are not entrepreneurs. The tax system is the same as that provided for individuals entrepreneurs

Profit received for non-qualified holdings by individuals who are not entrepreneurs. A withholding tax equal to 26% is applied to the amount of dividends.

The taxable base is obtained from the difference between the positive and negative items, analytically indicated by the legislation for each type of subject based on the activity carried out. There are different criteria for determining the taxable base for corporations and commercial entities, on the one hand, and sole proprietorships and partnerships, on the other, except for these latter, the opportunity to opt for the application of regulations that apply to corporations and commercial entities.

The nominal ordinary IRAP 2015 tax rate for the Region of Tuscany is equal to 3.90%.

However, there are some reductions in the ordinary rate for some subjects and / or areas of activities available at the following link:

http://raccoltanormativa.consiglio.regione.toscana.it/articolo?urndoc=urn:nir:regione.toscana:legge:2013-12-24:79&dL_t=text/xml&dL_a=y&dL_id=&pr=idx,0;artic,0;articparziale,1&anc

The aforementioned direct taxes (IRES, IRPEF and IRAP) are due by the taxpayer for each tax period (which may not coincide with the calendar year), and usually their payment is made through self-assessment by the same taxpayer on the basis of an appropriate annual return.

An additional direct tax connected to the possession of property is:

IMU (Municipal tax on Real Estate): is a municipal tax payable by the owner or at least by the owner of other property rights on real estate (individual or company), with the exception of main residences. The tax base is calculated by multiplying the cadastral income as at January 1 of the tax year, raised by 5% for a multiplication coefficient which varies according to the cadastral category the property belongs to. The applicable rates are defined by each municipality through a specific resolution, starting from the basic rates provided by law that is: the ordinary at 0.76% which can be increased or decreased up to 0.3 percentage points.

The other municipal taxes are **TASI** (Tax on Indivisible Services) and **TARI** (Tax On Waste), which together with IMU compose IUC (Unique Municipal Tax). The aggregate amounts of TASI and IMU rates for each type of property cannot be higher than 10.6 per thousand, and other lower tax rates, related to different types of property.

INDIRECT TAXES

As noted above, indirect taxes are relative to wealth at the time the asset is transferred (i.e. the sale of an asset) or used (i.e. use of a service or a benefit). In fact it consists of consumption taxes (i.e. VAT) or transfer taxes (stamp duty).

Among indirect taxes there are:

Value Added TAX (**VAT**) is the tax which is applied on sales of goods and services carried out in the State territory through undertakings, trades and professions as well as on imports effected by any person.. The tax cost is actually borne by consumers. The taxable base is generally made of amounts due to transferor or supplier according to the contractual terms.

The standard VAT rate in Italy is set at 22%.

There are however two reduced rates (4% and 10%), in order to facilitate goods and sales of primary importance for the majority of payers (i.e. food-products, medicines)

STAMP DUTY

Stamp Duty is due upon the registration of legal deeds.. The registration tax affects all deeds for which registration is compulsory, for deeds for which the registration is required only in particular circumstances and, finally, to deeds for which voluntary registration is required although not mandatory.

The applicable rates are contained in the “Tariff” attached to the Stamp Duty Code.

OPPORTUNITIES AND TAX INCENTIVES

TRANSFER PRICING PENALTY PROTECTION

Governing of Transfer Pricing concerns the determination of transfer prices within transactions between companies belonging to the same Group and located in different States. The legislation has an anti-avoidance nature, as it tries to prevent, that by maneuvering payments, revenues are allocated to Group companies located in low-tax States. With reference to the legislation in question, in Italy, taxpayers may benefit, from an optional Penalty Protection regime.

The application of this system is subject to the provision of appropriate documentation to be shown upon request to the Financial Administration, consisting of:

- A **Masterfile** that collects information about the Group (general description of the Group, its history, structure, general business strategies, intercompany transactions , etc.);
- A **Country File** that contains the information pertaining to the resident company (general description of the company, the sector in which it operates, operational structure, general business strategies, intercompany transactions with an appropriate summarizing annexed flowchart , etc.).

PATENT BOX

The patent box is an optional tax regime that provides for the partial exemption as for IRES and IRAP purposes (equal to 30%

in 2015, 40% in 2016, 50% from 2017) on income deriving from the use of patents, trademarks, intellectual property and other intangible assets from total income.

Facilitated income may originate from the use of the intangible asset in their production and / or sale of goods or services, or may be relative to fees for licenses or permits.

In the case of direct use, an international ruling procedure is necessary to determine the positive implicit income items (royalties) and costs pertaining to items.

TAX CREDIT FOR INVESTMENTS IN R&D

The R&D tax credit pertains to investments in research and development carried out from the tax year 2015 (up to 2019).

The main feature of this bonus, is the incremental calculation mechanism. R & D expenses incurred for the portion exceeding the average of investments made during the three previous tax years are can be facilitated. The tax credit amounts to 25% excluding certain types of expenditure for which it may reach 50%: costs for highly qualified personnel and for research contracts stipulated with universities, research institutes or other companies including innovative start-ups.

The tax credit is recognized, up to a maximum annual amount of 5 million Euro per beneficiary, on condition that R&D expenses incurred amount at least 30,000 Euro.

INCENTIVES AND FINANCING

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The potential to access funds and incentives for a company is a real advantage over the competition, because it allows to obtain capital to invest at facilitated rates or even obtain a grant, without having to use banks or other payments from shareholders. For this reason, the various institutions (at regional, national and European level) have prepared actual aid programs for

companies that decide to invest in their territories.

Entrepreneurs who decide to set up in Tuscany can benefit from a variety of incentives or financial benefits. **The main features of the regional system of funds and incentives supported by Tuscany regional government are described in the following section.**

MAIN BUSINESS ACTIVITIES SUPPORTED	
Training and employment support	includes activities to support professional training, income of workers, recruitment of staff by enterprises.
Research & Development	investment activities in one or more of the following research categories: fundamental research; industrial research; experimental development. Fundamental research consists in experimental or theoretical work undertaken primarily to acquire new knowledge; industrial research, simplifying, aims to acquire new knowledge or skills for developing new products and/or processes; experimental development consists in using knowledge and scientific capabilities, technology and more, to make plans and arrangements or designs for products, processes or services, modified or improved.
Company (re)development	investment activities for the creation of a new establishment or extension, diversification or fundamental transformation of the production process of an existing establishment.
Advanced and qualified services	include business counseling, non-routine (competitive position, technological, organizational analysis; support to product innovation in the planning, technical and testing phases; market researches; services to manage intellectual property; technical and scientific research contract).
Access to credit	includes activities facilitating access to credit through for example the provision of free guarantees. (F.E. Free guarantees for SMEs, industry, crafts, cooperation; Guarantee for liquidity; Young entrepreneurs, women, workers already receiving benefits; Young professionals and professionals; Investment in renewable energy).

The company size (Tab. 1) as defined by the EU criteria, is a decisive parameter to determine the access and the intensity of the possible aid. The main factors determining whether a company is an SME are: Number of employees, and either turnover or balance sheet total.

**TABLE 1:
COMPANY SIZE
CRITERIA**

Company category	Employees	Turnover Balance	or	Sheet total
Medium sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 10 m		≤ € 2 m

http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm

Most public funds and incentives provide greater aid for medium or small businesses, some of them are reserved only to micro and small enterprises. In Tuscany Large Enterprises can access public funding to support investments in R&D, environmental programs (renewable energy, environmental impact reduction programs), training and employment support activities (Tab.2). In particular, spending on R&D, in our region, European standards allow to Large Enterprises to grant up to 50% for industrial research, risible to 65% if it is provided in collaboration with at least one small or medium enterprise (SMEs) or a research center.

**TABLE 2:
ELIGIBLE
ACTIVITIES FOR
COMPANY SIZE**

ELIGIBLE EXPENSES							
Company size	Start Up and company development	R&D	Training and HR	Environment & renewable energy	Strategic business alliances	Internationalization	Financial restructuring
LE - Large enterprises		●	●	●			
SME - Small and medium Enterprises	●	●	●	●	●	●	●

TYPE OF BENEFIT	
Shareholding	is expected that a third party purchases a share in the capital of a company or inputs to it new capital.
Research & Development	consists of actions to reduce the beneficiaries tax burden.
Soft loan	the aid is to reduce, compared to the market, the rate of interest accrued on the loan obtained by the beneficiary.
Research & Development	consists of actions to reduce the beneficiaries tax burden.
Guarantee provision	is charged for the third-party charges relating to guarantees that the taxpayer is required to pay to get a bank loan.
Sharing loan	consists of a medium-term loan conditional commitment on the part of the property of the company to increase the capitalization of the same.
Free service	Region of Tuscany offers companies some free services, subject to registration.

SET UP INCENTIVE GRANT (E.D. “PROTOCOLLI DI INSEDIAMENTO”)

The Tuscany Government adopts the Set Up Incentive Grant in order to facilitate the implementation of major investment projects for micro, small and medium enterprises and large enterprises involving investments in specific areas of Tuscany.

Specifically, through concessions provided as equipment grants, the Tuscany Government enables sustainable growth, qualification of the regional productive fabric and industrialisation

processes, by implementing strategically significant industrial development programmes with innovative content, of a significant size and able to create additional employment. Intervention is implemented with a negotiated procedure that aims to reach agreements between the Region and private and/or public parties.

(European Social Fund), already active, and by the Rural Development Program of the Region of Tuscany for the seven years from 2014 to 2020, which has recently obtained the "comfort letter" which allows the Region to start with the implementation of the measures, pending formal approval after the adoption of the new European financial framework. This latter goal achieved to date by only four regions in Italy.

INVESTMENT PROGRAMS

SET UP INCENTIVE GRANT (e.d. “Protocolli di Inseidamento”)

A) industrial research activities and experimental development

Potential beneficiaries: SMEs, LE (Large Enterprises)

Aid intensity: All: Industrial research: 50%; Experimental development: 25%.

B) Tangible and intangible investments for the creation of a new investment or the extension of an existing establishment (for SMEs; GI for new investments only if and only if placed into the areas referred to art. 107, par.3, letter . c) TFEU).

Potential beneficiaries: SMEs, LE only if 107.3.c.

Aid intensity: Micro and SMEs 20% (+ 10% if 107.3.c); Medium-sized enterprises: 10% (+ 10% if 107.3.c); GI: 10%.

C) Tangible and intangible investments for the creation or modernization of private research infrastructure (for SMEs and GI).

Potential beneficiaries: SMEs, LE

Aid intensity: All: 50%.

The interventions can consist of:

1. Investments in new local units
 - 1.1) local units already present in the region;
 - 1.2) the creation or modernization of private research infrastructure.
2. Investments as part of the re-industrialization programs in complex crisis areas recognized by state or regional measures
3. Investment by companies with registered offices in Tuscany, whose social base is at least 70% by former employees of companies in crisis who have used the incentive of self-employment in anticipation of substantial wage supplement to their granted and not yet paid

EUROPEAN PROGRAMS: THE FANTASTIC FOUR

As mentioned above, Europe also participates and provides its contribution in the creation of new businesses, both innovative and non-innovative. In this regard, it must be noted that new EC resources can come from Operational Programs (ROP) on European funds for companies and training: ERDF (European Regional Development Fund) and ESF (European Social Fund), the Rural Development Program, and the European Maritime and Fisheries Fund (EMFF) of the Region of Tuscany for the seven years from 2014 to 2020.

Thanks to the Law 28 December 2015, n. 208 professionals are equivalent to

SMEs: can so benefit from the incentives available in Operational Plans POR and PON of ESF and ERDF, for the years 2014-2020 European planning.

APPLICATION FOR TAX-RULING OF INVESTMENT PLANS

A further provision aimed at strengthening the taxpayer-tax authority relationship, introduced by the recent "Internationalization and growth decree", concerns the possibility for potential investors to submit to the Italian Revenue Agency an application requesting a preliminary assessment on the tax

treatment of the investment plan they want to implement. In particular, Art. 2 of cited decree admits to the application of tax ruling all those companies willing to invest in Italy with a share capital of not less than 30 million Euro and provided that such action bring significant and sustained impact on employment. Upon the occurrence of the above conditions, the investor may submit to the Italian Revenue Agency an application for tax ruling on the tax treatment of its plan. Also the preliminary assessment on the possible absence of abuse of tax rights or tax avoidance, the presence of conditions for the disapplication of anti-avoidance provisions and access to possible regimes or institutions provided by tax-system may be subject of application.

FACILITATION OPPORTUNITIES RECOGNISED FOR FACILITATING ADMISSION PROCEDURES

Automatic

the reduction is granted on the condition that an applicant meets the requirements for access to it.

Evaluative

concerns of complex investment programs for which it is considered appropriate to examine their technical, economic or financial validity.

Negotiating

concerns the territorial, sectorial, broader projects. The specific contents of the programs are agreed with the competent public administration according to a real scheduled multilateral contracting;

Mixed

it is a combination of the methods described above.

ABOUT OUR SERVICES

10



Tuscany, thanks to the quality of its regional governance and the efficiency of its public administration, offers a business friendly environment.

“Invest in Tuscany” is the regional “one stop shop” promoting Tuscany as a key investment destination. It assists foreign companies in evaluating the opportunities

that exist in Tuscany and in the setting-up and the expansion of their operations in the region with: information, introductions and direct assistance throughout the process.

All the services provided are free of charge, confidential and customized according to the company companies requirements.

**FIGURE 4:
SUPPORT
DURING THE
SETTLEMENT
PROCESS**



1

PLANNING AN INVESTMENT

- Understanding the local business environment
- Preparing a business plan
- Visiting the market

2

SETTING UP IN TUSCANY

- Support to select a site
- Map of incentives
- Planning and approvals immigration
- Hiring staff
- Introduction to service providers
- Making connections

3

GROWING YOUR INVESTMENT

- Obtaining permits and permissions to operate or expand
- Expand your business
- Improving your R&D

■ PLANNING AN INVESTMENTS

UNDERSTANDING THE LOCAL BUSINESS ENVIRONMENT

Invest in Tuscany can provide information that helps you understand the local market. We can provide macro-economic data

like the size of the economy, main sectors, growth trends, international trade and more. We can also provide detailed information on tax and business regulations, skills, education and research programmes, labour

law, investment opportunities, operating costs, infrastructure, support services, incentives etc.

PREPARING A BUSINESS PLAN

We can help potential in preparing a business plan.

We provide data on business costs and also provide information than benchmarks Tuscany against other Italian locations.

VISITING THE MARKET

Whether you need to meet

local authorities, service providers or potential partners, we can help you arranging a familiarisation visit with a customised agenda.



■ SETTING UP IN TUSCANY

SELECT A SITE

We can help you identifying locations that suit the specific needs of your project. We have information on industry clusters, business incubators and technology parks, along with a selection of privately owned properties. We can organise site visits and support you during the evaluation process.

INCENTIVES

We can develop personalised information reports about European, National and Regional incentives available for establishing a new business unit in Tuscany.

PLANNING AND APPROVALS. IMMIGRATION

We can facilitate

and assist with regulatory approval processes and introduce you to national and local authorities. We can facilitate and assist in obtaining Italian visa and residence permits.

HIRING STAFF

We can provide data on skills and labour market, including average salary costs. We can introduce

your company to local training institutions and local recruitment firms.

INTRODUCTION TO SERVICE PROVIDERS

We can facilitate introductions to local service providers (lawyers, accounting firms, recruitment agencies, real estate agents, etc.).

MAKING CONNECTIONS

We can facilitate connections with potential business partners, industry groups, Universities and technical institutes, research centres and technology transfer units.



■ GROWING YOUR INVESTMENT

OBTAINING PERMITS AND PERMISSIONS TO OPERATE OR EXPAND

We can fast-track the administrative

process with introductions to the public and private bodies involved.

EXPAND YOUR BUSINESS

We can support in

identifying potential partners through business matching services and the organization of business networking events.

IMPROVING YOUR R&D

Tuscany has an excellent research and development infrastructure. We can facilitate connections with

local research and development institutions through the organization of "technology matchmaking" events.



Invest in Tuscany

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Starting a business in Tuscany

- Invest in Tuscany: www.investintuscany.com
- ComUnica: www.registroimprese.it/comunica

Employment:

- Employment Centres: <http://www.centroimpiego.it>
- Provincial employment centres: www.regione.toscana.it/cittadini/lavoro/centri-per-limpiego
- Regional employment centres: www.regione.toscana.it/-/uffici-provinciali-per-laformazione-e-l-occupazione
- Cliclavoro: www.cliclavoro.gov.it/Pagine/default.aspx

Taxation and Taxes:

- Agenzia delle Entrate (Italian Revenue Agency): [www.agenziaentrate.gov.it/Residence permits/ Immigration](http://www.agenziaentrate.gov.it/Residence%20permits/Immigration)
- State Police: www.poliziadistato.it/
 - Immigration portal: www.portaleimmigrazione.it/ImmigrazioneNet/Nuova_Procedura.aspx
 - Public Administration and Foreign Immigrants: www.immigrazione.regione.toscana.it
 - Counter for Immigrants: www.provincia.fi.it/lavoro/per-chi-cerca-lavoro/sportello-immigrati

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