

# THE ITALIAN POLICY FOR INNOVATIVE ENTREPRENEURSHIP



**@CORBETTAMATTIA**

**ITALIAN MINISTRY OF ECONOMIC DEVELOPMENT  
MINISTER'S TECHNICAL SECRETARIAT**

# INNOVATIVE STARTUP

- ESTABLISHED FOR NO LONGER THAN **60 MONTHS**
- **RESIDE IN ITALY OR IN ANOTHER EU COUNTRY BUT SUBJECT TO TAXATION IN ITALY**
- TURNOVER LOWER THAN **5 MILLION €**
- **IT DOES NOT DISTRIBUTE PROFIT**
- ITS CORE BUSINESS CONSISTS OF **INNOVATIVE GOODS OR SERVICES OF SIGNIFICANT TECHNOLOGICAL VALUE**
- IT DOES NOT ORIGINATE FROM A **MERGER, DEMERGER OR DIVESTMENT PROCESS**

LAW 221/2012 - ITALY'S STARTUP ACT

# INNOVATIVE STARTUP

- MEETS *AT LEAST ONE* OF THE FOLLOWING CRITERIA:
  1. **R&D EXPENDITURE: 15% OF ITS COSTS CONCERN R&D ACTIVITIES**
  2. **QUALIFIED TEAM: AT LEAST 1/3 OF THE TEAM IS MADE UP OF PEOPLE WHO EITHER HOLD A PHD OR ARE PHD CANDIDATES AT AN ITALIAN OR FOREIGN UNIVERSITY OR HAVE CONDUCTED RESEARCH FOR AT LEAST THREE YEARS OR AT LEAST 2/3 OF THE TEAM IS MADE UP OF PEOPLE HOLDING A MASTER'S DEGREE**
  3. **IP: IT IS THE OWNER OR THE LICENSEE OF A PATENT OR SOFTWARE**

LAW 221/2012 - ITALY'S STARTUP ACT

# INNOVATIVE STARTUP

## CUTS IN RED TAPE

- **FREE, ONLINE INCORPORATION AND REGISTRATION THROUGH SELF-CERTIFICATION**
- **NO FEES DUE TO THE CHAMBER OF COMMERCE FOR ANY DOCUMENT**
- **FLEXIBLE CORPORATE MANAGEMENT TOOLS – LTD. = INC.**
- **ZERO TAX REGIME FOR COMPANIES SUFFERING FROM SYSTEMATIC LOSSES**
- **FLEXIBILITY IN CAPITAL REPLENISHMENT AFTER LOSSES**
- **SIMPLIFIED VAT DECLARATION PROCEDURE TO IMPROVE CASH FLOW**
- **FAIL FAST MECHANISM**

LAW 221/2012 - ITALY'S STARTUP ACT

# INNOVATIVE STARTUP

## TAILOR-MADE LABOUR LAW

- **FIXED-TERM LABOUR CONTRACTS** APPLICABLE FOR THE WHOLE STARTUP'S LIFE CYCLE
- **VARIABLE PAY** DEPENDING ON THE STARTUP'S PERFORMANCE
- WORKERS & CONSULTANTS PAID WITH **STOCK OPTIONS AND WORK FOR EQUITY** (TAXABLE JUST AS CAPITAL GAIN!)

LAW 221/2012 - ITALY'S STARTUP ACT

# INNOVATIVE STARTUP

## INCENTIVES FOR FUNDING & INVESTMENTS

- **ROBUST TAX RELIEF (FROM 19% TO 27%) ON INVESTMENTS** INTO STARTUP'S EQUITY BY ANGEL INVESTORS, VCS AND CORPORATES
- POSSIBILITY OF RAISING MONEY THROUGH **EQUITY CROWDFUNDING** ONLINE PORTALS (FIRST TAILOR-MADE LAW ON AN INTERNATIONAL LEVEL )
- FREE, FAST-TRACK **PUBLIC GUARANTEE ON BANK LOANS**, COVERING **80%** OF THE LENT SUM

LAW 221/2012 - ITALY'S STARTUP ACT

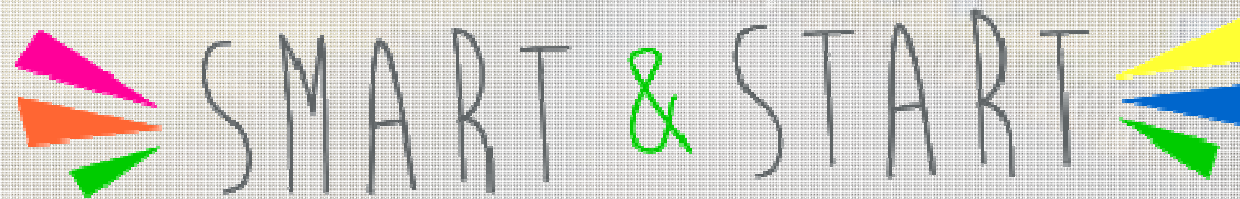


# Italia Startup Visa

- VISA FOR EXTRA-EU CITIZENS WILLING TO SET UP AN INNOVATIVE STARTUP IN ITALY
- CENTRALIZED PROCEDURE (ISV TECHNICAL COMMITTEE)
- THE COMMITTEE EVALUATES THE APPLICATION (CV + BUSINESS MODEL) **WITHIN 30 DAYS**
- FINANCIAL RESOURCES FOR AT LEAST 50,000 € ARE REQUIRED
- **PROCESS ENTIRELY MANAGED ONLINE**, THROUGH A DEDICATED WEBSITE: [ITALIASTARTUPVISA.MISE.GOV.IT](https://italiastartupvisa.mise.gov.it)



#ItaliaStartupVisa



## NURTURING HIGH-TECH STARTUPS

- **250 MILLION €** MADE AVAILABLE FOR ZERO INTEREST RATE STARTUP LOANS
- LENDING COVERS UP TO **80%** OF INVESTMENT PROGRAMS AMOUNTING **UP TO 1,5 MILLION €**
- TARGET: INNOVATIVE STARTUPS AND INDIVIDUALS WILLING TO SET UP ONE WITHIN 60 DAYS, INCLUDING EXTRA-EU CITIZENS HOLDING A STARTUP VISA
- FAST-TRACK FOR PROGRAMS FINANCED FOR AT LEAST 30% WITH CAPITAL PROVIDED BY QUALIFIED INVESTORS



#SmartStart2



# THE ITALIAN STARTUP ECOSYSTEM

## RESULTS SO FAR

- ✓ **3,512** NEW STARTUPS (+40 PER WEEK) OPERATING IN ALL ECONOMIC SECTORS, INCLUDING ICT & DIGITAL, CLEANTECH, BIOTECH, MEDTECH, ROBOTICS, IOTS
- ✓ THEY EMPLOY MORE THAN **15,000** PARTNERS AND WORKERS
- ✓ **351 BANK LOANS TO 279 INNOVATIVE STARTUPS** (TOTAL AMOUNT: **128 MILLION**; **AVERAGE SIZE: 366.000 €**) THANKS TO PUBLIC GUARANTEE FUND
  - ✓ 28 CERTIFIED INCUBATORS
  - ✓ 22 STARTUP VISAS UNDER EVALUATION
  - ✓ 15 EQUITY CROWDFUNDING PORTALS

# INCUBATOR ECOSYSTEM

## 28 CERTIFIED INCUBATORS



# INNOVATIVE SME

- **RESIDE IN ITALY OR IN ANOTHER EU COUNTRY BUT SUBJECT TO TAXATION IN ITALY**
- **BE NON LISTED ON A REGULATED MARKET**
- **HOLDER OF A CERTIFIED BALANCE SHEET FOR THE LAST FISCAL YEAR**

DL INVESTMENT COMPACT - 2015

# INNOVATIVE SME

- MEETS ***AT LEAST TWO*** OF THE FOLLOWING CRITERIA:
  1. **R&D EXPENDITURE: 3% OF ITS COSTS CONCERN R&D ACTIVITIES**
  2. **QUALIFIED TEAM: AT LEAST 1/5 OF THE TEAM IS MADE UP OF PEOPLE WHO **EITHER HOLD A PHD OR ARE PHD CANDIDATES** AT AN ITALIAN OR FOREIGN UNIVERSITY OR HAVE CONDUCTED RESEARCH FOR AT LEAST THREE YEARS **OR** AT LEAST 1/3 OF THE TEAM IS MADE UP OF PEOPLE **HOLDING A MASTER'S DEGREE****
  3. **IP: IT IS THE OWNER OR THE LICENSEE OF A PATENT OR SOFTWARE**

DL INVESTMENT COMPACT - 2015

# INNOVATIVE SME

## CUTS IN RED TAPE

- **ONLINE REGISTRATION THROUGH SELF-CERTIFICATION**
- **NO FEES DUE TO THE CHAMBER OF COMMERCE FOR ANY DOCUMENT**
- **FLEXIBLE CORPORATE MANAGEMENT TOOLS – LTD. = INC.**
- **ZERO TAX REGIME IN THE EVENT OF SYSTEMATIC LOSSES**
- **FLEXIBILITY IN CAPITAL REPLENISHMENT AFTER LOSSES**
- **WORKERS & CONSULTANTS PAID WITH STOCK OPTIONS AND WORK FOR EQUITY (TAXABLE JUST AS CAPITAL GAIN!)**

**DL INVESTMENT COMPACT - 2015**

# INNOVATIVE SME

## INCENTIVES FOR FUNDING & INVESTMENTS

- **ROBUST TAX RELIEF (FROM 19% TO 27%) ON INVESTMENTS INTO SME'S EQUITY BY ANGEL INVESTORS, VCS AND CORPORATES**
- **POSSIBILITY OF RAISING MONEY THROUGH EQUITY CROWDFUNDING ONLINE PORTALS**
- **FREE, FAST-TRACK PUBLIC GUARANTEE ON BANK LOANS, COVERING 80% OF THE LENT SUM**

DL INVESTMENT COMPACT - 2015

# R&D Tax Credit

25%

Incremental tax credit, up to € 5 Million, for R&D costs incurred in each fiscal year of the 2015-2019 period compared to the fixed average of costs incurred in the 2012-2013-2014 period

50%

If the cost is related to the hiring of highly qualified personnel employed in R&D activities OR to R&D activities outsourced to an external organization, such as innovative startups, university spin-offs and research centers

# PATENT BOX

50%

tax exemption for income related to **direct/undirect exploitation of any legally protectable IP** (patents, brands, ....)

- The **relevant IP income** is determined on the basis of the ratio between the costs for developing and expanding the IP related product and total costs incurred by the company
- The R&D costs carried out through **outsourcing** (to startups, research centers etc.) for the development of the concerned IP tools are considered as relevant IP costs





**FOR FURTHER  
INFORMATION**

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