

Development Law 4399



Development Law Targets

- ✓ promote the balanced development with respect to the environmental resources,
- ✓ support the country's less favored areas,
- ✓ increase employment,
- ✓ improve cooperation and increase the average size of undertakings,
- ✓ achieve technological upgrading,
- ✓ increase extroversion,
- ✓ improve competitiveness in high value-added and knowledge-intensive sectors.

Eligible Costs

Tangible assets:

- ▶ **Building facilities:** up to (45% - 60%)of the total regional aid eligible costs (60% for tourism sector)
- ▶ **Purchase of all existing fixed assets of a production plant:** this plant has ceased its operation
- ▶ **New machinery and other equipment**
- ▶ **Leasing**
- ▶ **Modernisation expenditure of special facilities and mechanical installations**

Intangible assets:

- ▶ **Technology transfer:** acquisition of copyrights, licenses, patents etc.
- ▶ **Security and quality control systems**

Wage cost:

- ▶ **Wage cost of new jobs created:** concerns the new jobs created as a result of the investment project implementation, calculated over a period of two (2) years from the creation of each position

Types of Aids

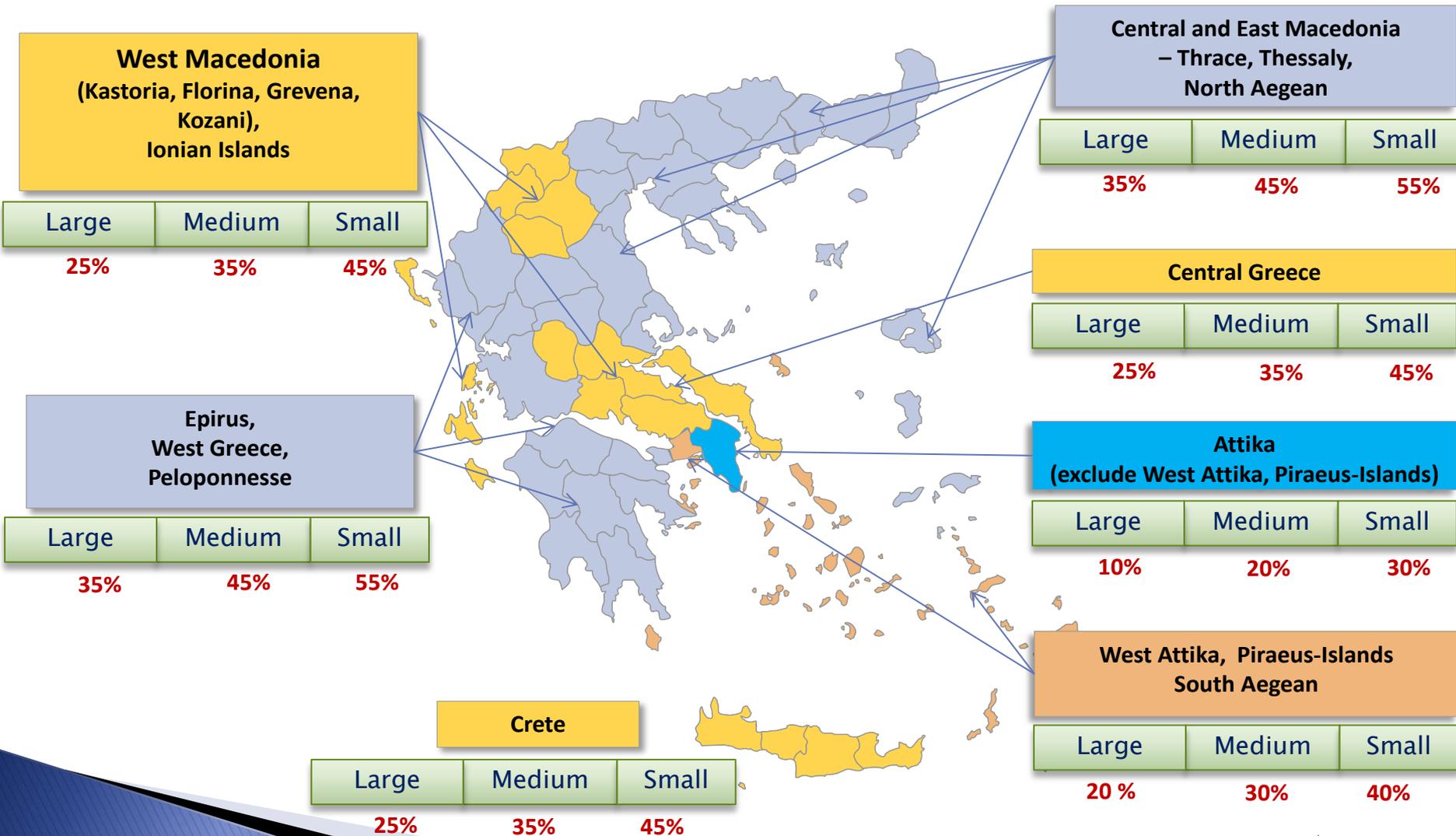
The types of aids granted for investment projects included in the aid schemes are as follows:

- a. **Tax exemption**, consisting of the exemption from paying income tax on earnings before tax, which arise under the tax legislation from all business activities having deducted the tax of the legal person or legal entity tax corresponding to the profits distributed or received by the partners (this type of aid can be used from 5 to 15 years).
- b. **Grant**, which consists of the free provision by the governments of funds to cover part of the aided expenditure of the investment project and is determined as a percentage thereon. This type of aid is 70% of the Regional Aids Map maximum aid percentage (in some cases it could be 100%).
- c. **Leasing subsidy**, may not exceed seven (7) years.
- d. **Job creation cost subsidy**, which consists of the coverage by the government of part of the wage costs for new jobs created and associated with the investment project. This type of aid can not be combined with other types of aids.

REGIONAL AIDS MAP (R.A.M.)

Development Law
4399/2016

Maximum Aid Percentages



Aid Scheme:

General Entrepreneurship

Consists the basic aid scheme of the Development Law, that includes all types of aids for start-up and existing enterprises.

Submission Start:

date pending

Deadline:

3 months later

Aid Scheme:

General Entrepreneurship/ 2

Eligible Enterprises

- All enterprises defined at the Development Law
- All project plans are falling under this scheme's provisions

Types of Aids

- tax exemption** for all eligible project plans,
- leasing subsidy**
- job creation cost subsidy**
- grant**, only for project plans that fulfill certain conditions (geographical and more) from **Special Aid Categories** (70% of Regional Aid Map's percentage).

Aid Scheme:

New Independent SMEs

The objective of the scheme is to strengthen the non-established or independent SMEs for which they have not been in existence for seven years since their establishment and is addressed to all eligible investment projects under the new law.

Beneficiaries

New SMEs, ie under formation or start-ups of small and medium-sized enterprises up to 7 years old. Their shareholders may maintain a small, independent, individual business.

Submission Start:

date pending

Deadline:

3 months later

Aid Scheme:

New Independent SMEs / 2

Eligible Enterprises

- All enterprises defined at the Development Law
- All project plans are falling under this scheme's provisions

Types of Aids

- tax exemption** for all eligible project plans,
- leasing subsidy**
- job creation cost subsidy**
- grant,**
 - 70% of Regional Aid Map's percentage**
 - 100% of Regional Aid Map's percentage only for project plans that fulfill certain conditions (geographical and more) from Special Aid Categories**



Contact Information

Prof. Anastasios Zagorianos

Partner - DIADIKASIA SA

zagorianos@diadikasia.gr

+30 210 6729040

Kifisias Ave. 296 & Navarinou

40, Chalandri 152 32

www.diadikasia.gr