

# THE ITALIAN POLICY FOR INNOVATIVE ENTREPRENEURSHIP

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# WHY HIGH-TECH STARTUPS ARE SO IMPORTANT?

## ENTREPRENEURSHIP

**JOB CREATION**



**MERITOCRACY**

**INNOVATION**

**SOCIAL MOBILITY**

**GROWTH**



# INNOVATIVE STARTUP

- ESTABLISHED FOR NO LONGER THAN **60** MONTHS
- 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 DISINVESTMENT 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 DEGREE**
  3. **INDUSTRIAL PROPERTY:** IT IS THE OWNER OR THE LICENSEE OF A **PATENT OR SOFTWARE**

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# 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
- **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**

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# 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!)

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# INNOVATIVE STARTUP

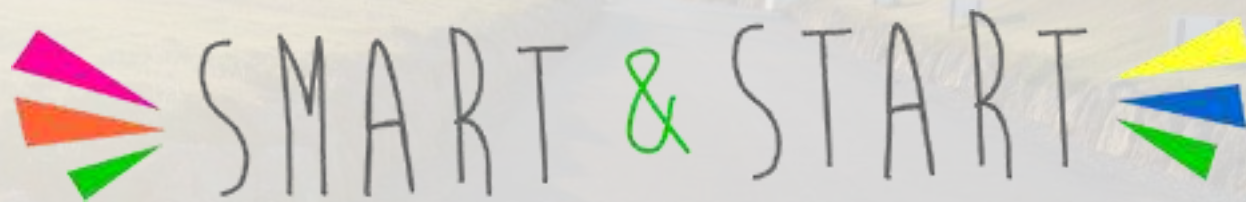
## INCENTIVES FOR FUNDING & INVESTMENTS

- **ROBUST TAX RELIEF (FROM 19% TO 27%) ON INVESTMENTS INTO STARTUP'S EQUITY BY BUSINESS ANGELS, 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**

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## 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



# CERTIFIED INCUBATORS

- **CERTIFIED STARTUPS INCUBATOR FULFILLS SPECIFIC REQUIREMENTS CONCERNING PHYSICAL STRUCTURES, MANAGEMENT, FACILITIES AND, ABOVE ALL, ITS TRACK RECORD**
- **CERTIFIED INCUBATOR CAN BENEFIT FROM SOME INSTRUMENTS PROVIDED FOR BY THE LAW (E.G. THEY CAN USE STOCK OPTIONS, AS IF THEY WERE STARTUPS THEMSELVES; SIMPLIFIED ACCESS TO GUARANTEES ON BANK LOANS).**

**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)





# Italia Startup Hub

- **RESIDENCE PERMIT** FOR EXTRA-EU CITIZENS WILLING TO SET UP AN INNOVATIVE STARTUP IN ITALY
- **DEDICATED TO OWNERS OF ANY KIND OF RESIDENCE PERMIT**, INCLUDING PERMIT FOR STUDY, TRAINING OR EDUCATION
- **CENTRALIZED PROCEDURE (ISV TECHNICAL COMMITTEE)**
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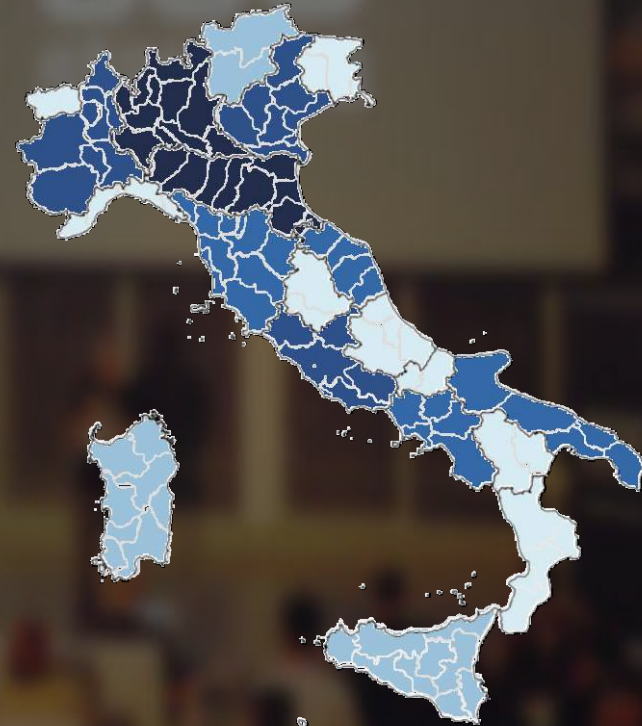
# THE ITALIAN STARTUP ECOSYSTEM

**MORE THAN 3,700 HIGH-TECH REGISTERED STARTUPS:**  
57% LOCATED IN NORTHERN, 21% IN CENTRAL AND  
22% IN SOUTHERN ITALY

SECTORS: 77% OPERATES IN SERVICES (ICT,  
SOFTWARE, MEDIA ETC.), 18% IN INDUSTRY &  
CRAFTSMANSHIP, 4% IN TRADE

**700 MILLION EURO TURNOVER WITH OVER 15,000  
PARTNERS AND EMPLOYEES**

ONLINE DATABASE: [STARTUP.REGISTROIMPRESE.IT](http://STARTUP.REGISTROIMPRESE.IT)





# INCUBATOR ECOSYSTEM

## 28 CERTIFIED INCUBATORS





# THE ITALIAN STARTUP ECOSYSTEM

## RESULTS SO FAR

- ✓ **3,750** NEW STARTUPS (+40 PER WEEK), EMPLOYING MORE THAN **15,000** PARTNERS AND WORKERS
- ✓ **419** BANK LOANS TO **322** INNOVATIVE STARTUPS (TOTAL AMOUNT: **146** MILLION; AVERAGE SIZE: **350.000 €**) THANKS TO PUBLIC GUARANTEE FUND
  - ✓ 28 CERTIFIED INCUBATORS
  - ✓ 25 STARTUP VISAS UNDER EVALUATION
  - ✓ 15 EQUITY CROWDFUNDING PORTALS



# OTHER MEASURES FOR INNOVATION

## 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



# OTHER MEASURES FOR INNOVATION

## PATENT BOX

**50%** tax exemption for income related to direct/undirect exploitation of any legally protectable Industrial Property (patents, brands, ....)

- The relevant IP income is determined on the basis of the ratio between the costs for developing and expanding the Industrial Property 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 Industrial Property tools are considered as relevant Industrial Property costs





# FOR FURTHER INFORMATION

WEB: [WWW.MISE.GOV.IT](http://WWW.MISE.GOV.IT)

EMAIL: [STARTUP@MISE.GOV.IT](mailto:STARTUP@MISE.GOV.IT)

TWITTER: [@MINSVILUPPO](https://twitter.com/MINSVILUPPO)





**FOR FURTHER  
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