

**THE RESOLUTION NO.
X/72/15 OF THE TOWN COUNCIL
IN GŁOGÓW**

of 23 June 2015

on the exemption from the real estate tax constituting the regional investment aid

Pursuant to art. 18 par. 2 item 8 of the Act of 8 March 1990 on Communal Local Government (Dz. U. of 2013, item 594, as amended), in conjunction with art. 7 par. 3 of the Act of 12 January 1991 on Local Taxes and Fees (Dz. U. of 2014, item 849, as amended), the Regulation of the Council of Ministers of 9 January 2015 in the matter of the conditions for granting exemptions from the real estate tax and tax to means of transport, constituting the regional investment aid, the aid for the conservation of culture and cultural heritage, the aid for sports infrastructure and multifunctional recreational infrastructure, and the aid for local infrastructure (Dz. U. of 2015, item 174), it is hereby adopted as follows:

§ 1. 1. The rules, on the basis of which the exemption from the real estate tax on land, buildings and structures or parts thereof related to the conduct of business activity, are defined.

2. The exemption is granted as the regional investment aid for entrepreneurs who carry out investments in the area of the Municipality of Głogów.

§ 2. The provisions of this Resolution shall not apply in the cases set out in art. 1 par. 2 to 5 and art. 13 of the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ L EU L187 of 26.06.2014).

§ 3. Land, buildings and structures or parts thereof connected with conducting an economic activity, constituting an initial investment shall be exempt from the real estate tax.

§ 4. 1. The initial investment shall be understood as the investment referred to in § 3 par. 10 - 11 of the Regulation of the Council of Ministers of 9 January 2015 in the matter of the conditions for granting exemptions from the real estate tax and tax to means of transport, constituting the regional investment aid, the aid for the conservation of culture and cultural heritage, the aid for sports infrastructure and multifunctional recreational infrastructure, and the aid for local infrastructure (Dz. U. of 2015, item 174), hereinafter referred to as the "Regulation of the Council of Ministers of 9 January 2015".

2. The size of an enterprise shall be determined on the basis of Appendix No. I to the Regulation referred to in § 2, whereby the term SME shall mean small and medium-sized enterprises fulfilling the criteria referred to in the Appendix.

3. Definitions set forth in the Regulation of the Council of Ministers of 9 January 2015 are directly applicable to the terms stipulated in the resolution.

§ 5. 1. It is to define the following conditions for the exemption referred to in § 3 constituting the regional investment aid:

- 1) the commencement of works related to the investment beforehand, the intention to use the aid shall be notified to the tax authority, by means of the form attached to the resolution as Appendix No. 1,
- 2) the beneficiary of the aid is required to make a financial contribution of at least 25 % of the eligible costs, whereby the contribution is to be from their own resources or from external sources of financing, excluding public funds,
- 3) the investment must be maintained within the region for the period of at least five years and, In case of SMEs, for the period of at least three years from the date of the completion of its realisation, whereby, the obsolete or broken installations or equipment are possible to be replaced within this period provided that the activity is conducted for a minimum period.

2. The exemption referred to in § 3 shall appertain to the entity until the end of the month preceding the month, in which the maximum aid intensity specified in § 11 par. 2 of the Regulation of the Council of Ministers of 9 January 2015 was exceeded, but not longer than for the period of 36 months.

3. The exemption referred to in § 3 shall appertain to an entrepreneur, provided that the total value of the aid granted does not exceed the threshold of regional aid specified in § 4, par. 1, item 1, letter d of the Regulation of the Council of Ministers of 9 January 2015.

4. The exemption from the real estate tax shall include only subjects of taxation related to the initial investment.

§ 6. 1. The intensity of the regional investment aid shall be calculated with reference to the eligible costs, which shall include investment costs in tangible and intangible assets as related to in § 6 pars. 1 - 7 of the Regulation of the Council of Ministers of 9 January 2015.

2. The eligible costs shall not include costs incurred before the date of the notification referred to in § 5 par. 1 item 1.

3. In case of entrepreneurs other than SMEs, the amount of eligible costs shall be limited to 50% of the total eligible investment expenditure.

§ 7. 1. With reference to subject of taxation subject to the tax obligation on the day of filing the tax return referred to in § 5 par. 1 item 1 - the exemption referred to in § 3 shall apply from the first day of the month following the month, in which the work on the investment was commenced.

2. With reference to the subjects of taxation, from which the tax obligation, in accordance with the provisions of the Act on Local Taxes and Fees of 12 January 1991, arose after the date of filing the notification referred to in § 5 par. 1 item 1 - the exemption referred to in § 3 shall apply from the date on which the tax obligation arose.

§ 8. The beneficiary of the aid shall notify the tax authority of the completion of the investment in the form of the form constituting Appendix No. 2, within 30 days from its completion.

§ 9. 1. In order to monitor the conditions and the amount of granted public aid, beneficiaries of the exemption from the real estate tax, pursuant to the provisions of this resolution, shall be obliged to submit information and documents to the tax authority in the forms and within time limits set forth hereinbelow:

- 1) the declaration on the amount of incurred investment outlays constituting eligible costs referred to in § 6 item 1 - on the form attached as Appendix No. 2, within 30 days from the date of the completion of the investment,
- 2) the declaration on the maximum aid intensity, to which the beneficiary is entitled and the amount of aid received from other sources for the same eligible costs, on the form constituting Appendix No. 3 - by 31 January of each year, in which the beneficiary benefits from the exemption.
- 3) Information specified in the Regulation of the Council of Ministers of 29 March 2010 on the scope of information presented by an entity applying for the aid other than aid in agriculture or fisheries - de minimis aid or de minimis aid in agriculture or fisheries (Dz. (1) Dz. U of 2010. No. 53, item 312, as amended), together with the notification referred to in § 5 par. 1 item 1.
- 4) the declaration on not receiving public aid - in the event when the entity applying for aid has not yet received any public aid for the same eligible costs for aid - together with the notification referred to in § 5 par. 1 item 1.
- 5) Other information or documents required to be submitted under separate provisions and at upon the request of the tax authority.

2. Under the provisions of this Resolution, the beneficiary of the exemption shall be obliged to monitor the conditions of using the exemption and the degree of the use of the ceiling of the maximum aid intensity independently.

3. In the event of the occurrence of circumstances causing the loss of the right to exemption, the beneficiary shall be obliged to notify the President of Głogów, within 14 days from the date when the circumstances causing the loss occurred.

§ 10. In case of the submission of false data concerning the conditions, on which the exemption depends, the entrepreneur loses the right to exemption for the entire period of exemption, and the due real estate tax shall constitute the tax arrears.

§ 11. The realisation of the resolution shall be entrusted to the President of Głogów.

§ 12. The Resolution shall enter into force 14 days after the date of its publication in the Dziennik Urzędowy Województwa Dolnośląskiego [*Official Journal of the Lower Silesian Province*] and shall remain in force until 31 December 2020.

Vice-Chairman of the City
Council

Eugeniusz Patyk

**AN APPLICATION FORM FOR THE INTENTION TO BENEFIT FROM
EXEMPTION FROM THE REAL ESTATE TAX CONSTITUTING THE REGIONAL
INVESTMENT AID**

1. Entrepreneur's details:

Name / full name

Registered office/Address of
residence.....
.....

NIP REGON

PKD [*Polska Klasyfikacja Działalności - Polish Classification of Activity*] symbol and
description of the activity conducted by the
entrepreneur.....

..

.....
.....
address for correspondence
.....

the size of the entrepreneur 1(*mark the appropriate square with a cross*):

microentrepreneur

small entrepreneur

medium-sized entrepreneur

other

person authorised to represent the entrepreneur

.....

contact telephone
.....

2. Information on investment:

Type of investment

Description of
investment.....

Location of the investment (geodetic data of the real estate, on which the new investment is to
be carried out - district, plot no., address, land and mortgage register no.)
.....
.....

Investment commencement date

Planned investment completion date
.....

Planned investment cost
(PLN).....

3. Will the realisation of the investment result in the creation of new workplaces?

yes

no

4. Information on appendices:

- 1) current extract from the National Court Register / certificate on the entry into the register of business activity,
- 2) entrepreneur's commitment regarding investment financing 2 - Print No. 1,

¹ specified in accordance with Appendix I to the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of art.s 107 and 108 of the Treaty (OJ L EU L 187 of 26.06.2014)

² concerns the costs of the investment included in the eligible costs

- 3) commitment to maintain the new investment in the Municipality of Głogów - Print No. 2,
- 4) Form of Information presented while applying for an aid other than the aid in agriculture and fisheries, de minimis aid, or de minimis aid in agriculture and fisheries, the model of which is specified in the Regulation of the Council of Ministers of 29 March 2010.
- 5) Declaration on not receiving public aid for the same eligible costs - in case of not receiving such aid before the date of the notification - print No. 3,
- 6) other documents (provide)

.....

5. The entrepreneur referred to in point 1 undertakes to inform the local tax authority of any events that may affect the possibility of benefiting from the exemption and to provide explanations and documents at each stage of the use of the exemption from the real estate tax - upon the request of the authority.

.....
(signature and stamp of the applicant)

.....
(name and surname/name of the entrepreneur)

.....
(address of residence / registered office of the entrepreneur)

DECLARATION

By accepting the terms of use of the exemption from the real estate tax constituting the regional investment aid granted pursuant to the provisions of the Resolution of the Municipal Council in Głogów of

.....
.....;

I hereby undertake to cover at least 25% of the costs of the investment, which constitute eligible costs, from my own resources or from external sources, whereby, these funds were not obtained in connection with the support from public funds.¹

.....
(place, date)

.....
(signature of the entrepreneur or
a person authorised to represent
the entrepreneur)

¹ funds, which were not obtained by the entrepreneur in connection with the state aid granted, shall be understood as such funds, which were not obtained on more favourable terms than those offered on the market (e.g. preferential loans, interest rate subsidies, guarantees, and sureties on terms more favourable than those offered on the market)

.....
(name and surname/name of the entrepreneur)

.....
(address of residence / registered office of the entrepreneur)

DECLARATION

By accepting the terms of use of the exemption from the real estate tax constituting the regional investment aid granted pursuant to the provisions of the Resolution of the Municipal Council in Głogów of;

**I hereby undertake to maintain the new investment in the Municipality of Głogów
for the period of at least 1 year from
the date of its completion.**

.....
(place, date)

.....
(signature of the entrepreneur or
a person authorised to represent
the entrepreneur)

¹ (enter as appropriate) the period of the maintenance of the investment in a given region is at least 5 years, and in case of small and medium-sized enterprises at least 3 years, from the date of completion of the investment.

.....
(name and surname/name of the entrepreneur)

.....
(address of residence / registered office of the entrepreneur)

DECLARATION

In the performance of the obligation arising from § 9 par. 1 item 4 of the Resolution of the Municipal Council in Głogów of on the exemption from the real estate tax constituting regional investment aid, in conjunction with the notification of of the intention to benefit from the exemption from the real estate tax constituting regional investment aid;

I declare that, to this day, I have not yet received any public aid for the same costs qualifying for the aid, for which I am applying now.

.....
(place, date)

.....
(signature of the entrepreneur or
a person authorised to represent
the entrepreneur)

.....
(name and surname/name of the entrepreneur)

.....
(address of residence / registered office of the entrepreneur)

DECLARATION

In the performance of the obligation resulting from § 9 par. 1 item 1 of the Resolution of the
Municipal Council in Głogów of

.....
..... on the exemption from the real estate tax
constituting regional investment aid, in connection with the notification of the intention to
benefit from the exemption from the real estate tax constituting regional investment aid; I
hereby declare that on the investment commenced in
..... according to the notification made on
.....

1. The outlay incurred on account of the investment included in the eligible costs
referred to in § 6 par. 1 item 1 of the resolution constitute the amount of PLN
....., the share of own funds or funds coming from external
sources of financing not obtained in connection with the support from public
funds constituted was % of this outlay.
2. The maximum aid intensity defined in accordance with § 11 par. 2 of the
Regulation of the Council of Ministers of 9 January 2015, is% of the
eligible costs referred to in § 6 par. 1 item 1 of the resolution, which constitutes
the amount of PLN.....

.....
(place, date)

.....
(signature of the entrepreneur or
a person authorised to represent
the entrepreneur)

.....
(name and surname/name of the entrepreneur)

.....
(address of residence / registered office of the entrepreneur)

DECLARATION

In performance of the obligation resulting from § 9 par. 1 item 2 of the Resolution of the Municipal Council in Głogów of on the exemption from the real estate tax constituting regional investment aid, in conjunction with the notification of of the completion of the investment, with reference to which I benefit from exemption from the real estate tax;

I hereby declare that the maximum aid intensity in the amount of.....% of the eligible costs referred to in § 6 par. 1 item 1 of the Resolution constitutes the amount of PLN.....

With regard to the same eligible costs from the date of the notification referred to in § 5 par. 1 item 1 of the resolution until the date of the submission of this declaration, I have received/not received* the following public aid (specify the authority granting aid, the form, as well as the nominal and gross value of the aid received):

.....

* - Delete as appropriate,

.....
(place, date)

.....
(signature of the entrepreneur or
a person authorised to represent
the entrepreneur)

REASONS

Pursuant to art. 7 par. 3 of the Act of 12 January 1991 on Local Taxes and Charges (i.e., Dz. U. of 2014, item 849, as amended), the municipal council may introduce exemptions from the real estate tax other than those provided for in art. 7 par.1 of the Act and art. 10 par. 1 of the Act of 2 October 2003 amending the Act on Special Economic Zones and certain other acts. Therefore, this resolution introduces the exemption from the real estate tax, constituting the regional investment aid for entities carrying out investments within the area of the Municipality of Głogów. The exemption resulting from this resolution constitutes the continuation of the exemption specified in the resolution of the City Council in Głogów of 27 June 2007, which expired on 31 December 2013. The basis for the implementation of the exemption specified herein was made possible by the development of the nationwide regional aid scheme, which constitutes the Regulation of the Council of Ministers of 9 January 2015 in the matter of the conditions for granting exemptions from the real estate tax and tax to means of transport, constituting the regional investment aid, the aid for the conservation of culture and cultural heritage, the aid for sports infrastructure and multifunctional recreational infrastructure, and the aid for local infrastructure. The conditions specified in the resolution are compliant with the terms and conditions resulting from the regulation, taking into account other legal regulations within the area of public aid. The introduction of the real estate tax exemption is in line with the assumptions of the tax policy of the Municipality of Głogów aiming at supporting local entrepreneurship and economic development of the region.