

Olesiński i Wspólnicy

State aid advisory

Obtaining support

Polish Investment Zone (previously Special Economic Zones)

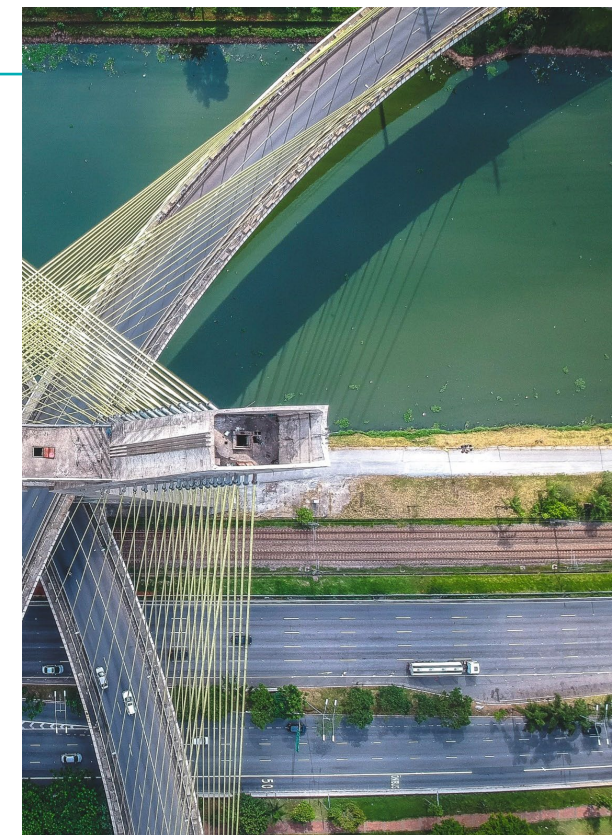
- strategic consulting, comprehensive risk identification, identification of opportunities, threats and benefits and co-creation of an optimal action plan;
- verification of the possibility of obtaining by the investor a decision on support, in the context of proper determination of investment type, scope of exempted activity and meeting by the investment project the required qualitative and quantitative criteria;
- verification of key requirements resulting from EU regulations (e.g. ban on relocation of activities, fulfilment of the incentive effect, etc.);
- verification of the status (large entrepreneur or SME, considering EU requirements and possible exemptions);
- comprehensive advice in the procedure for issuing a decision on support, including preparation of the application and other documentation;
- support in direct, individual negotiations with the administrator, for both greenfield and brownfield investments;
- advisory services aimed at effective use of aid (adequately flexible description of the investment).

Real estate tax exemption

- analysis of the possibility of applying for exemption; development of an optimal model for obtaining exemption (regional investment aid, *de minimis* aid);
- support in applying for the above-mentioned measures, including preparation of necessary documentation; ongoing contact with the authority granting aid.

Grants

- obtaining grants under the Program for supporting investments of significant importance to the Polish economy for 2011-2030.



Supervision of state aid granted - SEZ/PSI

Settlement of the provided aid

- comprehensive advice on discounting state aid,
- verification of investment outlays and RJR (Annual Work Units),
- calculation of available state aid limits,
- the order of use of the granted tax credits,
- securing the entrepreneur from receiving undue or excessive aid

Reporting

- support in the implementation of reporting obligations towards national and EU institutions

Training for aid beneficiaries

Training in legal and tax aspects of the functioning of entrepreneurs in SEZs and PSI, including :

- obligations of investors resulting from the aid granted,
- keeping accounting records, including qualification of particular types of income and costs, determination of income on exempt and taxed activities, evaluation of investment outlays, discounting,
- case study

Audits

Comprehensive and limited audits of acquired aid in the area of e.g.:

- the employment obligation,
- expenses incurred,
- the correctness of the state aid used,
- accumulation of aid,
- tax - i.e. determining the tax result on an exempt activity,
- simulation of organ controls

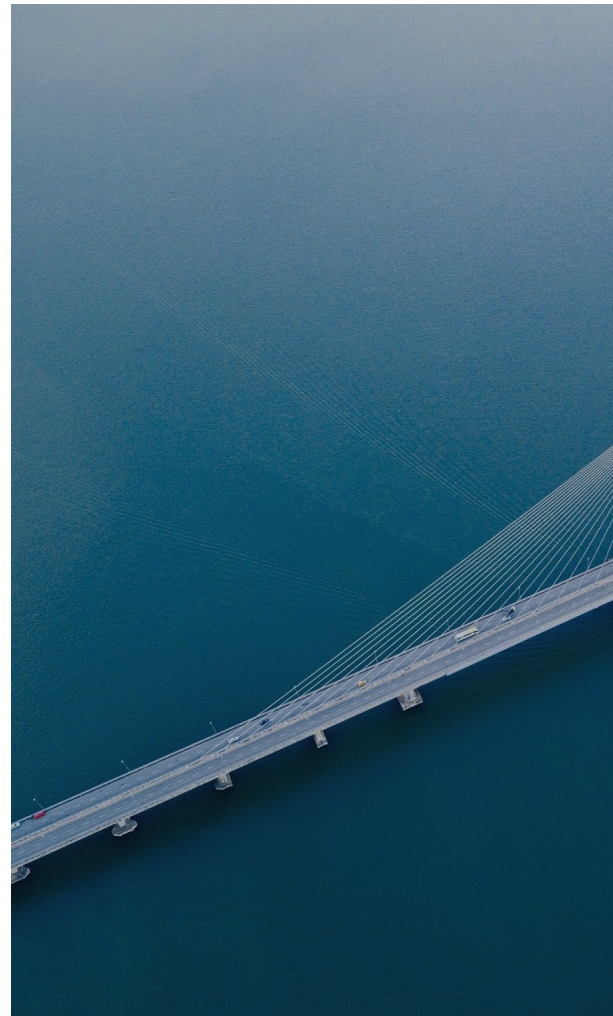
Supervision of state aid granted - grants

Expenditure compliance

- ongoing advisory on the regulation of the financial policy of the European Union, the Public Finance Act, public procurement law and other relevant provisions
- development of optimal purchasing procedures (competitiveness principle, market intelligence, etc.)

Ongoing duties

- support in preparing reports to ministries, NCBiR (National Centre of Research and Development) and monitoring of current project progress
- preparation of payment applications from the Managing / Intermediate Institutions (financing)



Audits of state aid granted

- assessment of the legal nature of the support obtained and then verification of the correctness of performance by the beneficiary of his legal and tax obligations
- verification of the legality of ad hoc state aid granted to the research institute
- giving opinions on issues related to the financial and material implementation of investment and research and development projects financed from public funds

Support in organizing tenders

- comprehensive support in the preparation of tenders for construction works, supplies and services within the framework of co-financed projects

Cooperation with administrative authorities

Relations with representatives of national authorities resulting from joint successful implementation of numerous, often difficult projects, as part of our advisory services, we provide assistance in negotiations and meetings with representatives of government administration, local government units, intermediary institutions such as ministries, the Polish Investment and Trade Agency, the National Centre for Research and Development, the Polish Development Fund, the Area (Zones) Administrator or the Office of Competition and Consumer Protection (the body responsible for monitoring state aid).

Comprehensive support of aid beneficiaries during their control proceedings, both from national authorities (including the Ministry, NCBiR and NIK – Supreme Audit Office) and EU bodies (EC inspections):

- preparation of documentation before controls,
- assistance during control activities.

Representation in administrative and judicial proceedings (including before the Provincial Administrative Court and the Supreme Administrative Court), regarding disputes concerning:

- obtaining state aid,
- extension of permits issued before 2001,
- changes, expiry, withdrawal of aid decisions,
- appeals against decisions of control bodies,
- complaints about tax interpretations that are negative for aid recipients.

Obtaining individual tax interpretations on behalf of beneficiaries on aid issues causing divergences in practice.

Other tax aspects in zone operations



Transfer prices in zone operations

Verification of the marketability of transactions concluded by SEZ entities with related entities, taking into account the specificity of SEZ activities, analysis of transfer prices (including benchmarks), certification of transactions (which is the basis for signing the TP statement by the management board), preparation of comprehensive transfer pricing documentation, preparation of transfer pricing policies, assistance in preparing and submitting transfer pricing information (TP-R) by SEZ entities.



Limit of (zonal and non-zonal) intangible costs and costs of debt financing

Analysis of transactions made by the zone entities in terms of the limit for including expenses for certain intangible services as tax deductible costs (Article 15e of CIT Act) and the limit for debt financing costs (Article 15c of CIT Act), preparation of tax interpretations in this respect, support in obtaining APA decisions.



Tax schemes and state aid

Verification of arrangements made by the zone entities in terms of the obligation to report tax schemes (MDR), preparation of an internal procedure for counteracting a failure to comply with the obligation to provide information on tax schemes, internal training on MDR regulations, with particular emphasis on the specificity of zone entities.

Other services for entrepreneurs applying for state aid

Establishment of companies

i.a. organization of business structures

Construction process / real estate turnover

i.a. support for general construction contracts, real estate *due diligence*

HR

i.a. preparation of required labor legislation, labor disputes

Employment of foreigners

i.a. handling the obtaining of a work permit

Taxes and duties

i.a. among others VAT, property tax (RET), obtaining EORI numbers

Compliance

minimization of legal risks of the business



Selected key projects

1

Over PLN 112.87 million of support for an investment worth over PLN 1.5 billion consisting in the **construction of a modern plant for the production of components for electric cars.**

Negotiations with the Polish government for funding under the Program for Supporting Investments of Major Importance for the Polish Economy; support under the RET and CIT exemptions; support in the purchase of 70 ha of real estate in a tender organized by one of the municipalities, including conducting a legal analysis of the real estate.

3

Obtaining almost **one hundred zone permits and decisions on support**, including **over PLN 1 billion of support** for entrepreneurs in the form of a tax exemption within the Polish Investment Zone.

2

Comprehensive support in organizing an investment by a Chinese investor in Poland consisting in the construction of a **plant producing electrolyte for electric batteries** - the planned minimum value of investment expenditure exceeds **PLN 80 million.**

Establishment of organizational structures; support in planning, organizing and obtaining financing from public funds (activities within the SEZ, exemption in RET), representing in a tender for the purchase of real estate (value approx. PLN 3.5 million); support in the current operating activities of the company.

4

Obtaining state aid and supporting OW's clients in the process of concluding funding agreements (grants) with the Ministry of Economy for the implementation of projects under the Intelligent Economy Operational Program worth, among others: **PLN 70.38 million, PLN 17.73 million, PLN 39.51 million, PLN 11.64 million.**

Selected key projects

5

Advising one of the largest producers of copper foil in the process of notifying regional investment aid to the **European Commission (the value of the investment project is approximately PLN 2.6 billion)**.

6

Won disputes with the Ministry regarding the continued possibility of benefiting from aid resulting from permits issued before 2001 (**nominal value of aid retained by entrepreneurs reaching several hundred million PLN**) - Unique settlements on a national scale issued on the basis of original arguments of our advisors.

7

Work commissioned by the Ministry of Development on the implementation into the Polish legal system of the first Polish project financed under **the Important Projects of Common European Interest (IPCEI)** mechanism, including: an aid program, competition documentation and a model subsidy contract.

8

Advising on **the process of notifying state aid to the European Commission under the IPCEI on Hydrogen mechanism** for one of the leading petrochemical companies in Poland.

Leaders of the State aid team



Justyna Korycka

Partner | Attorney-at-law
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Justyna has been responsible for the development of OW's state aid specialisation for several years and manages the Warsaw office.

She advises both large multinational corporations and public administration institutions such as the Ministry of Development and Technology, the Polish Development Fund, the Ministry of Education and Science, the Ministry of Climate and Environment or the National Centre for Research and Development.

Justyna participates in the legislative process of legal acts related to competition law, including state aid law.

Advised on the first Polish IPCEI (Important Project of Common European Interest) project.

She leads projects requiring representation both before Polish authorities and before the European Commission in proceedings concerning the assessment of the compatibility of aid with the internal market.



Katarzyna Pamula-Wróbel

Director | OW State aid
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Katarzyna specializes in legal advisory services related to state aid and European funds. For almost 11 years she worked in the Office of Competition and Consumer Protection in the Department of State Aid Monitoring, where she held the position of Deputy Director for the last 4 years. She has many years of experience in examining the existence of state aid and ensuring its compatibility with the internal market.

Katarzyna is professionally occupied with major projects of common European interest (IPCEI) as well as aid for research, development, and innovation and risk financing.

She has participated in a number of notification proceedings before the European Commission and represented the Polish side in complaints and monitoring cases before the European Commission. She has successfully conducted notification proceedings on IPCEI in the battery sector and anti-crisis aid, including PFR financial shields.

Additionally, she has co-authored and commented on EU and national law in the area of state aid.

Co-author and co-editor of the book "State aid for entrepreneurs. Selected issues". Expert in supporting the development and implementation of state aid law in Ukraine as part of a project financed by the European Commission for the Antimonopoly Committee of Ukraine.

Leaders of the State aid team



Bartosz Jeziorski

Senior Manager | Attorney-at-law
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Bartosz is the leader of a team dealing with the acquisition and proper and efficient use of funds granted under state aid projects. He specializes in advising on regional investment aid and in introducing foreign entrepreneurs to the Polish market.

He has taken part in obtaining dozens of permits for conducting commercial activity in special economic zones (he presently advises on obtaining aid decisions within the Polish Investment Zone) and comprehensive settlement of large investment projects and subsidies granted from EU funds.

He has successfully led projects consisting in obtaining various forms of support for investments (including targeted grants, property tax exemptions, *de minimis* aid).

He has extensive experience in servicing both large enterprises (in particular in the automotive and chemical sectors) and SMEs. Currently he advises on an increasing number of electromobility projects (primarily in obtaining state aid for the implementation of investments).



Jacek Łuczynski

Manager | Attorney-at-law
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Jacek specializes in legal and tax advice on state aid, with emphasis on assistance in Special Economic Zones/the Polish Investment Zone and aid in the form of property tax exemptions.

His consulting practice focuses on strategic planning of optimal and safe use of aid funds, including secure combination of state aid from various sources (national and EU grants, tax exemptions, preferential loans).

He took part in the implementation of the Polish regulations on funding rules for Important Projects of Common European Interest (IPCEI), as well as in the notification proceedings before European Commission in the scope of regional investment aid and aid under IPCEI mechanism.

He has carried out several dozen projects implementing tax incentives in the form of income tax exemptions in SEZs/PIZ.

He supports clients in the process of ensuring compliance with the regulations on state aid, tax and public finance when they take advantage of CIT/PIT exemptions, property tax exemptions, R&D relief, IP Box and national and EU subsidies (compliance).

He conducts internal audits of state aid and tax settlements in SEZs/PIZ, R&D reliefs and IP Box. He manages internal audits of the financial and material implementation of projects co-financed from public funds in terms of their compliance with regulations on state aid and public finance.

We are part of the OW Group

Legal and tax consultancy,
Strategic and expert consultancy,
LegalTech



**Olesirski
Wspolnicy**



**OW
Analytics**

Analytical and IT competence,
Business models, Benchmarks, due
diligence

Accounting, accounting consultancy,
Financial statements, Payroll, Tax
compliance



GOBS



Administration, Special
tasks/Outsourcing, Startup support





**OW is a developed
since 2005 strong
legal and tax expertise**

OW Legal

- Compliance
- Global mobility, Immigration law
- Labour law
- M&A
- Personal data protection law
- Marketing and advertising law
- Real estate, construction law
- Capital markets law
- Commercial companies law
- Intellectual property law
- TMT
- E-commerce law
- Energy law
- Environmental law
- Video games law
- Litigation, disputes and arbitration proceedings
- Venture Capital

OW Tax

- Transfer pricing
- CIT
- MDR
- PIT
- VAT
- Tax compliance

OW State aid

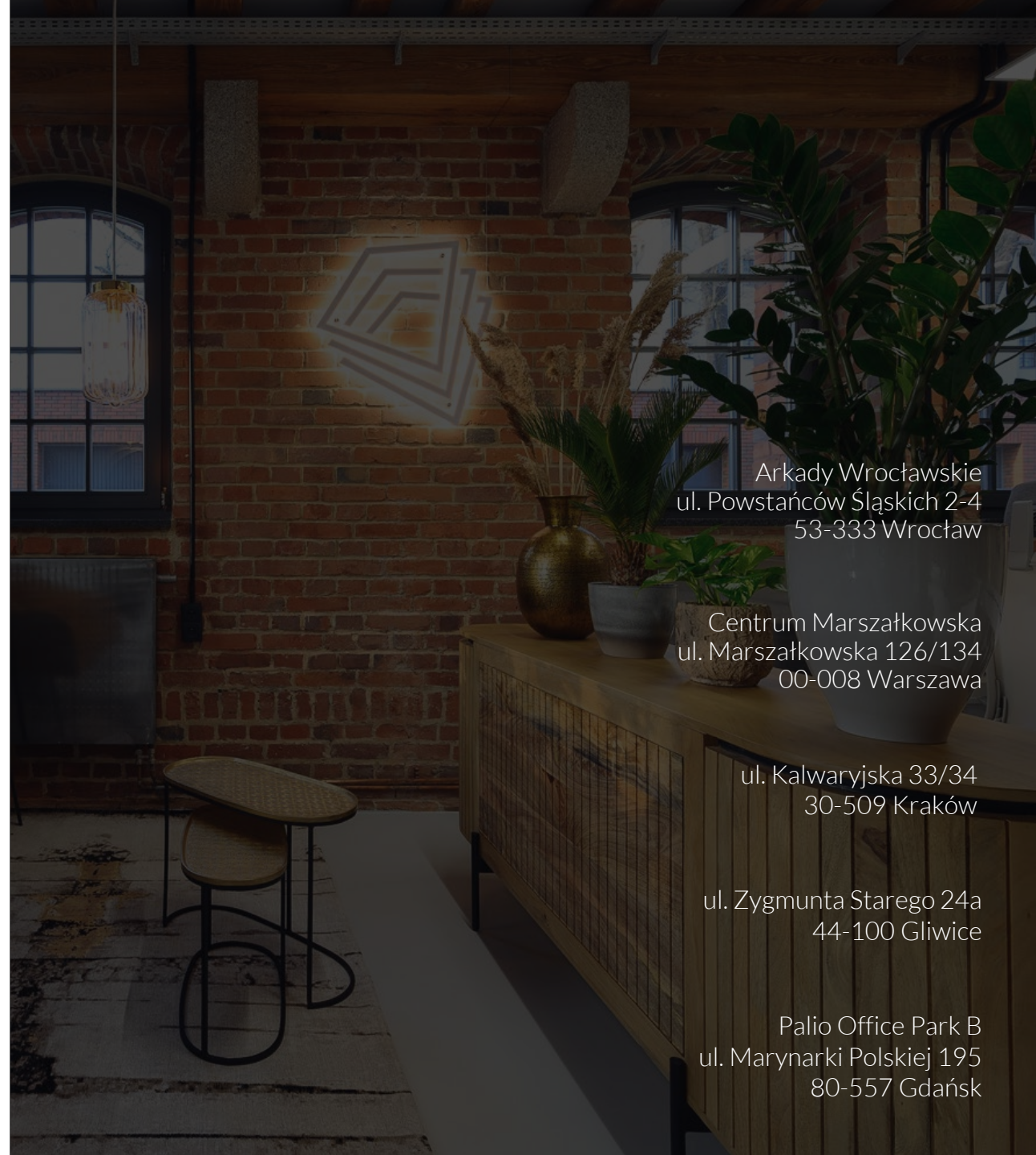
- Acquisition of state aid
- Tax settlements within the SEZ
- Special Economic Zones and the Polish Investment Zone



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