

**ENTERPRISE CREATION.  
A GUIDE FOR FOREIGNERS**

<b>Introduction</b>	69
<b>Chapter 1 Why this guide and who is it for</b>	71
<b>Chapter 2 Foreign entrepreneurs in Italy, in Emilia-Romagna, Bologna and its province</b>	
2.1 Foreign entrepreneurship in Italy	72
2.2 Foreign entrepreneurs in Italy, in Emilia-Romagna, in Bologna and its province	73
<b>Chapter 3 Entry and residence in Italy for self-employment</b>	
3.1 Self-employment residence permit for non-EU citizens	75
3.2 Self-employment permit for EU citizens	82
Annex 1: Recognition of academic qualifications obtained abroad	84
Annex 2: Professional qualification enrolment in professional associations, boards and councils	92
<b>Chapter 4 How to set up a business</b>	
4.1 Transforming an idea into a project	94
4.2 The company pre-feasibility plan	95
4.3 Bureaucratic and administrative procedures for setting up a business	95
4.4 Single notification for business start-up	96
4.5 Expenses	98
<b>Chapter 5 Entrepreneurial figures</b>	
5.1 Farmers	100
5.2 Craftsmen	103
5.3 Traders	106
<b>Chapter 6 Legal forms</b>	
6.1 Professional or business activity?	110
6.2 Liberal profession	111
6.3 Legal forms of enterprise	112
<b>Abbreviations and acronyms</b>	122
<b>Glossary</b>	123
<b>Annexe 1 - Z form</b>	258
<b>Annexe 2 - Z2 form</b>	267
<b>Annexe 3 - Application for Schengen visa</b>	276
<b>Useful addresses</b>	278

Just like in many other territories where productive development and the connected labour market require large workforce, in the province of Bologna, since the 90's, immigration has assumed such proportions that institutions and the entire society had to face the problem of the correct job placement for these new citizens and to consider such phenomenon no longer as transitory.

After a first emergency stage, the importance of considering a new type of society with different languages, cultures and needs appears clear.

Since the past decade in our province, companies have turned to foreign workforce, especially in sectors such as agriculture, construction, tourism and services, where the demand for personnel was higher than human resource supply. In the past few years, along with research for more or less stable employees, a new phenomenon has emerged i.e., *foreign entrepreneurship*. The reasons for this situation include, for example, the lack of recognition of professional skills and education from countries of origin. By setting up their own business, foreigners not only overcome the obstacle represented by the lack of professional development opportunities but also value their own subjective and objective resources, such as:

- working ability;
- sales and craft traditions of their country of origin;
- motivation to improve;
- solidarity of their ethnic group.

Some foreigners continue their experience from their country, others, on the other hand, make use of what they have learned during their stay in Italy. The most significant aspect is the rise of a new public of consumers, which makes many entrepreneurs set up businesses that are specifically targeted to their ethnic communities. This ever evolving market however, may present critical aspects.

The picture of the situation of foreigners living in our territory is no longer black and white. There are many nuances now. In this context, there are no longer only loneliness, uncertainties, miseries, and precarious labour, exploitation, despair and integration problems. By setting up their own businesses, we can actually see foreigners who have taken the road to future, at last finding what they were looking for when they left their countries with their will to risk, the need to fulfil a project and the strength to overcome all obstacles.

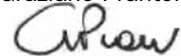
On this basis, it is safe to say that, in coming years, self-employment will be a crucial mean for enhancing competencies and aspirations for social

advancement of foreigners in Italy. However, if on one hand, many enterprises managed by foreigners open, on the other, many also close not even reaching their third year. If managing an enterprise is hard, these difficulties double when the entrepreneur is a foreigner due to language and culture-related problems and to the lack of networks and solid reference points over the territory.

Through its service **Progetti d'impresa** (Entrepreneurship projects), which for many years has been dealing with new entrepreneurs, the Province of Bologna has thought of offering this guide as a new simple tool for providing useful information and verifying the feasibility of new business ideas. With this project, the Province of Bologna hopes that foreign entrepreneurs may contribute to increasing the variety of supply and of local production activities. Promoting entrepreneurship, with the collaboration of other subjects that are sensitive to this matter, means acknowledging its importance for our economy.

December 2009

Graziano Prantoni



Productive Activities and Tourism councillor  
of the Province of Bologna

## Chapter 1 WHY THIS GUIDE AND WHO IS IT FOR

### Who is this guide for?

The purpose of this guide is to provide practical information to foreign citizens who wish to start up their own self-employment or entrepreneurial business.

### What you will find in this guide

The topics of this guide are very complex and are difficult to cover in an exhaustive manner. Therefore, you will only find general and first use information. Further information will be provided by the offices and services indicated in the various chapters or in the Useful Links at the bottom of the text. There is also a **glossary** we recommend consulting every time you come across a word or an expression whose meaning is not clear.

### Self-employers and entrepreneurs: who are they?

Entrepreneurs and self-employers are those who plan, organise and carry out the work with no relations of subordination (i.e., are not employed in a company).

Here are a few examples of self-employment:

- craftsmen (carpenters, plumbers, hairdressers) traders (who run grocery stores or else)
- practitioners (lawyers, physicians)
- tourist guides
- commercial agents
- consultants (computer consultants, graphic designers)

### Setting up a business – what does it mean?

Setting up a business (either as a self-employer or an entrepreneur) means to be free to express ones abilities, make important decisions independently and organise one's work. But it also means to act according to the rules of the market, meet deadlines and commitment.

Whoever decides to set up a business must be aware that, along with the positive sides, such as personal gratification and success, independent decision making and creativity, there are also some tricky situations, such as:

- having to make decisions alone; maintaining adequate professional training through continuous refresher courses;
- managing one's own time, well aware that there is not much spare time left;
- taking economic and financial risks into account;

- being responsible towards employees, clients, suppliers, backers.

All these aspects can be very stressful therefore, strong motivation, good market analysis, moral support from family and friends and the help of entrepreneurship services and centres can certainly help.

## Chapter 2 FOREIGN ENTREPRENEURSHIP IN ITALY

It might be interesting for a foreign entrepreneur to know the context in which his/her company is set. This is why we have included this chapter in which we will briefly describe the system that your company will enrich.

### 2.1 Foreign entrepreneurship in Italy

The exponential growth of enterprises in the past ten years and their considerable dynamism are changing the picture of Italian entrepreneurship.

The importance of foreign entrepreneurs in Italy can be evaluated from different standpoints.

First of all, foreign entrepreneurship has a positive impact on Italian economy. In fact, according to the Chamber of Commerce 10% of companies have a foreign owner; moreover these have companies produce 10% of GDP (Gross Domestic Product)<sup>1</sup>. Furthermore, studies show that internal revenue and social security contributions of foreign-owned companies are higher than the costs to fund services for them<sup>2</sup>. Secondly, a wide literature on this subject has demonstrated that the reasons why foreign citizens turn to entrepreneurship are not to be found in the hardships of finding waged jobs. Access to employment is a way to establish oneself and is the result of a process that is typical of senior proactive immigrants, who have the resources to be mobilised and are therefore able to take the chances offered by the productive process. This process refers to immigrants that have reached an advanced stage in their immigration experience, over the initial emergency steps

<sup>1</sup> Chamber of Commerce of Bologna, 2008

<sup>2</sup> Fondazione Ethnoland, Immigrati imprenditori in Italia, Ed. IDOS, 2009 January

and identifying the right resources to make use of.

The education level of foreign entrepreneurs is higher than the mean education level of immigrants in Italy and self-employment is usually perceived as a solution to overcome salary and job discrimination by foreign employees: In fact foreigners receive an average 60% of the Italians' salary and mainly carry out generic tasks<sup>3</sup>. The growing trend of foreign entrepreneurship clashes with the complexity of the paperwork.

It is important to notice that while, in general, companies demonstrate a precise knowledge of the providers of financial (they turn almost exclusively to banks) and fiscal (they turn almost exclusively to accountants and to CAF) services, they don't seem to have access to reliable information for other services to companies (training, promotion marketing, recruitment) therefore, their approach to labour market and development is often informal and based on information that has been collected in a non-systematic and uncontrolled manner. The lack of information on services to companies that are offered over the territory clearly represents a disadvantage and produces company performances below market potential<sup>4</sup>.

From a statistical point of view, figures of the National company register, updated to the 30th June 2009<sup>5</sup> show that, at a national level, 10.98% of companies in the industrial sector have a foreign non-EU owner. The construction field is the most affected by this phenomenon with 12% of foreign-owned companies; in other manufacturer activities the incidence is 9.15%, with prevalence of the textile, clothing and, footwear industries.

The other specialisation sector of foreign-owned companies is trade, where they represent 10.52% of the total.

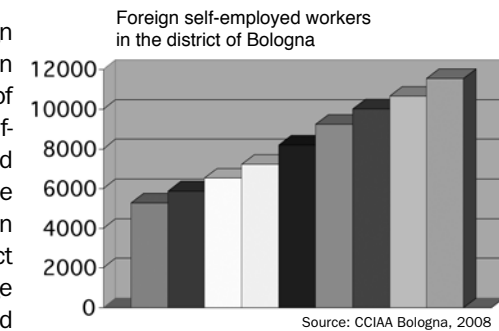
Trade is also the sector with the highest number of foreign-owned companies in Italy: of a total 247,126 foreign-owned companies in Italy as of June 2009, 106,719 (43.4%) were in the trade sector, 67,310 (27.4%) in the construction sector and 29,325 (11.9%) are manufacturing companies.

### 2.2 Foreign entrepreneurs in Emilia-Romagna and in the province of Bologna

With 25.188 companies, the region of Emilia-Romagna stands third (after Lombardy and Tuscany) for the number of foreign-owned companies. These owners are mainly Moroccan, Albanian, Chinese, Tunisian and Romanian.

As for the sectors, regional figures are not much different than the national ones; in fact, trade remains the most representative sector (46.9%), followed by construction (24.8%) and manufacturing (15.6%)<sup>6</sup>.

The province of Bologna stands out with 4.277 (8.58% of the total) foreign-owned companies, and 52% of sole proprietorships. From 2000 to present,



<sup>3</sup> Caritas Migrantes, Immigrazione. Dossier statistico 2009. XIX Rapporto. Ed. IDOS

<sup>4</sup> Nomisma-CRIF-Unioncamere, 2009 Report.

<sup>5</sup> Figures presented in the Nomisma-CRIF-Unioncamere 2009 Report on the behaviour of foreign-owned companies.

<sup>6</sup> Nomisma-CRIF-Unioncamere, 2009 Report.

when 87% of these companies were set up, the mean growth rate of foreign-owned is 17%, for a total increase rate of 180.46% (i.e., companies have almost trebled). This process has almost fully compensated the decrease of Italian entrepreneurs, who in the same period have decreased 11.81% (-5,919 companies).

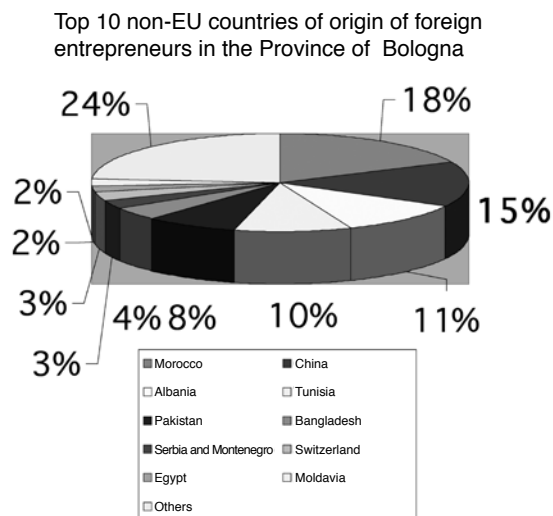
If during the 70's and 80's there was a strong concentration in the centre of Bologna, in the past few years foreign entrepreneurship has considerably increased in the suburbs and in the towns of the province, thereby marking a significant change.

As for the sectors, in the past few years trade has overtaken construction, followed by manufacturing: These sectors cover 80% of foreign entrepreneur activities.

These entrepreneurs are mostly Moroccan, Chinese and Tunisian. There is a considerable increase of entrepreneurs from Albania, Bangladesh and Pakistan; on the other hand, the presence of entrepreneurs from Sub-Saharan Africa is not significant while on a national scale, that same region is in the top ten areas of origin of non-EU foreign entrepreneurs.

It is interesting to notice how Romanians, Albanians and Tunisians almost exclusively choose to set up construction companies, while the Chinese mainly specialise in the manufacturing sector (54% of cases).

It is important to notice the considerable increase of female entrepreneurship, especially in the trade and manufacturing sectors: The increase rate is doubled compared to male entrepreneurs. All this seems to set up a new scenario for entrepreneurship in Bologna.



Source: CCIAA Bologna, 2008

## Chapter 3 ENTRY AND RESIDENCE IN ITALY FOR SELF-EMPLOYMENT

According to the Consolidation Act on Immigration, a foreign citizen may “perform in Italy industrial, professional, crafts or commercial activities, or establish share companies or individual companies and hold corporate positions” (art. 26, par. 2 of Legislative Decree 286/98).

### 3.1 Self-employment residence permit for non-EU citizens

All non-EU citizens who intend to perform self-employment activities must have a self-employment residence permit.

#### 3.1.1 For those who are already residing in Italy

If you already have a residence permit in Italy, you can work as self-employed for the following reasons:

- pending employment
- family reasons
- non-seasonal employment
- political asylum
- subsidiary protection
- child care
- EC residence permit for long-term residents (former permanent residence card)
- EC residence permit for family members of EU citizens

Your residence permit remains valid until its expiry date. Upon renewal, you will have to convert your residence permit into a self-employment residence permit.

Only EC resident permits for long-term residents, child care, asylum, subsidiary protection permits and EC residence permits for family members of EU citizens allow carrying out self-employment activities without having to convert the permit, provided that they are valid.

**Warning!** Residence permits issued for the reasons mentioned above allow for self-employment activities only if qualifying titles or required authorisations are submitted and if all requirements and conditions for carrying out activities as self-employers or cooperative workers laid down in the regulations in force are met. Further information will be provided in the following sections.

How to convert your residence permit into a self-employment residence permit upon renewal

*Proceed as follows*

Apply for renewal of your residence permit at least 60 days before its expiry.

You can do so:

- *Independently*, by collecting the Kit at any post office, filling it in and handing it to the Post Office together with the requested documents once the payments are made.
- *at union offices*: taking all the required documents to union offices, collecting the filled-in kit and then sending it to the post office.

*Required payments:*

- a 14.62 euros revenue stamp must be applied to the form;
- A 30.00 euros fee must be paid upon sending the form
- a 27.50 euros pre-printed payment slip must be paid to the Ministry of Finance for issuing the residence permit in electronic format.

*You will need the following documents:*

- a) copy of the residence permit to be renewed;
- b) copy of all the pages of your passport or equivalent document;
- c) declaration of hospitality (dichiarazione di ospitalità) or declaration of real estate assignment (dichiarazione di cessione di fabbricato), with a copy of the host's ID card of the host and proof of its submission to Public Security authorities within 48 hours;
- d) documentation referring to any other income;
- e) extract of the competent Chamber of Commerce;
- f) VAT registration number;
- g) provisional fiscal balance referring to the year in progress and the previous one, should the income tax return completed by a professional accountant yet to be submitted;
- h) latest income tax return (in case of Unified tax return form, proof of its submission to the Revenue Office and proof of payment of the F24 form);
- i) proof of an income not below the amount of the social allowance (5317.65 euros a year) if you're single. Should your family status certificate include other family members (wife, children, or other dependent relatives), the minimum amount of your income is as follows:
  - with 1 dependent family member: 7976.475 euros per year

- with 2 family members: 10,635.30 euros per year
- with 3 family members: 13294.125 euros per year
- with 4 family members: 15952.95 euros per year – 1227.15 euros per month
- with 2 or more children under 14 years of age: 10635.30 euros per year
- with 2 or more children under 14 years of age plus one family member: 13294.125 euros per year

*Additional documents are required for special categories:*

- *for practitioners*: VAT registration certificate;
- *for para-subordinated workers* (former co.co.co.): employment contract, project contract and separate INPS management;
- *for equity partners*: employment contract, copy of the INAIL-stamped employee register to prove the worker is registered, declaration of the cooperative, which excludes subordinated employment relationship and a copy of an updated Chamber of Commerce extract of the cooperative.

The residence permit can be renovated for a period not exceeding that established in the initial issue. Those with a pending residence permit renewal is still considered a legal resident and can exercise the rights connected to this status, provided that the renewal application is submitted before its expiry or that within 60 days, the completeness of the documentation has been verified and the post office has issued the relative receipt.

### **3.1.2 For those who have a study or training permit**

If you have a residence permit for study purposes, you will have to convert it into a self-employment permit.

*To do so, proceed as follows*

*a) Owners of study permits who have reached the legal age of majority in Italy or have earned a bachelor's degree or a master's degree in Italy.*

To convert a study permit into a self-employment permit, the foreign citizen who has reached the legal age of majority in Italy or has earned a bachelor's degree or a master's degree in Italy must submit the certification application stating the eligibility for self-employment in compliance with art. 6, paragraph 1 of the Consolidation Act on Immigration to the Single Desk for Immigration (Sportello Unico per l'Immigrazione). This conversion application occurs outside the annual quota. The conversion application must be submitted electronically through the website [www.interno.it](http://www.interno.it), by completing and sending the Z2 form (also attached to this guide).

*b) Owners of study permits who have not reached the legal age of majority in Italy or have not earned a bachelor's degree or a master's degree in Italy.* The conversion of the residence permit occurs within the annual quota established by the Flow Decree laid down by art. 21 of Legislative Decree 286/1998. The application must be submitted electronically through the

website <http://www.interno.it>, by completing the Z Form (also attached to this guide).

The documents to be submitted when summoned to the Single Desk for Immigration at the Prefecture are the following, and may vary according to the type of self-employment you intend to pursue:

*a) entrepreneurs, traders and craftsmen:*

- certification of the parameters of reference issued by the competent Chamber of Commerce;
- proof of the economic resources indicated in the Chamber of Commerce extract (e.g., Italian bank account, rent contract, salary for subordinated work for a maximum of 20 hours per week, etc.);
- should the activity to be carried out require a qualification or an authorisation, you will need a declaration of absence of impediments (*dichiarazione di insussistenza di motivi ostativi*) to the release of this authorisation. This declaration is issued by the competent authority (e.g., the Chamber of Commerce for wholesale trade, the Municipality for retail trade), in compliance with art. 26 par. 2 and art. 6 par. 1 of Legislative Decree 286/1998 provided by art. 14 par. 6, of Legislative Decree 334/2008.
- proof of an income above the minimum level established by law for the exemption from health-service charges (8500, 00 euros for 2008, by means of an Italian bank account).

*b) partners, company directors or subjects holding corporate positions*

- declaration by the competent public authority stating the requirements laid down by Italian law for carrying out the activity, including, where necessary, the requirements for those who intend to become partners or directors of newly established companies and cooperatives;
- certification, where required, of the parameters of reference issued by the Chamber of Commerce regarding the availability of financial resources required for foreign nationals who intend to become partners or directors of companies or cooperatives;
- copy of the company incorporation deed;
- Company registration certificate (*visura camerale*), only if the company has been active for at least three years;
- declaration of the company legal representative, ensuring the partner, director or the subject holding a corporate position an income above the minimum level established by law for the exemption from health-service charges (8500,00 euros

for 2008);

- copy of the latest company balance sheet (if it's a joint stock company) deposited at the Company Register of the Chamber of Commerce, or of the latest income tax return (in case of partnership or sole proprietorship), stating that the profit or income is sufficient to guarantee retribution;
  - copy of the declaration of responsibility (*dichiarazione di responsabilità*), submitted to the competent Provincial Employment Authority (*Direzione Provinciale del Lavoro*), in which the legal representative must indicate that by virtue of the contract, no relationship of subordinated work will be established.
- c) practitioners:*
- proof of an income above the minimum level established by law for the exemption from health-service charges (8,500 euros for 2008, by means of an Italian bank account).
  - If the profession is regulated: declaration issued by the authority in charge of granting the qualification, licence or authorisation;
  - If the profession is not regulated: the qualification or professional certificate and documentation of the profession carried out (C.V., contracts, references etc.);
  - copy of the VAT registration number (*Partita IVA*).
- d) contract for the provision of professional services, project contract or consultancy*
- Registration certificate (*visura camerale*) of the company you are working for, if it has been active for at least three years;
  - employment contract, which ensures the freelancer a retribution above the minimum level established by law for the exemption from health-service charges (8263, 31 euros for 2009);
  - in case of project contracts, the project must be described or enclosed;
  - copy of the latest company balance sheet (if it's a joint stock company) deposited at the Company Register or of the latest income tax return (in case of partnership or sole proprietorship), stating that the profit or income is sufficient to guarantee retribution;
  - copy of the declaration of responsibility (*dichiarazione di responsabilità*), submitted to the competent Provincial Employment Authority (*Direzione Provinciale del Lavoro*), in which the legal representative of the company must indicate that, by virtue of the contract, no relationship of subordinated work will be established.

The Single Desk for Immigration (*Sportello Unico per l'Immigrazione*) will complete the process and will notify the outcome to the foreign national: should the outcome be positive (i.e., the residency permit conversion application has been approved) the *Sportello Unico* will summon the foreign national for submitting the certification stating the existence of the requirements and will make him/her sign the application for a self-employment residence permit.

### **3.1.3 For those who enter the country for self-employment purposes**

Entry into Italy for self-employment purposes is regulated by entry flows according to the quota established by the Government in compliance with art. 21 of Legislative Decree 286/98. Therefore, if you are a non-EU citizen and you intend

to enter in non-occasional industrial, professional, craft or trade self-employment i.e., you intend to set up a joint-stock company, a partnership or hold a corporate position, you must, first of all, wait for the Flow Decree to be introduced for submitting the visa application to the Italian diplomatic or consular authority in your country.

**Warning!** Therefore, these activities not only depend on the Flow Decree, but also on the categories identified each time by it. For some professions, entry outside quota limits can be granted prior to authorisation by the Single Desk (Sportello Unico). These are special categories, such as translators and interpreters, circus workers or travelling shows, performing artists and athletes. For further information on these special categories, please refer to the Single Desk for Immigration (Sportello Unico per l'Immigrazione) at the local Prefecture (Prefettura).

#### What to do before entering into Italy

##### *Proceed as follows*

1) You must apply, even through a solicitor, to the local Police Headquarters (Questura) for provisional entry clearance (nulla osta provvisorio per l'ingresso). Within 20 days from application, the competent Police Force will release the clearance.

##### *You will need the following documents:*

- a) copy of the application for the prior declaration stating the absence of impediments to the release of the authorisation to set up one's own business;
- b) the documents submitted for the release of the aforementioned declaration;
- c) declaration stating the absence of impediments to the release of authorisation by the competent entity not before 3 (dichiarazione di insussistenza di motivi ostativi) (see also 3.1.2 section a);
- d) certification of the parameters of reference issued by the Chamber of Commerce regarding the availability of financial resources required for carrying out the activity;
- e) documents regarding your housing accommodation in Italy.

2) You will then have to apply to the Italian diplomatic or consular authority in your country (<http://www.esteri.it/visti/rilascio.asp>) for the entry visa by completing the application form, which can be downloaded at: <http://www.esteri.it/visti/pdf/domanda.pdf>.

##### *You will need the following documents:*

- a) recent passport-size photo;
- b) valid travel document (passport or equivalent document), with an expiry date that exceeds that of the requested visa by at least 3 months;
- c) prior declaration and provision clearance;
- d) Certification of the Chamber of Commerce or of the competent institution;
- e) proof of an adequate accommodation, which can be one of the following:
  - Real estate purchase or rent contract
  - unsworn declaration in lieu of affidavit (dichiarazione sostitutiva di atto di notorietà) in compliance with articles 2 and 4 of Law No.15 dated 4.1.1968)
  - declaration, in compliance with the same standards, by an Italian citizen or a foreign national regularly residing in Italy, stating to have provided the visa applicant with an adequate accommodation, which meets the minimum parameters laid down by regional law on low-rent public housing;
- f) proof of an income, received in the previous financial year in the country of residence, the minimum level established by law for the exemption from health-service charges (8263.31 euros).

Once all the requirements have been verified and the entry quota set by the annual Flow Decree have been complied with, the Italian diplomatic or consular authority will issue:

- the visa with a clear indication of the chosen work activity;
- a certificate stating the fulfilment of the necessary requirements for issuing a self-employment residence permit.

the Italian diplomatic or consular authority will notify the issuing of the entry visa to the Interior Ministry, INPS and INAIL. The visa can be used within 180 days from the release date.

#### What to do after entering into Italy

##### *Proceed as follows*

1) Within 8 days from your entry into Italy you must apply for the residence permit by completing the ELI 2 kit (available in all post offices) and sending it to the local Police headquarters. Union offices (patronati sindacali) will assist you in completing the forms (see list of useful addresses).

**Warning!** Upon entering the country, even if you have a visa, border authorities are entitled to request evidence of the requirements needed to obtain the visa.

##### *You will need the following documents:*

- a) a 14.62 euros revenue stamp;
- b) receipt of the 27.50 euros payment for issuing the residence format in electronic format;
- c) valid original passport plus a copy of all the pages of the passport or an



- equivalent document;
- d) domicile-related documents: declaration of hospitality (dichiarazione di ospitalità) or declaration of real estate assignment (dichiarazione di cessione fabbricato), with a copy of the host's ID card of the host and proof of its submission to Public Security;
- e) a certificate issued by the Italian diplomatic or consular authority stating the fulfilment of the necessary requirements for issuing a self-employment residence permit.

**Warning!** The original certificates are only to be viewed and shall be returned.

### 3.2 Self-employment permit for EU citizens

Permit obligation does not concern EU citizens. For EU citizens registration in the local registry office once the reasons of the stay have been verified will be sufficient.

If you are an EU citizen residing in Italy from more than three months, you must refer to the local Registry Office (Ufficio Anagrafe) to register. The office will issue the residence certification (attestazione di soggiorno) i.e., a document that certifies your regular presence in Italy.

*Proceed as follows*

#### **If you are self-employed and have a VAT registration number (Partita Iva).**

To register to the Registry Office and to issue a residence certification, the self-employed worker must submit the following documents:

- a) *if registered in the Chamber of Commerce or Craft Enterprise Registry (Albo delle Imprese Artigiane):*
  1. Valid ID document (passport or national identity card valid for travelling abroad);
  2. tax code (codice fiscale) issued by the Revenue Office (Agenzia delle Entrate);
  3. declaration of usual residence (dichiarazione di dimora abituale);
  4. Italian driving license, if any;
  5. vehicle registration or number plate if the vehicle is registered in Italy;
  6. receipt of the registration in the Chamber of Commerce or Craft Enterprise Registry (Albo delle Imprese Artigiane) or Chamber of Commerce extract (visura camerale). As

an alternative to the registration in the Craft Enterprise Registry, you can submit your INAIL registration.

- b) *if enrolled in a professional registry:*
  1. valid ID document (passport or national identity card valid for travelling abroad);
  2. tax code (codice fiscale) issued by the Revenue Office (Agenzia delle Entrate);
  3. declaration of usual residence (dichiarazione di dimora abituale);
  4. Italian driving license, if any;
  5. vehicle registration or number plate if the vehicle is registered in Italy;
  6. receipt of the registration in the Professional Registry or a certification issued by the latter.
- c) *if you are a practitioner for which there is no professional registry:*
  1. valid ID document (passport or national identity card valid for travelling abroad);
  2. tax code (codice fiscale) issued by the Revenue Office (Agenzia delle Entrate);
  3. declaration of usual residence (dichiarazione di dimora abituale);
  4. Italian driving license, if any;
  5. vehicle registration or number plate if the vehicle is registered in Italy;
  6. certificate issued by the Revenue Office (Agenzia delle Entrate) assigning the VAT registration number (Partita IVA).

#### **If you are self-employed and do not have a VAT registration number (Partita Iva).**

To register to the Registry Office and to issue a residence certification, the self-employed worker must submit the following documents:

- a) *if he/she is an employee of a family business:*
  1. valid ID document (passport or national identity card valid for travelling abroad);
  2. tax code (codice fiscale) issued by the Revenue Office (Agenzia delle Entrate);
  3. declaration of usual residence (dichiarazione di dimora abituale);
  4. Italian driving license, if any;
  5. vehicle registration or number plate if the vehicle is registered in Italy;
  6. lawfully stipulated deed (atto d'impresa familiare) of the family business (as an alternative, registration to the social security lists or INAIL registration);
  7. Chamber of Commerce extract (visura camerale) of the company.
- b) *for workers with an atypical employment contract e.g., project collaborator (collaboratore a progetto), coordinated and continuative collaboration contract (co.co.co.), etc. or joint venture (associato in partecipazione):*
  1. valid ID document (passport or national identity card valid for travelling abroad);
  2. tax code (codice fiscale) issued by the Revenue Office (Agenzia delle Entrate);
  3. declaration of usual residence (dichiarazione di dimora abituale);
  4. Italian driving license, if any;
  5. vehicle registration or number plate if the vehicle is registered in Italy;

6. project collaboration contract or coordinated and continuative collaboration contract or joint venture contract registered in the Revenue Office (Agenzia delle Entrate) or, alternatively, prior recruitment notification to the Employment Centre (Centro per l'impiego);
  7. payslip, if any;
- c) *in case of Joint-stock company or partnership:*
1. valid ID document (passport or national identity card valid for travelling abroad);
  2. tax code (codice fiscale) issued by the Revenue Office (Agenzia delle Entrate);
  3. declaration of usual residence (dichiarazione di dimora abituale);
  4. Italian driving license, if any;
  5. vehicle registration or number plate if the vehicle is registered in Italy;
  6. lawfully stipulated memorandum or, alternatively, a copy of the receipt of registration to the social security lists or a copy of the INAIL registration receipt of the partner or Chamber of Commerce extract (visura camerale) of the existing company, complete with all the names of the partners.

EU citizens registered to the Registry Office who have the residence certification (attestazione di soggiorno) can change their work activity without prior notification to the Registry Office. If at the moment of registration they were carrying out subordinated work, they can set up their own business without having to convert their registration.

### **ANNEX 1: RECOGNITION OF ACADEMIC QUALIFICATIONS OBTAINED ABROAD**

Academic qualifications obtained abroad are valid in Italy only if recognised by competent authorities. The main definitions are described below

**Dichiarazione d'equipollenza del titolo universitario (Declaration of equivalence of foreign university degrees):** Must be requested to the University and produces all the legal effects of the corresponding Italian qualification.

**Dichiarazione di valore (Statement of validity):** is drafted by the Italian Embassy or Consulate in the country where the qualification has been obtained. This declaration states the legal position of the school (state or legally recognised school), the order and degree of the qualification, the total number of schooling years and the type of studies that can be continued or the type of job it allows doing.

If the qualification to be recognised is valid as a professional requirement for accessing certain training or professional opportunities, the following documents must be attached to the application:

- 1) a notarised copy of the qualification with the Italian translation certified by the Italian consular authority in the country where the qualification has been obtained;
- 2) statement of validity and legality issued by the Italian consular authority in the country where the qualification has been obtained, which must specify:
  - a) legal position of the school;
  - b) order and degree of the studies;
  - c) years of school attended;
  - d) the kind of studies that can be continued or the type of job it allows doing;
- 3) notarised copy of the residence permit.

How to obtain recognition of university qualifications obtained abroad

*Proceed as follows*

Non-EU citizens regularly residing in Italy, EU citizens and political refugees may request the recognition of the equivalence of value and efficacy (equipollenza) of the University degree obtained abroad.

The documents to be submitted are the following:

- a) final secondary school degree (original for non-EU citizens, copy for EU citizens);
- b) university degree obtained (a notarised copy is not accepted by all universities);
- c) declaration of equivalence of both qualifications issued by the Italian diplomatic representative in the country where the qualification has been obtained;
- d) The university exam schedule (indicating the subjects attended, the number of hours of attendance for each subject, and the exams with corresponding grades);
- e) the programme of the exams during the years of attendance.

When required, you must also submit an official Italian translation and a consular legalisation of the previously listed documents.

**Warning!** Recognition of the university degree is not automatic. Italian Law No. 148 dated 11 July 2002, establishes an integration of one's university study course: Foreign citizens must then enrol in an Italian University or Polytechnic Institute (Politecnico) to take some exams and defend a thesis (some courses may require laboratory activities, practical experiences and/or internships). The number of exams to be taken will be decided by a specific board, which will evaluate the foreigner's academic curricula and compare it to the most similar Italian course. No Italian language test is required for recognition of the academic qualification. Some degrees may however require an entry test. The University to which you have applied for recognition must decide within 90 days.

A secondary school degree or a university degree is required for some professions. Non-EU citizens who have these titles and have obtained a professional qualification in their country may apply for recognition of their qualifications for carrying out the corresponding profession in Italy. How?

*Proceed as follows*

To obtain recognition, you must apply to the Ministry competent for your professional title, attaching the required documents (see further ahead in this manual).

The procedure and the documents to be presented vary according to who applies:

a) non-EU citizens regularly residing in Italy, EU citizens or political refugees (see art. 49 of the Immigration Law Implementation Act);

b) non-EU citizens residing abroad who intend to use the recognition of his/her professional qualifications to obtain a self-employment entry visa in Italy (see art. 39 of the Immigration Law Implementation Act).

The competent Ministry office will verify that the paperwork is complete and the documents are correct. Subsequently, a "Service Conference" (Conferenza dei Servizi) i.e., a meeting with the representatives of various Ministries, will decide whether to approve the recognition or not. The final decision is taken within approximately 4 months by the competent Ministry and may lead to: a) recognition; b) rejection; c) recognition subject to compensation forms, such as integrative exams or internships.

Recognition is issued on a personal basis (i.e., is valid only for the applicant) by Ministerial Decree published in the Official Journal (Gazzetta Ufficiale) and notified to the applicant. In most cases, as a further condition for recognition, the knowledge of the Italian language is required.

Once your professional qualification has been recognised, you must refer to the Professional order or registry (if any) and apply for enrolment in order to carry out your profession.

To enrol in professional orders and registries, you will usually need to respect the quota established by the Flow Decree, which regulate the entry of foreign workers into Italy, either that you are a non-EU citizen regularly residing in Italy or abroad. The same condition is required by some Ministries for the recognition of qualifications.

Below are listed some useful information on the procedure to obtain the recognition of your professional qualifications and the address of the institutions to refer to. Qualifications are divided according to the Ministry or institution that is competent for its recognition.

## **A. Ministry of Economic Development**

**Professional qualifications:** *installation of electric, electronic, hydraulic, thermal, gas transportation, person lifting, fire alarm systems, etc.; bodywork; mechanics and engine design; car electrics; tyre repairs; portage and cargo handling; cleaning activities; disinfection; disinfestation; deratisation; purification.*

To carry out these activities in Italy, the recognition of professional qualifications and training is required. To obtain recognition of these qualifications, it is important to have a professional experience in the field acquired in your country and certified by public documents or acquired in Italy and documented simply by a self-declaration. Should the application be approved, the outcome can lead to: a) immediate recognition of qualifications; b) need to pass an integrative exam and/or internship. A basic knowledge of Italian, also verified through the relationship with ministry offices, is required.

Where to go:

**Ministero dello Sviluppo Economico (Ministry of Economic Development)**

Direzione Generale Assicurazioni e Servizi

Ufficio B4, Registro delle Imprese

Via Sallustiana, 53 - 00187 Roma

Maceroni - Tel: 06 484480

Isabella Raganelli - Tel: 06 47055306 - Fax: 06 483691

marco.maceroni@attivitaproduttive.gov.it

You can download the guide to academic qualification recognition at:

[www.attivitaproduttive.gov.it/pdf\\_upload/documenti/phpVdJYaq.pdf](http://www.attivitaproduttive.gov.it/pdf_upload/documenti/phpVdJYaq.pdf)

## **B. Ministry of Labour and Social Security**

**Professional qualifications:**

- *Exclusive competence for: beauticians and activities relating to domestic services; all professional qualifications for whose access or performance a qualification obtained in compliance with Law 845/78 or of Law 56/87 is required.*

- *Residual competence for every other professional qualification not examined by other Ministries is attributed exclusively to this Ministry (Legislative Decree 319/94 art. 13 paragraph 1 letter g).*

The recognition of these professional qualifications may be subject to compensation forms, such as a theory or practical test to be carried out at the Province Offices (Uffici della Provincia). Moreover, an internship period between three and six months may be required.

Where to go:

**Ministero del Lavoro e della Previdenza Sociale  
(Ministry of Labour and Social Security)**

Direzione Generale per le Politiche l'orientamento e la  
Formazione - Div. I

Via Fornovo, 8 - 00195 Roma

Vera Marincioni - tel. 06 36754238

marincionivera@lavoro.gov.it

Anna Maria Novembre - tel. 06 36754985 - fax 06 36754984

ANovembre@lavoro.gov.it

Website: [www.lavoro.gov.it/lavoro/europalavoro](http://www.lavoro.gov.it/lavoro/europalavoro)

[sezionecittadini/formarsi/riconoscimentotitoli/](http://sezionecittadini/formarsi/riconoscimentotitoli/)

### **C. Ministry of Justice**

**Professional qualifications:** *stockbrokers, agronomists and forestry specialists, junior agronomists and foresters, zoo technicians, agricultural biotechnologist, agrotechnicians, graduated agrotechnicians, specialised social workers, social workers, actuaries, junior actuaries, lawyers, biologists, junior biologists, chemists, junior biologists, certified accountants, employment consultant, geologists, junior geologists, surveyors, graduated surveyors, journalists, civil and environmental engineers, industrial engineers, information engineers, junior civil and environmental, junior industrial engineers, junior information engineers, psychologists, junior psychologists, accountants and commercial experts, auditors, food technologists, land surveyor, graduated land surveyor, industrial experts, graduated industrial experts.*

Where to go:

**Ministero della Giustizia (Ministry of Justice)**

Settore Internazionale Reparto II - Ufficio III

Direzione Generale della Giustizia Civile

Dipartimento per gli Affari di Giustizia

Via Arenula, 70 - 00186 Roma

Website: [www.giustizia.it/professioni/info\\_gen\\_estero.htm](http://www.giustizia.it/professioni/info_gen_estero.htm)

Tel: 06 68852314 - Fax: 06 68897350

Please contact Antonella Pinori, Stefania Napoleoni, Franca Mancini

### **D. Ministry of Health**

**Professional qualifications:** *pharmacists, surgeons, specialised physician/general physician, odontologists, veterinaries, healthcare assistant, dieticians, professional educators, physiotherapists, dental hygienists, nurses, paediatric nurses, speech therapists, masseurs, life guards, dental mechanics, social health workers, orthotists-assistant*

*ophthalmologists, obstetricians, opticians, podologists, childcare workers, audiometric technicians, audioprosthesis technicians, cardiovascular physiopathology and vascular perfusion technicians, workplace prevention technician, psychiatric rehabilitation technicians, neurophysiopathology technicians, orthopaedic technicians, biomedical laboratory technicians, medical radiology technicians, neuro and psychomotor therapists of the developing age, occupational therapists.*

All non-EU citizens who have qualifications obtained in a non-EU country must apply for the recognition of their qualification, even if they have already been recognised in another EU country in order to perform their profession in Italy. In such case, the Ministry of Health will consider any training and professional activity performed by the applicant in an EU country.

Recognition decrees referring to qualifications obtained in non-EU countries will lapse after two years from release, should the applicant not be enrolled in the corresponding professional registry or should he/she not use them for work purposes (art. 44, Presidential Decree No. 334 dated 18 October 2004).

Where to go:

**Ministero della Salute (Ministry of Health)**

Website: [www.ministerosalute.it/professioniSanitarie/paginaMenu.jsp?menu=riconoscimento&lingua=italiano](http://www.ministerosalute.it/professioniSanitarie/paginaMenu.jsp?menu=riconoscimento&lingua=italiano)

**Warning!** Nurses, medical radiology technicians and social health workers who intend to work in one of the following Regions or Provinces: Calabria, Lazio, Umbria, Veneto, Campania, Liguria, Piedmont, Autonomous Province of Bolzano, Emilia Romagna, Lombardy, Valle d'Aosta, Autonomous Province of Trento must submit their application for qualification recognition directly to the competent regional offices.

EU citizens who have a professional qualification obtained in an EU country and intend to perform a stable health profession in Italy may apply for recognition in order to exercise the right of establishment.

Where to go:

**Ministero della Salute (Ministry of Health)**

Website: [www.ministerosalute.it/professionisSanitarie/paginaInterna.jsp?id=101&menu=riconoscimento](http://www.ministerosalute.it/professionisSanitarie/paginaInterna.jsp?id=101&menu=riconoscimento)

Ufficio III – Dipartimento delle professioni sanitarie

Piazzale dell'industria, 20 – 00144 Roma

Website: [www.ministerosalute.it](http://www.ministerosalute.it) (Home page → Aree tematiche Professioni sanitarie → Riconoscimento titoli → Titoli conseguiti in Paesi non UE)

Reference contacts for processing paperwork:

- surgeons and specialised physicians with qualifications obtained in non-EU countries: Sabrina Paolozzi (06.5994.2552) and Paola Di Cicco (06.5994.2833)

- odontologists with qualifications obtained in non-EU countries: Paola Cossero (06.5994.2748)

- pharmacists and veterinaries with qualifications obtained in non-EU countries: Miriam Manzia (06.5994.2064, every Tuesday, Wednesday and Thursday)

- surgeons and specialised physicians, pharmacists, odontologists and veterinaries with qualifications obtained in EU countries: Massimo Di Stefano (06.5994.2191)

- certificate of conformity: Sabina Filippini (06.5994.2694)

- for physicians who have a specific training in general medicine obtained in a EU country: Rodolfo Della Porta (06.5994.2854)

Reference contacts will provide information every Tuesday, Thursday and Friday from 11.30 a.m. to 12.30 p.m.

### **E. Public Administration Department of the Presidency of the Council of Ministers**

**Professional qualifications:** *civil servant*

The issue of non-EU citizens being hired in public service is still a controversial subject. In general, most of the public competitions for accessing jobs in public service are reserved to Italian citizens; EU citizens are only allowed to access jobs that do not imply the direct or indirect exercise of public authority and are not connected to the protection of national interest. There is however a minority trend, according to which since art. 2 of Legislative Decree 286/98 (Consolidation Act on Immigration) establishes equal treatment between foreign nationals regularly residing in Italy and Italian citizens, it has, as a matter of fact, abrogated the rule according to which only Italian and EU citizens can access public service. As of today, some appeals by non-EU citizens to access public service have been approved and some public administrations have allowed non-EU citizens to take part in public competitions to access permanent jobs in public service.

Where to go:

**Dipartimento della Funzione Pubblica presso la Presidenza del Consiglio dei Ministri (Public Administration Department of the Presidency of the Council of Ministers)**

Corso Vittorio Emanuele II, 116 - 00186 Roma

Website: [www.funzionepubblica.it](http://www.funzionepubblica.it)

Tel: 06 68991

### **F. Ministry of University and Research**

**Professional qualifications:** *architects, university researchers and other national research institutes.*

Where to go:

**Ministero dell'Università e della Ricerca (Ministry of University and Research)**

Servizio Autonomia Universitaria e per gli Studenti (SAUS) Ufficio X  
Piazzale Kennedy, 20 - 00144, Roma

Website: [www.miur.it](http://www.miur.it)

Tel: 06 58497450 - Attanasi

### **G. Ministry of Cultural Heritage and Activities Office for Relations with Sports Bodies**

**Professional qualifications:** *ski instructor*

Recognition may be subject to compensation forms, which since 2000 can consist in an exam on subjects that are not included in the exam schedule of the country where the qualification has been obtained. Moreover, at least a basic knowledge of Italian is required. In such case, the recognition decree, in consideration of the fact that it is a seasonal job, qualifies to the exercise of the profession regardless of the annual quota established in the Flow Decree.

Where to go:

**Ufficio Relazioni con Organi Sportivi presso il Ministero per i Beni e le Attività Culturali (Ministry of Cultural Heritage and Activities Office for Relations with Sports Bodies)**

Via della Ferratella in Laterano, 51 - 00184 Roma

Website: [www.beniculturali.it](http://www.beniculturali.it)

Tel: 06 7732301 - Nardella

### **H. Department for Development and Competitiveness of Tourism of the Presidency of the Council of Ministers**

**Professional qualifications:** *tourist guides, interpreters, tour guides, travel agency technical directors*

Where to go:

**Dipartimento per lo Sviluppo e la Competitività del Turismo presso la Presidenza del Consiglio dei Ministri (Department for Development and Competitiveness of Tourism of the Presidency of the Council of Ministers)**

Via della Ferratella in Laterano, 51 - 00184 Roma  
Giovanna Corrado - Tel: 06 45532510 - Fax: 06 77208254  
giovanna.corrado@attivitàproduttive.gov.it

## **I. Ministry of Public Works**

**Professional qualifications:** *territory planning expert*

Where to go:

**Ministero dei Lavori Pubblici (Ministry of Public Works)**

Office: Piazzale di Porta Pia, 1 - 00198 Roma - Tel: 06 44267255

## **L. CONSOB**

**Professional qualifications:** *financial planners.*

To register in the Financial Planner Registry you must pass a special exam organised by CONSOB and must have an Italian secondary school qualification or foreign one recognised by CONSOB. Admittance to the exam can be done at the Financial Planner Registry Regional Board; the application for qualification recognition and the documents to be attached must be submitted to CONSOB.

Where to go:

**CONSOB (National Commission for Listed Companies and the Stock Exchange) - Divisione Intermediari, Ufficio Vigilanza e Albo dei Promotori Finanziari**

Via della Posta, 8/10 - 20133 Milano  
Website: www.consob.it - Tel: 02724209 - Sacchi

## **Annex 2: PROFESSIONAL QUALIFICATION ENROLMENT IN PROFESSIONAL ASSOCIATIONS, BOARDS AND COUNCILS**

For some professions an academic qualification is not enough: enrolment in the corresponding Association, Board or Council is also required.

These professions are listed below:

**Professional associations:** *Agronomists and forestry*

*specialists, Architects, Social Workers, Biologists, Chemists, Certified Accountants, Employment Consultants, Pharmacists, Geologists, Journalists, Engineers, Surgeons and Odontologists, Veterinaries, Psychologists.*

**Professional boards:** *Agrotechnicians, Builders, Surveyors, Professional Nurses and Healthcare assistants-child care surveyors, Obstetricians, Land Surveyors, Graphic Experts, Industrial Experts, Medical Radiology Technicians, Accountants and Commercial Experts.*

**Professional councils:** *Lawyers, Notaries, Chemists, Geologists, Industrial Experts.*

Moreover, for some of these professions, you can enrol in the appropriate Association, Board or Council only after a period of internship and after passing a State Exam. The purpose of internship is to learn the profession while working in companies, professional firms or institutes. The duration varies according to the profession (usually between 6 months and 3 years); remuneration is lower – in some cases non-existent – compared to those who already perform the profession.

The requirements for enrolling in professional associations, boards and councils are:

- recognised foreign academic qualification or an Italian one;
- a period of internship or apprenticeship (where required);
- passing the State Exam (where required);
- a regular residence permit and residence.

Italian citizenship is no longer a necessary requirement, except for professions in public service where Italian citizenship is essential.

Art. 37, paragraph 3, of the Consolidation Act on Immigration and art. 49, paragraph 1 of its Implementation Act establish that non-EU citizens can enrol in associations, boards and councils only within the annual **quota** established by the Flow Decree. There are also some rankings that usually privilege foreign nationals with residence permit for work or family purposes. No limitation should be provided for those who have obtained a qualification, even abbreviated, in Italy.

### 4.1 Transforming an idea into a project

A new business stems from an idea, an intuition, like the discovery of new technology, the increase of demand of a certain product or service, a change in the tastes and trends of consumers, the success of other enterprises, the identification of a need or of a lack on the market.

But is this intuition the right one? Is it feasible? Can it be successful? Will there be enough earnings? Which and how many resources will be necessary? How to find interested clients? Which is the most adequate legal form?

The best tool to answer these and other questions is the company feasibility plan also known as business plan. When the business plan is completed, the entrepreneur will be able to approach the market with a reasonable idea on the feasibility of his/her project.

**Warning!** The *business plan* is not only useful for the future entrepreneur but also for investors and external backers, for example the bank where to apply for a loan, potential clients or partners. Therefore, it is an important presentation for the future company and for this reason, it must be:

- accurate
- clear
- complete
- brief

Drafting a business plan is a delicate and complex step in the creation of a new company, so if you do not have experience in this field, it would be a good idea to turn to an expert for help.

To find help for drafting your business plan, you can refer to one of the 8 Progetti d'impresa (Enterprise projects) information desks over the province of Bologna.

Progetti d'impresa information desks offer a consulting service for assessing the feasibility of an idea; i.e., they help you evaluate whether your project can be successful through the drafting of the business plan.

**Warning!** Your collaboration is essential to get the best from this service: We will not write the business plan for you; what we will do is give you all the advice you need to write a good business plan.

### 4.2 The company pre-feasibility plan

To help you going from an idea to real business, we have inserted a file in this chapter that will help you collect all the necessary information and ideas. The file is called *pre-feasibility file*, because it must be written before the business plan.

If accurately completed, it will help you develop your business idea.

The file is divided into two sections:

1. Promoters. Is the part referring to the professional experience of the future entrepreneurs: it must be completed individually and it is recommended to integrate it with an updated c.v.
2. Company activity. This part refers to the future activity: it must be completed by the possible partners.

Once the questions have been answered, you still do not have your *business plan* yet, but you do have an important document that will help you develop your idea with Progetti d'impresa or with any other organisation you will refer to (*see also useful addresses*).

You can collect your pre-feasibility document at any Progetti d'impresa information desk or you can download it at our website.

### 4.3 Bureaucratic and administrative procedures for setting up a business

There are many complex things to do to set up a business and there are also expenses to be paid, some only at start-up, and others every year.

Some steps for setting up a business (also known as “bureaucratic and administrative fulfilments”) have national validity, others depend on regional or municipal laws and regulations.

When thinking of and starting up a business, it may be useful to make a preview of the requirements to be met, the procedures to be followed and the expenses.

Usually, to set up a business the following is required:

#### *Subjective conditions*

To carry out some activities, the law requires that the future entrepreneurs have the necessary professional competencies. For example, if you are a hairdresser, a beautician or a vehicle repairer, you must prove your competencies with appropriate documents.

Therefore, you must check and verify which requirements are set by law for your company:

- professional requirements
- academic qualification
- purpose of your residence permit (see chapter 3).

*Environmental and structural conditions and special authorisations*  
You will have to go to the Single Desk for Production Activities (Sportello Unico delle Attività Produttive, SUAP) for information on the necessary authorisations for all types of companies and those in particular for special kinds of companies.

SUAP can be found in municipalities and they handle all the issues regarding authorisations and/or notifications without having to go to other offices: you can only submit one application for the authorisations referring to your activity to the SUAP in the municipality where you wish to set up your business. Certainty of times and simplified procedures are the two strengths of SUAP information desks.

SUAP carries out an important orientation function regarding both subjective requirements (see above), and the structural requirements regarding the set up, life and closure of a business (e.g., hygienic and adequacy requirements of the premises) and special authorisations for particular companies (e.g., printing and lithography companies, garages, taxis). Along with administrative functions, many SUAP play a fundamental role in promoting economic activities through information and consulting services on the localisation of activities to be set up and on the availability of incentives.

#### **4.4 Single notification for business start-up**

The things to do to set up any type of activity are the following:

- *application for the assignment of a VAT number (Partita IVA) and of the tax code (Codice Fiscale) of the company by the Revenue Office (Agenzia delle Entrate).* The VAT number must be indicated in all the declarations, documents and payments, is valid all over Italy and the European Union and is issued at the moment of application free of charge.

- *Enrolment in the National Company Registry (Registro delle imprese) at the Chamber of Commerce (CCIAA).* All those who carry out an activity in the form of an enterprise must be enrolled. The Chamber of Commerce registers and certifies the main events that characterise the life of a company; therefore, you must notify any modification or the closure of the company. The enrolled companies must pay a fixed *chamber of commerce fee* every year before June that is a sum to guarantee annual enrolment.

- *Opening a mandatory position for contribution, welfare and social security purposes at the National Social Security Institute (Istituto Nazionale Previdenza Sociale, INPS).* The sum to be paid to INPS in quarterly instalments is calculated on the basis of the company income reported for tax purposes.

Since it is not possible to know beforehand which the company income will be, the payment must be based on the income of the previous year or on a minimum preset sum to which the *balance* will follow. In any case, the contribution must be paid within maximum and minimum limits that may vary from year to year.

- *Opening a mandatory insurance against injuries on the workplace at the National Institute for Insurance against Injuries on the Workplace (Assicurazione contro gli Infortuni sul Lavoro, INAIL).* All employers who hire employees and para-subordinated workers in activities identified as risky by law must open the insurance. Craftsmen are also required to insure themselves. The insurance is valid from the notification of the activity carried out by the employer five days before start-up. The cost of the insurance is called *premium* and is fully charged to the employer or the craftsman. The premium is calculated based on the remuneration and hazardness of the job. However, it is always advisable to stipulate also a private insurance policy (parallel and voluntary) against possible risks connected to the activity and in particular against theft and damages to third parties.

Always check whether your company's activity provides for specific regulations and therefore special authorisations or declarations and whether you meet all the professional requirements.

##### **4.4.1 Where and how to obtain everything you need to set up any business**

To fulfil all the obligations listed above, all you have to do is submit your Single Notification (*Comunicazione unica*) for business start-up to the Company Registry (Registro delle Imprese) at the Chamber of Commerce.

In 2007, the Single Notification for business start-up (*Comunicazione unica per la nascita dell'impresa*) was introduced, which is valid for all administrative fulfilments required for the enrolment in the Company Registry (Registro delle imprese), i.e.:

- social security (INPS) obligations
- welfare and fiscal obligations (INAIL, Agenzia delle Entrate, CCIAA - Registro delle imprese, albo delle imprese artigiane).
- to obtain the tax code and the VAT number (Agenzia delle Entrate).

In detail, the obligations fulfilled through the single notification are:

- declaration of company start-up, modification or closure for VAT purposes;
- company enrolment, modification and closure for Inail purposes;
- enrolment, modification and closure with INPS effects for owners, partners and collaborators;
- company with employees enrolment and closure for INPS purposes;
- modification in the details of companies with employees for INPS purposes referring to:
  - activity carried out;



- closure;
- modification to the name of the individual company;
- name modification;
- activity reactivation;
- activity suspension;
- headquarters modification;
- operative headquarters modification;
- company enrolment, variation and closure application to the craft enterprise registry (albo delle imprese artigiane).

You will have to submit your Single notification (*Comunicazione unica*) to the Company Registry (Registro delle imprese), electronically or on electronic format. With the receipt that will be given to you by the office, you can already set up your business!

Attention though: you must however go to the SUAP information desk for the authorisations required for your company (see chapter 4.3).

This new procedure offers a great advantage: you will no longer have to worry about communicating with the other institutes involved (such as INPS, INAIL, etc.) because the Company Registry (Registro delle imprese) will.

The Revenue Office (Agenzia delle Entrate) will immediately notify the tax code (codice fiscale) and the VAT number (Partita IVA) to the Company Registry (Registro delle imprese) and the latter will provide you with the receipt issued by the Revenue Office (Agenzia delle Entrate), which will allow you to immediately set up your business.

INPS and INAIL will directly notify the final outcome of the procedure to you and the Company Registry (Registro delle imprese) within 7 days (from the moment you have registered), through certified electronic mail (CEM).

Starting from the 1<sup>st</sup> October 2009, you can already - should you wish to do so - submit your single notification electronically. However, until the 1<sup>st</sup> April 2010, you can follow the traditional procedure by sending separate hardcopy communications to the four institutes involved (CCIAA-Registro delle imprese e Albo delle imprese artigiane, Agenzia delle Entrate, INAIL, INPS). From 1<sup>st</sup> April 2010 the single electronic communication will be mandatory.

## 4.5 Expenses

Prima di avviare un'attività in proprio, è molto importante. Before setting up a business, it is important to take the expenses for its start-up and maintenance into account.

These expenses can be very different and vary according to:

- the type of activity;
- the place where the activity is carried out (e.g., a shop in the town centre will have higher rent expenses than one in the suburbs);
- bank commitments;
- distance from suppliers and the conditions they offer;
- the number of people working in the company and the type of contract they sign.

Costs may be incurred for *material expenses* (e.g., restoration of premises, furniture, equipment, goods, etc.) or for *non-material expenses* (e.g. premises lease, advertisement of the activity, training of the personnel, etc.).

*The main expenses incurred for setting up a business are:*

**Deed:** drafting of the notary deed (necessary for companies and family businesses), payment of the registry tax and licence tax (if it's a company) and, regardless of the legal standard, enrolment in the Company Registry (Registro delle Imprese) or Craft Enterprise Registry (Albo delle Imprese Artigiane).

**Chamber of Commerce fee:** sum to be paid every year to the Chamber of Commerce for having an enterprise position. This sum varies according to the legal business form and the number of branches declared.

**INAIL:** INAIL insurance coverage is mandatory for all activities that are subject to accident risks. The sum is calculated in base of the level of risk for that type of activity.

**INPS:** in order to offer workers an economic coverage for invalidity and old age, the employer is obliged to pay social security and welfare contributions that are proportional to the proportional to the yearly income. Italian Law dated 4th July 1959 has extended the insurance for invalidity, old age and survivors (assicurazione per l'invalidità, vecchiaia e superstiti, IVS) to the owners of craft enterprises, family collaborators and partners who actively and directly participate in the activity. INPS has established a special section for craftsmen.

**Local taxes:** MSW (municipal solid waste) tax (tassa RSU) and on advertisement. Are due to the Municipality and are proportioned to the premises, the type of activity and turnover.

**Authorisations:** some activities require specific authorisations to be carried out, which involve planning, inspection and license expenses.

**Bookkeeping:** Upon starting up an activity, due to the complexity of the accounting and fiscal fulfilments provided by law, it is important to consider the expenses for administrative and fiscal functions that are usually external (accountant), whose yearly remuneration may vary.

There are many ways to be an entrepreneur and for each one of these, there are specific bureaucratic procedures. Below is a brief description of the most common entrepreneurial figures: farmers, craftsmen, traders. To describe these figures, we have selected some activities indicating the required administrative procedure to follow. For in-depth information, please consult the *Vademecum* of entrepreneurial activities (*Vademecum delle attività imprenditoriali*) available at SUAP information desks (you can find the address in the *useful addresses* section).

### 5.1 Farmers

Agricultural entrepreneur is who exercises “activities directed to land cultivation, forestry, animal-breeding and connected activities”.

Land cultivation, forestry and animal-breeding are intended to be activities aimed to care and development of a biological cycle or of a necessary stage of such cycle, vegetable or animal, which utilise or may utilise land, forest, or fresh, brackish, sea waters.

Connected activities are those activities performed by the agricultural entrepreneur aimed to transforming, preserving or marketing the products and protecting the value of the territory.

Apart from the agricultural entrepreneurs there are more qualified figures, such as:

- professional agricultural entrepreneur (imprenditore agricolo professionale, I.A.P.) if the farmer dedicates most of his/her work time to and receives most of his/her income from the farm and has an adequate professional ability;
- direct farmers (coltivatore diretto, C.D.), when the farmer directly performs manual land cultivation activities. The land must have an adequate size and must be of his/her property.

An example of micro-enterprise in the agricultural sector:  
DIRECT SALE OF PRODUCTS FROM THE FARM (AGRICULTURAL PRODUCERS)  
For this activity you must submit your application to SUAP

Direct retail sale of products mainly produced in one’s farm is allowed for individual or associated entrepreneurs registered in the Company Registry (Registro delle imprese) in compliance with the hygiene and sanitation provisions in force.

Direct sale can be carried out in itinerant form after having notified to SUAP the place where the farm is located, the product specifications and the ways you intend to sell, including e-commerce, at least 30 days before starting the activity

Should you intend to sell your products in premises open to the public or in public areas using a parking space, you must apply to the SUAP where you intend to sell your products.

In case of retail sale in outdoor areas of your farm or in other available private areas, you are not required to notify the start-up of your activity. You can also sell products deriving from the manipulation or transformation of land or animal products.

As for hygienic-sanitary requirements, before starting up your activity, you must present a notification to the Local Health Unit (Azienda USL) to register your company.

Raw milk can only be sold in the farm where it is produced, directly from to producer to the end customer without having to notify with SUAP or by means of automatic dispensers located either within or outside the farm. Should the dispensers be located outside the farm in spaces that are not property of the agricultural producers, you must notify to SUAP the place where you intend to install the dispenser, the activity of direct retail sale of agricultural products, in compliance with art. 4 of Legislative Decree No. 228 dated 18/05/2001, and the sanitary notification to the USL, all this 30 days before starting the activity.

#### Requirements

- Enrolment in the Company Registry (Registro delle Imprese) at the Chamber of Commerce.
- Have no prior convictions, with final judgement, for hygiene and sanitation related crimes or food frauds, in the 5 years prior to activity start-up. This prohibition is effective for five years from the final conviction sentence.
- Should you sell your products inside premises, these must have the construction and hygiene-sanitation, safety and fire prevention requirements.
- Should you sell raw milk, the specific hygiene-sanitation provisions must be complied with.

#### How to submit your application

In case of direct sale of agricultural products in itinerant form, the application must be submitted to the SUAP of the municipality where the production farm is located, specifying the personal details of the applicant, the Company Registry (Registro delle imprese) details, the location of the farm, the products you intend to sell and how you intend to sell them. Thereafter, the itinerant sale all over the national territory will be approved.

In case of non-itinerant sale in public areas or in premises open to the public, the application must be submitted to the SUAP where you intend to sell your products. For selling in public areas using parking space, you must also apply for such parking space, in compliance with art. 28 of Legislative Decree 114/98, in the manners set by the municipal regulations in force.

#### **Expenses**

Appraisal fee.

#### **Time**

30 days.

#### **Description of the procedure**

The fully completed application must be submitted in duplicate copy, one of which will be returned to the applicant, once the arrival registration number is applied, for it to be kept in case of verifications by supervising authorities.

As for hygienic-sanitary requirements, before starting up your activity, you must present a notification to the Local Health Unit (Azienda USL) to register your company.

The SUAP will verify whether the application is complete, complies with the regulations in force, and meets all the declared requirements. 30 days after the municipality has received the application, you can start the activity without having to wait for further acts to be issued.

Should you apply for a parking space, the relative procedures set by the municipal regulations in force must be followed.

#### **Documents and forms to be submitted**

- *Itinerant direct sale of agricultural products* application form.
- Or

- *Non-itinerant sale in public areas or in premises open to public* application form.

And

- Company registration notification to be submitted to the local USL.

#### **Standards**

- Legislative Decree No. 228 dated 18 May 2001 - Orientation and modernisation of the agricultural sector in compliance with art. 7 of Law No. 57 dated 5th March 2001.
- EC Regulation 852/2004 of the European Parliament and of the Council dated 29th April 2004 on the hygiene of foodstuffs.
- EC Regulation 853/2004 of the European Parliament and of the Council dated 29th April 2004 laying down specific hygiene rules for food of animal origin

- Regional executive council resolution No. 1015 dated 7th July 2008 – Definition of the recognition and registration procedures for companies in the food sector implementing the European standards on food safety.
- Managerial determination of the Veterinary and Food Hygiene Manager of the Region of Emilia-Romagna No. 9223 dated 1st August 2008 - Procedure for the registration of activities and recognition of factories in the food sector and products of animal origin as in Regional executive council resolution No. 1015 dated 7th July 2008.
- Municipal regulation on Hygiene, Public Health and Veterinary.

## **5.2 Craftsmen**

*Craftsman is who personally and professionally carries out his/her activity in a continuous manner as the owner of his/her firm and with full responsibility.*

Craft enterprise is defined as an enterprise promoted and managed by a craft entrepreneur, who has the prevalent aim to produce goods, even semi-worked, and services (except for agricultural activities, trade services, and the sale of food and drinks), provided that it does not exceed some limits in size that vary according to the type of activity.

Employees may be hired, as long as they are managed directly by the craft entrepreneur and they do not exceed a certain number.

A craftsman can only sell what he/she produces. Should products of other firms also be sold, there is a mixture between craftsmanship and trade activity; these activities are called *mixed* or *promiscuous*. As for the qualification of mixed activities, the criterion of prevalence is applied i.e., the evaluation of the greatest commitment dedicated for one activity or the other.

The craft enterprise can take the legal form of an individual company, general partnership (società in nome collettivo), limited partnership (società in accomandita semplice), and limited liability company (società a responsabilità limitata) sole trader (always in compliance with the size limitations that vary according to the activity).

Enrolment in the Craft Enterprise Registry (Albo delle imprese artigiane) at the Chamber of Commerce is mandatory to set up a craft enterprise. The application must be submitted, within 30 days from the start-up of the activity, to the Provincial Commission of Craftsmanship (Commissione Provinciale per l'Artigianato, CPA) with attached the documents proving the following situations :

- personal work must prevail both on capital and on employment;
- the owner must work in the firm and is fully responsible for its management;
- the firm must have a limited size;
- should the activity require special qualifications, the craftsman must prove to have the professional requirements, although he/she can designate a responsible technician.

The enrolment in the Registry qualifies the firm as a *craft enterprise*, which is often a necessary condition for granting concessions to this kind of enterprise. The enrolment in the Registry implies the mandatory registration in the INPS lists of the firm owner, partners, in case of a company, and of family members working in the firm.

Craft activities are usually divided into goods production and service provision.

Production craft enterprises generally have the following features:

- they produce and transform goods;
- the product can be thereafter marketed;
- the activity is not carried out on a specific order by a single customer.

Service craft enterprises generally have the following features:

- they produce intangible goods;
- they produce or transform non-durable or semi-durable goods on the specific order by a single customer.

An example of micro-enterprise in the crafts sector:

#### AUTO REPAIR

For this activity you must submit your application to the Chamber of Commerce

Auto repair enterprises carry out maintenance and repair activities on motor vehicles, including mopeds, agricultural machinery, trucks and trailers for transporting people and goods by road.

Auto repair activities are divided into:

- mechanics and engine design
- bodywork;
- car electrics;
- tyre repair.

This list does not include activities such as car wash, refuelling, air filter, oil filter replacement, oil and other lubricating or cooling liquid change. Moreover, the list does not include repair activities made on vehicles that are not authorised to be driven on the road, such as racing cars and motorbikes, go-karts, etc.

#### Requirements

To carry out this entrepreneurial activity you must have all the moral, personal technical and professional requirements. Therefore, a personal sworn declaration stating to have them must be issued.

**As for the technical-professional requirements**, the list of eligible qualifications can be downloaded from the website of the Chamber of Commerce of Bologna: <http://www.bo.camcom.it>

The Provincial Commission of Craftsmanship (Commissione provinciale per l'artigianato) evaluates the qualifications in order to establish for which activities of the auto repair sector they can apply.

#### How to submit your application

Those who have the requirements must submit the application for enrolment in the Company Register (Registro delle imprese) or in the Craft Enterprise Register (Albo delle imprese artigiane) at the Chamber of Commerce, together with the Declaration of activity start-up (Dichiarazione di inizio attività, DIA), with the personal sworn declaration on the possession of requirements and attaching the documents that prove the payment of the chamber of commerce fees (diritti camerali) and of the license tax (tassa di concessione governativa).

#### Expenses

Administrative fees for the enrolment in the Company Register (Registro delle imprese) or in the Craft Enterprise Register (Albo delle imprese artigiane). Moreover, the enrolment of auto repair enterprises involves the payment of a license tax (tassa di concessione governativa).

#### Time

The activity must start the same day you submit the application for enrolment in the Company Register (Registro delle imprese) or in the Craft Enterprise Register (Albo delle imprese artigiane) with the Declaration of activity start-up (Dichiarazione di inizio attività). It cannot start before submitting the Declaration of activity start-up (Dichiarazione di inizio attività).

#### Description of the procedure

The Chamber of Commerce approves the application and releases the receipt. For craft enterprises, the applications are evaluated by the Provincial Commission of Craftsmanship (Commissione provinciale per l'artigianato), according to the schedule published at the beginning of every calendar year. In case of rejection, a resolution will be approved indicating the reasons and details of a possible appeal against the decision. In such case, it is impossible to carry out the activity. For non-craft enterprises, the Chamber of Commerce verifies the documents and the requirements of the applicant within 60 days from application. In case of remediable irregularities, it will invite the applicant to regularise their position; should this not be possible, the application of enrolment will be rejected. Should it not be possible to carry out the activity, the reasons of the rejection will be indicated and details for a possible appeal against the decision will be provided.

#### Documents and forms to be submitted

- Application for enrolment in the Company Register (Registro delle imprese) or in the Craft Enterprise Register (Albo delle imprese artigiane) at the Chamber of Commerce of Bologna.
- Declaration of activity start-up (Dichiarazione d'inizio attività) for auto repair enterprises.
- Fire prevention certificate for auto repair garages containing up to 9 vehicles.

#### Standards

- Law No. 122 dated 5th February 1992 - Provisions on road safety and regulation of auto repair activities.
- Presidential Decree No. 558 dated 14 December 1999 – Standard with

the regulations simplifying the rules regarding the Company Register (Registro delle Imprese), as well as the simplification of procedures referring to activity start-up declaration and for the application for enrolment in the Company Register (Registro delle imprese) or in the Craft Enterprise Register (Albo delle imprese artigiane) for special categories subject to the verification of technical requirements.

- Ministerial Decree dated 4th May 1998 – Provisions regarding the applications and their content for starting fire prevention procedures, and the services provided by Provincial fire command (Comandi provinciali dei vigili del fuoco).

### 5.3 Traders

*Trader is who professionally carries out mediation activities in the movement of goods.*

The purchased goods can be:

- to consumers in fixed premises (fixed trade) or mobile (e.g., street trading with parking space or in itinerant form, to the consumer and by correspondence)
- to other trade enterprises (wholesale).

Goods are mainly divided into:

- *foodstuff*
- *non-foodstuff*

Standards allow selling foodstuff and non-foodstuff inside the same shop, in compliance with the hygiene-sanitation provisions in force.

In order to sell foodstuff in each of the retail businesses listed below, you must submit your application to register your firm to the local USL.

Retail business is usually divided into different categories and types:

- *neighbourhood retail business*: a retail business where goods are sold directly to the end customers, with a trade surface that does not exceed 150 m<sup>2</sup>. in municipalities with a population below 10.000 inhabitants and 250 m<sup>2</sup>. in municipalities with more than 10.000 inhabitants;
- *medium retail structure*: a retail business where goods are sold directly to the end customers, with a trade surface between 151 and 1.500 m<sup>2</sup> in municipalities with less than 10.000 inhabitants and between 251 and 2.500 m<sup>2</sup> in municipalities with a population below 10.000 inhabitants;
- *large retail structure*: a retail business where goods are sold directly to the end customers, with a trade surface over 1,500 m<sup>2</sup>. in municipalities with 10.000 inhabitants and 2,500 m<sup>2</sup>. in municipalities with more than 10.000 inhabitants.

Also significant is the shopping centre. Shopping centres are the medium and large trade structures where several businesses are inserted in a structure for a specific target that make use of common infrastructures and services managed unitarily. Shopping centres can also include public services and activities such as banking, health and social services, etc.).

Trade activities also include public businesses selling food and drinks, both in fixed premises and by means of automatic dispensers.

The sale of food and drinks is intended for consumption on the spot, in every case where purchasers consume the products within the premises or in outdoor areas open to the public and equipped for this purpose.

An example of micro-enterprise in the trade sector:

TELEPHONE CENTRE

For this activity you must submit your application to SUAP

A telephone centre, also known as *phone centre* and/or *internet point*, is a business open to the public, which supplies customers with telephones, PCs and other electronic devices, used to provide telephone and telematic services, also associated to other activities.

These activities in Emilia-Romagna are regulated by Regional Law No. 6 dated 21 May 2007.

Whoever is interested in opening a telephone centre must refer to the municipality and submit:

- The declaration of activity start-up (*dichiarazione di inizio attività*), if the trade service does not exceed 150 m<sup>2</sup>. in municipalities with a population below 10.000 inhabitants, and 250 m<sup>2</sup>. in municipalities with over 10.000 inhabitants.

Or

- An authorisation request (*richiesta di autorizzazione*), if the trade surface is between 151 and 1,500 m<sup>2</sup> in municipalities with 10,000 inhabitants and between 251 and 2,500 m<sup>2</sup> in municipalities with over 10,000 inhabitants.

Moreover, provisions laid down for retail businesses concerning opening hours, mandatory closure during bank holidays, publicised prices and sanctions are also applied to these businesses.

Telephone centre activities can be exercised in association with other activities, in compliance with the municipal provisions on telephone centres, specific sector regulations, hygiene-sanitation regulations, and safety protection, urban and construction standards in force.

#### Requirements

- To own or have the availability of the premises.
- Enrolment in the Company Registry (Registro delle imprese) at the Chamber of Commerce.
- To have the moral requirements laid down by art. 5, paragraph 2, of Legislative Decree 114/1998.
- Subject to the provisions of Legislative Decree 259/2003, the premises

must have all the requirements laid down by regulations regarding construction, hygiene, public and veterinary health in force and must also have the certificate of construction compliance and occupancy (*certificato di conformità edilizia e agibilità*). Moreover, further requirements laid down by municipal regulations on telephone centres must also be met.

- The sale of food and drinks, if complementary to the telephone centre activity, can be exercised in the same premises or in an adjoining room, limited to the standing areas and respecting the emergency exits. Food and drinks manipulation activities, on the other hand, must be carried out in a separate area or premises.

#### **Further fulfilments**

In addition to the provisions established by regional standards, further fulfilments laid down by national standards must also be taken into consideration. These refer to:

- a) notification established by Electronic Communication Code *Codice delle comunicazioni elettroniche*;
- b) license from the chief of police (Questore).

#### **How to submit your application**

Applications must be submitted to SUAP.

If the trade surface does not exceed 150 m<sup>2</sup> in municipalities with less than 10,000 residents and 250 m<sup>2</sup> in municipalities with over 10,000 inhabitants, you must submit a declaration of activity start-up (*comunicazione di inizio attività*) in case of new activity start-up, transfer, modifications to the premises, assignment, corporate changes or closure.

If the trade surface is between 151 and 1.500 m<sup>2</sup> in municipalities with 10,000 inhabitants and between 251 and 2,500 m<sup>2</sup> in municipalities with over 10,000 inhabitants, you must submit the authorisation application (*domanda di autorizzazione*) for medium trade structures.

#### **Expenses**

In case of authorisation application, an appraisal fee and two revenue stamps (*marche da bollo*) of the current value must be paid.

#### **Time**

30 days for the declaration; 90 for the authorisation application.

#### **Description of the procedure**

The fully completed declaration must be submitted in triplicate to the SUAP of the municipality where the business is located. A copy will be returned to the applicant, once the arrival

registration number is applied, for it to be kept in case of verifications by supervising authorities.

The declaration takes effect after 30 days, unless there are rejections from the municipality in the meantime. The declaration takes immediate effect only in case of assignment, corporate changes or closure.

In case of authorisation application regarding the surface, the procedure takes up to 90 days (in any case after the service conference meeting (*conferenza di servizi*) of municipality, province and region who decide together) except for interruptions and/or suspensions, as established by municipal regulations on trade structures.

#### **Documents and forms to be submitted**

- Declaration of start-up of a telephone centre
- Or
- Authorisation application for a telephone centre

#### **Standards**

- Royal Decree No. 773 dated 18 June 1931 - Consolidated Law on Public Safety
- Legislative Decree No. 114 dated 31 March 1998 – Legislation reform pertaining to the trade sector in accordance with art. 4 paragraph 4 of Law No. 59 dated 15 March 1997
- Regional Law No. 14 dated 5 July 1999 – Provisions regulating trade in fixed premises implementing Legislative Decree No. 114 dated 31 March 1998
- Regional Council Resolution No. 1253 dated 23 September 1999 - Criteria for urban and regional planning referring to trade activities in fixed premises implementing art. 4 of Regional Law No. 19 dated 5 July 1999;
- Legislative Decree No. 259 dated 1 August 2003 – Electronic Communication Code
- Law No. 155 dated 31 July 2005 - Conversion into law, with amendments, of Law Decree No. 144 dated 27 July 2005, containing urgent measures against international terrorism
- Memorandum 557/PAS/12982D(22) dated 29 August 2005 – Law Decree No. 144 dated 27 July 2005, containing urgent measures against international terrorism, converted into law with amendments by Law No. 155 dated 31 July 2005. Administrative provisions and implementation decrees laid down by articles 7, 8
- Ministerial Decree dated 16 August 2005 – Measures for preventive collection of personal details regarding subjects using unsupervised telematic communication stations or internet points using wireless technologies as in art. 7, paragraph 4, of Law Decree No. 144 dated 27 July 2005, converted into law with amendments by Law No. 155 dated 31 July 2005
- Regional Law No. 6 dated 21 May 2007 - Provisions on commercial distribution
- Municipality standard regulating telephone centres
- Municipal Ordinance on telephone centre opening hours

### 6.1 Professional or business activity?

Before starting an activity to produce or sell goods or services, you must ask yourself whether it is a *professional activity* or a *business activity*.

Secondly, you will have to decide between *sole proprietorship* and *partnership*, contributing to management and sharing the profits.

The law establishes which are professional and which are business activities.

In general:

- *business activities* are those that involve more manual rather than intellectual work and for which the tools to carry out such activities are more important than the personal ability of who manages it (e.g., in a shop the competencies and kindness of the owner are indeed important, but for customers elements such as variety and quality of the goods, the appearance and the size of the shop are even more important);
- *professional activities* mainly consist in intellectual activities where the personal abilities of the owner are far more important than the used tools (e.g., for a lawyer, personal ability is obviously far more important than the furniture in his/her office or the computer he/she uses).

Apart from banks and insurance companies, activities that are considered business activities are trade in goods, production of goods, transport activities, crafts activities.

Professional activities are certainly those that involve the mandatory enrolment in a board or registry (e.g., lawyers, physicians, surveyors, engineers, etc.).

However, there is a variety of situations where *intellectual* (not manual) services are provided that do not require the enrolment to a board or registry, which lead to both business and professional activities. It is the case of any type of consultancy (e.g., IT or training consultancy).

So summarising: how can you be sure whether you are an entrepreneur or a professional? Being one or the other mainly depends on the predominance of the personal ability or of the use of tools in carrying out the activity.

*For example:*

an IT consultant is a professional occupation; however, if the consultant carries out his/her activity within the premises, and has a computer, a secretary and employees, he/she becomes an entrepreneur. So clearly there is a very thin line between the two concepts. From an economic point of view, the main difference between professionals and entrepreneurs stands in the fact that the former pay taxes based on the difference between revenues and expenses, while the latter pay based on the difference between issued and received invoices, regardless whether they have been cashed or paid.

Both professionals and entrepreneurs can carry out their activity in partnership with others. However, the case of professionals working in partnership is not very common and it must comply with certain rules.

### 6.2 Liberal profession

#### General features

Liberal professional, either enrolled in a board or registry or not, carry out their activity independently, although they can make use of the help of collaborators and employees (within the limits specified in the previous chapter); moreover, they are the sole liable of any loss to which they may respond with their own personal wealth. In other words, they could be forced to pay off debts with their own personal wealth.

#### Fulfilments and costs

Along with the enrolment in a professional registry, when required by law, the only fulfilment required is the notification to the Revenue Office Single Desk (Ufficio Unico dell'Agenzia delle Entrate) within 30 days from the start of the activity for having the VAT registration number (Partita IVA) assigned. The VAT registration number (Partita IVA) is free of charge.

#### Social security (INPS, INAIL) obligations

Professionals who are not required to enrol in a registry must however register to the separate INPS management (*gestione separata* dell'INPS) all the contributions that give right to a pension. Currently, the contribution is 25.72% of the profit to be paid together with the annual taxes.

Professionals enrolled in a registry, on the other hand, pay pension contributions to a specific institution, which is different for each professional category. In no case is the registration to INAIL required.

#### Tax treatment of the profit

The *profit* (revenue minus payments) obtained through the activity is subject to various taxes: IRPEF, additional regional income tax, additional municipal income tax and sometimes – depending on the organisation level – IRAP (Regional tax on productive activities). There are concessions for those who set up an activity.

### Advantages

- It is easy and quick to set up.
- Accounting expenses, which for low incomes include only VAT bookkeeping (libri IVA).
- To close an activity, all you have to do is close the VAT number (Partita IVA).

### Disadvantages:

- Choosing to be a professional is not always possible (see paragraph 6.1).

#### Special aspects: exercise in associated form

Professionals who wish to work together and share the profits may set up associations for which, in general, the same rules as for the individual professionals. However, the accounting and fiscal management can be rather complex and may require professional help.

## 6.3 Legal forms of enterprise

To carry out an entrepreneurial activity, it is important that it has a legal form. The choice of the legal form is very important for the consequences it may entail.

This choice must be based on:

1. the nature, and therefore the risks, of this activity;
2. the capital (i.e., the monetary means) required to start the activity;
3. the level of liability that the entrepreneur intends to hold;
4. the chances to apply for certain forms of funding and/or concessions.

In the following pages we will briefly describe the most common legal forms of enterprise.

As mentioned in chapter 6.1, an activity can be managed individually (legal form of individual company or individual limited liability company) or with other partners (legal form of a partnership company).

In an *individual company* only one person (the entrepreneur) provides the monetary means to set up the business (capital) and therefore enjoys the profits and is liable for any loss.

In *partnership companies* the initial capital is provided by a number of partners who share the profits as well as liability for losses in proportion to the capital provided.

Should you choose to operate on your own you can choose between:

- *individual company*
- *family business*

Should you choose to operate as a partnership company, the most common legal forms are:

- *general partnership* (società in nome collettivo, s.n.c.) or *limited partnership* (società in accomandita semplice, sas)
- *limited liability company* (società a responsabilità limitata, s.r.l.)
- *cooperative companies* (società cooperativa)

### 6.3.1 Individual company

In an individual company, although they can be helped by collaborators and employees, owners are the only responsible of the risks connected to the management of the activity, to which they may respond with their own personal wealth; in other words, they could be forced to pay off debts with their own personal wealth. Therefore, this legal form is most suited to activities that do not present particular risks, such as selling services that do not require the purchase of goods or small shops, which require a purchase of goods for a modest value.

#### Fulfillments and costs

- Notification to the Revenue Office (Agenzia delle Entrate) within 30 days from the start of the activity, for the assignment of the VAT number (Partita IVA).
- Enrolment in the Company Registry (Registro delle imprese) at the Chamber of Commerce of the province where the company is established.

The assignment of the VAT number (Partita IVA) is free of charge, while the registration to the Chamber of Commerce costs approximately 200 euros.

For the procedure to be followed, please see section 4. 4.1.

#### Social security (INPS, INAIL) obligations

The owner of the company must register to the INPS and pay contributions that will give right to a pension. Currently, the sum of the contributions is approximately 2,700.00 euros (for an income just over 13,000.00 euros). For incomes over 13,000.00 euros, the contribution is equal to approximately 20%. Moreover, registration to INAIL and the payment of insurance premiums are mandatory; the sum depends on the risk level of the activity.

For the procedure to be followed, please see section 4. 4.1.

#### Tax treatment of the profit

The profit obtained through the activity is subject to various taxes: IRPEF, additional regional income tax, additional municipal income tax and often – depending on the organisation level – IRAP.

#### Advantages

- It is easy and quick to set up.
- Accounting expenses, which for low incomes include only VAT bookkeeping (libri IVA), are reduced.
- To close the activity, all you have to do is close the VAT number (Partita IVA) and notify the closure to the Chamber of Commerce, INPS and INAIL.



**Disadvantages:**

The individual entrepreneur is subject to bankruptcy with all the consequences that it entails.

### 6.3.2 Family business

**General features**

This is a particular form of individual company, in which family members work without being neither employees nor partners. In family businesses, the following members can collaborate in the exercise of the activity:

- the spouse and relatives within the third degree (e.g., parents, grandparents, great grandparents, children, grandchildren, great grandchildren, uncles, aunts, brothers and sisters);
- affinity within the second degree (being affinity the relation with the spouse's relatives: son in law, daughter in law, brother in law, sister in law).

Family members who collaborate in the company can share up to 49% of the profit, the goods purchased with it and the company growth, in proportion to the quality and quantity of the work provided. The responsibility of all company operation falls entirely on the owner, just like for the individual companies.

**Fulfilments and costs**

The company is established with a deed signed in front of a notary (certified private document) or directly written by a notary (public document) stating the share of profits for each family member which, it must be declared, is to be proportional to the quality and quantity of work.

As for the individual company, the following stages are required:

- notification to the Revenue Office (Agenzia delle Entrate) within 30 days from the start of the activity;
- Enrolment in the Company Registry (Registro delle imprese) at the Chamber of Commerce of the province where the company is established.

Expenses concern the signature in front of a notary and the Company Registry (Registro delle Imprese) enrolment fee. The assignment of the VAT number (Partita IVA) is free of charge, while the registration to the Chamber of Commerce costs approximately 200 euros.

For the procedure to be followed, please see section 4. 4.1.

**Social security (INPS, INAIL) obligations**

The owner and each family member must register to INPS and pay pension contributions. Moreover, registration to INAIL and the payment of insurance premiums are mandatory; the sum depends on the risk level of the activity.

**Tax treatment of the profit**

Each member of the family business pays IRPEF, additional regional and municipal tax on his/her share of profit. The overall company profit is subject to IRAP.

**Advantages**

- Family members can be part of the enterprise activity without having to establish a company.
- The taxes paid on the sum of all the shares of profit are lower than those that would be paid should the profit be entirely received by the owner-entrepreneur.
- Incorporation and accounting are relatively simple and the costs are reduced.

**Disadvantages:**

The same as those for individual companies: The individual entrepreneur is subject to bankruptcy with all the consequences that it entails.

**Special aspects: conjugal enterprise**

A conjugal enterprise is a special type of family business, which is established after marriage and is managed by both spouses.

### 6.3.3 General partnership (Società in nome collettivo, s.n.c.)

**General features**

Is a company of *people*. All partners risk their personal wealth in case of losses; this is why liability of the partners is unlimited and joint. For this reason, just like the individual company, it is most suited to activities that are not too risky and do not require an excessive initial investment. Liability of the partners is subsidiary, in the sense that the creditor can act on the partner's personal wealth only in case of insufficient company assets.

Each company responds to the obligations involved therein before entering the company, while liability for the company obligations of those who are no longer partners remains until the company is dissolved.

The administration of the company is assumed by each partner, who can act independently from other partners, unless differently stated in the company regulation (*articles of association*).

Any modification to the charter must be approved unanimously by the partners, unless differently agreed upon.

Upon the death of a partner, his/her heirs are entitled to the liquidation of the share of the deceased partner, but not to become partners themselves, unless specifically requested and approved by all the other partners.

**Fulfilments and costs**

The charter must be stipulated by notified private document or public document drafted by a notary (see *Family business*). The payment of an initial minimum amount of capital stock is not required.

**Initial fulfilments:**

- The charter must by law be authenticated by a notary.
- Declaration of activity start-up to the Revenue Office (Agenzia delle Entrate) within 30 days from the drafting of the charter.

- Enrolment in the Company Registry (Registro delle imprese) at the Chamber of Commerce of the province where the company is established, within 30 days from the drafting of the charter.
- Transfer of a copy of the incorporation deed to the Revenue Office (Agenzia delle Entrate) within 3 months from its registration in the Chamber of Commerce.

The most significant expenses refer to the notary who legalises the deed and possibly to the accountant or association (such as ASCOM, CNA, Confartigianato, Confesercenti, etc.) that prepare the deed and charter; to these must be added the expenses regarding registration to the Chamber of Commerce, which is approximately 200 euros. However, the contract can also be written by the partners-to-be, who will then have their signatures legalised by a notary.

For the procedure to be followed, please see section 4. 4.1.

#### **Social security (INPS, INAIL) obligations**

Each partner must be registered to INPS for the payment of pension contributions. Moreover, registration to INAIL and the payment of insurance premiums are mandatory; the sum depends on the risk level of the activity.

#### **Tax treatment of the profit**

Each partner pays IRPEF, additional regional and municipal tax on his/her share of profit. The overall company profit is subject to IRAP.

#### **Advantages**

Incorporation and accounting are relatively simple and inexpensive. The incorporation stage is completed within a few days and the accounting fulfilments are minimal.

#### **Disadvantages:**

The company bankruptcy implies bankruptcy of the single partners, who respond with their own personal wealth.

#### **Special aspects: equity partner (socio d'opera)**

An equity partner is who draws profits from the partnership contributing with his/her work but not with capital. Equity partners are not an employee and therefore have no right to salary treatment; just like all the other partners, they have right to remuneration only if the company generates profits.

#### **Advantages**

Possibility to participate in the activity and in the earnings without capital contribution.

#### **Disadvantages:**

In case of unfitness to carry out the work, an equity partner can be excluded from the company. Upon liquidation of the company, an equity partner has no right to reimbursement of the value of his/her contribution i.e., to receive an amount of money equal to the global value of the services provided to the company, unless the other partners agree differently.

### **6.3.4 Limited partnership (società in accomandita semplice, sas)**

Is a variant of the general partnership (società in nome collettivo). Also this is a company of people. The main difference consists in the fact that partners are divided into two categories: limited partners and general partners. Only the general partners risk their personal wealth in case of losses; limited partners at most risk their capital share.

Limited partners cannot be administrators and therefore, do not have an operational role in the company.

As for all the features and fulfilments a limited partnership is identical to a general partnership.

### **6.3.5 Limited liability company (società a responsabilità limitata, s.r.l.)**

#### **General features**

Is a joint stock company; liability of the partners is limited to their capital share. In other words, in case of any loss, creditors can only claim the company assets but, in no way, can make demands on the personal wealth of the partners. For this reason, this legal form is most suited to activities that involve risks of loss and debt.

Should the company need loans from third parties (e.g. banks) but does not have sufficient assets as a guarantee, the loan is usually subject to personal guarantees by the partners who therefore become responsible for the repayment of the loan even with their personal wealth.

All decisions are made by the shareholder meeting: The vote of each shareholder counts according to the number of shares and decisions must be made with the votes of shareholders that represent at least half of the assets. The company can be administrated and legally represented by one or more shareholders or even by an external figure who is not a shareholder (if provided by the articles of association. The administrator is named by the shareholder meeting.

The articles of association are essential because they set the rules of the activities as well as of the relations between shareholders.

#### **Fulfilments and costs**

the company must be incorporated by public deed drafted by a notary. It may be advisable to refer to an accountant or to an association (such as ASCOM, CNA, Confartigianato, Confesercenti) for the preparation of the articles of association.

An initial capital of at least 10,000 euros is required for the incorporation of the company. Upon signing the contract, all the shareholders must have

paid at least 25% in an escrow account. This payment can be replaced by a bank guarantee or insurance policy. Contributions for the rendering of services are possible and for them a survey by an expert estimation named by the interested parts will be sufficient.

Therefore, for the incorporation, the following are required:

- a public document drafted by a notary;
- Notification to the Revenue Office (Agenzia delle Entrate) within 30 days from the stipulation of the charter for the assignment of the VAT number (Partita IVA);
- Enrolment in the Company Registry (Registro delle imprese) at the Chamber of Commerce of the province where the company is established, within 30 days from the drafting of the charter.
- payment of the statutory book fee (tassa di vidimazione dei libri sociali), approximately 350 euros;
- Transfer of a copy of the incorporation deed to the Revenue Office (Agenzia delle Entrate) within 3 months from its registration in the Chamber of Commerce.

The most significant expenses refer to the notary and to the registration fee of the paid share. For a company incorporated with a minimal capital, incorporation expenses can reach up to 3,000 euros. Costs increase should you turn to other professionals or associations apart from the notary.

For the procedure to be followed, please see section 4. 4.1.

#### **Social security (INPS, INAIL) obligations**

Only shareholders of a limited liability company (s.r.l.) must register to INPS and pay contributions. The sum varies according to the profits and the type of activity. Moreover, registration to INAIL and the payment of insurance premiums are mandatory; the sum depends on the risk level of the activity.

#### **Tax treatment of the profit**

Company income is subject to IRES (corporate income tax) and IRAP.

Net profits resulting once all the taxes have been paid are shared by the shareholders. The profit share of each shareholder is stated in his/her income tax return under *capital gain (reddito di capitale)* and is subject to IRPEF.

#### **Advantages**

- Limits financial liability of the shareholders to the invested capital.
- Bankruptcy is not extended to the shareholders, who are not liable for company debts with their personal wealth.

#### **Disadvantages:**

- There are more ties in the management and incorporation costs are quite high.
- Bookkeeping is mandatory for joint stock companies, which must also submit an annual budget to the Company Registry (registro delle imprese); all this implies considerable costs.

<b>Special aspects: Individual limited liability company (Società a responsabilità limitata unipersonale)</b>
---

A limited liability company can be incorporated with a single shareholder, who is the founding partner.

But to enjoy the limited liability it is necessary to:

- make it public by registering a statement of the administrators in the Company Registry (Registro delle imprese);
- pay the contribution of the single partner upon incorporation and upon the company asset increase.

### **6.3.6 Cooperative companies (Società Cooperative)**

#### **General features**

The distinctive feature of cooperative companies is their aim at mutual benefit: these companies provide services at favourable conditions to the members and do not have lucrative purposes, since the main aim is to provide members with goods, services and job opportunities through mutual cooperation and at conditions that are more favourable than those on the market.

There are various types of cooperatives according to the activity carried out:

- Consumer Cooperatives;
- Production and Labour Cooperatives;
- Agricultural Cooperatives;
- Housing Cooperatives;
- Transport Cooperatives;
- Fishing Cooperatives;
- Retail Cooperatives;
- Social Cooperatives.

because they are based on the principle of mutuality, cooperatives enjoy special tax benefits. Cooperatives are divided into two categories:

1. prevalent mutual aid
2. other cooperatives

*Prevalent mutual aid* cooperatives are those that:

- carry out their activity in favour of their members, consumers or users of goods and services (consumer cooperatives);
- mainly rely on the work of their members (labour cooperatives).
- For the principle of mutuality to be prevalent, it is important to remember that cooperatives operate not only with members but also third parties (for example, consumer cooperatives sell to members and non-members; labour cooperatives rely not only on member workers but also on non-member workers).

Members of any type cooperatives have limited liability and therefore do not risk their personal wealth.

However, only prevalent mutual aid cooperatives enjoy tax benefits. However,

as a counterpart, members cannot share the profits other than in the limited percentage provided by law. Therefore, members can only enjoy a minimum cost of purchased goods (consumer cooperatives) or an increased remuneration (labour cooperatives). Moreover, should the company be dissolved, the entire assets must be paid to the mutual funds for the promotion and development of cooperation, once the assets and the matured dividends (if any) have been deducted; in other words, members have no advantage from the increase of the cooperative assets.

Also in cooperatives decisions are made by the member board but, unlike the joint stock companies, each member has the right to vote regardless of the capital invested. The member board votes for the administrator and legal representative (or, alternatively, a board of directors).

Finally, it is important to remember that anyone can become a member of a cooperative and the request cannot be rejected if it meets all the requirements (*open door* principle).

#### **Fulfilments and costs**

Cooperatives must be incorporated by deed with minimum 9 members; however, 3 members will be sufficient if all the members are natural persons and the cooperative adopts the same rules as a limited liability company (s.r.l.) In any case, the incorporation deed must be a public document drafted by a notary. It may be advisable to refer to an accountant for the preparation of the articles of association. Some associations, such as the League of Cooperatives (Lega delle cooperative) or Confcooperative can also help preparing the articles of association, based on their rates.

The incorporation does not require a minimum capital.

However, a minimum rate of 25 euros is charged to each member. The incorporation capital is given by the sum of the capital shares of the single members.

For the incorporation, the following are required:

- a public document drafted by a notary;
- Notification to the Revenue Office (Agenzia delle Entrate) within 30 days from the stipulation of the charter for the assignment of the VAT number (Partita IVA);
- Enrolment in the Company Registry (Registro delle imprese) at the Chamber of Commerce of the province where the company is established, within 30 days from the drafting of the charter.
- Transfer of a copy of the incorporation deed to the Revenue Office (Agenzia delle Entrate) within 3 months from its registration in the Chamber of Commerce.
- enrolment in the cooperative registry.

The main expenses refer to the notary, as for the limited liability companies; unlike these, however, cooperatives do not pay the

annual statutory book fee (tassa annuale di vidimazione dei libri sociali). For the procedure to be followed, please see chapter 4.4.

#### **Social security (INPS, INAIL) obligations**

Only members working in the cooperative must register to INPS and pay contributions. Moreover, registration to INAIL and the payment of insurance premiums are mandatory; the sum depends on the risk level of the activity.

#### **Tax treatment of the profit**

Annual profit is subject to IRES, with special concessions for the prevalent mutual aid cooperatives. Cooperatives are also subject to IRAP.

#### **Advantages**

- Special tax benefits are provided for prevalent mutual aid cooperatives.
- Each member is valued regardless of his/her economic contribution and therefore, all members count the same in decision-making.
- No minimum capital is required other than the minimum rate charged to each member.
- The number of members may vary without having to change the articles of association (unlike other companies).

#### **Disadvantages:**

- Limited profit sharing
- High administrative costs (ordinary accounting, statutory books, annual budget), just like limited liability companies.
- ties of various nature, such as:
  1. regular inspections carried out by labour inspectors or entrepreneurial associations of the sector. These inspections entail a biennial contribution.
  2. obligation to indicate in the budget the activities carried out in favour of members and those for third parties;
  3. mandatory payment of 3% of the profit to the cooperation fund.

## ABBREVIATIONS AND ACRONYMS

AUSL	<i>Azienda unità sanitaria locale (Local Health Unit)</i>
CAF	<i>Centro assistenza fiscale (Taxpayer Assistance Service)</i>
CCIAA	<i>Camera di commercio industria artigianato e agricoltura (Chamber of Commerce)</i>
CD	<i>Coltivatore diretto (Direct Farmer)</i>
CE	<i>Commissione europea (European Commission)</i>
CF	<i>Codice Fiscale (Tax Code)</i>
CONSOB	<i>Commissione Nazionale per le Società e la Borsa (National Commission for Listed Companies and the Stock Exchange)</i>
CPA	<i>Commissione Provinciale per l'Artigianato (Provincial Commission of Craftsmanship)</i>
DIA	<i>Dichiarazione di inizio attività (Declaration of activity start-up)</i>
D.lgs.	<i>Decreto legislativo (Legislative Decree)</i>
D.M.	<i>Decreto ministeriale (Ministerial Decree)</i>
I.A.P.	<i>Imprenditore agricolo professionale (Professional agricultural entrepreneur)</i>
INAIL	<i>Istituto Nazionale Assicurazione contro gli Infortuni sul Lavoro (National institute for insurance against industrial accidents)</i>
INPS	<i>Istituto Nazionale Previdenza Sociale (National Social Security Institute)</i>
IRAP	<i>Imposta Regionale sulle Attività Produttive (Regional tax on productive activities)</i>
IRES	<i>Imposta sul Reddito delle Società (Corporate income tax)</i>
IRPEF	<i>Imposta sul Reddito delle Persone Fisiche (Natural person income tax)</i>
l.r.	<i>Legge regionale (Regional law)</i>
IVA	<i>Imposta sul Valore Aggiunto (VAT)</i>
PIL	<i>Prodotto Interno Lordo (Gross Domestic Product)</i>
PMI	<i>Piccole e medie Imprese (Small and medium enterprise)</i>
S.a.s.	<i>Società in accomandita semplice (Limited partnership)</i>
S.n.c.	<i>Società in nome collettivo (General partnership)</i>
S.r.l.	<i>Società a responsabilità limitata (Limited liability company)</i>
SUAP	<i>Sportello Unico delle Attività Produttive (Single desk for production activities)</i>

## GLOSSARY

**Articles of association:** Also known as Incorporation Deed is the set of written rules that define the economic activity of the company and its internal rules, such as duration, profit-sharing, administrator powers and any other internal agreement between partners.

**Associations:** Organisation for representation, assistance and protection for a sector of the various entrepreneurial categories.

**Business plan:** Document containing all the elements to evaluate the feasibility and convenience of a new business. These are: the study of the potential market, marketing plan, economic and financial forecasts, organisation structure and team, production plan, logistics and legal form.

**Capital:** Resources invested in the activity.

**CEM (Certified electronic mail):** A tool that allows giving an e-mail the same value as a traditional registered letter with return receipt. CEM can also add message content certification only if combined with a digital certificate.

**Certification of financial parameters:** Document issued by the Chamber of Commerce stating the amount of minimum reference financial resources for carrying out the activity, also referring to foreign nationals who intend to operate as equity partners in companies and cooperatives, that have been active for at least three years.

**Certification of the parameters of reference:** Declaration of the local Chamber of Commerce stating the financial resources that the applicant must prove to have in Italy to start up the chosen activity.

**Certified translation conform to the foreign text:** Any act in a foreign language must be accompanied by a certified translation into Italian by the competent diplomatic or consular representative or by an official translator; in the latter case, the translation must be sworn before an Italian court. For notary acts, the translation can be done by a notary practising in Italy who knows the foreign language who received these acts in deposit to allow their use in Italy.

**Chamber of commerce extract:** Document providing information on any Italian company enrolled in the Company Registry at the Chamber of Commerce. It provides legal, economic and administrative information, such as: details, tax code, legal form, incorporation date, activity, administrative positions, corporate bodies, local units.

**Clearance:** Declaration released by the competent authority stating the absence of impediments to the release of an authorisation. For example: the municipality releases retail or itinerant trade clearance; the Chamber of Commerce releases the wholesale clearance.

**Company name:** The name representing the company. In case of companies of people (s.n.c, s.a.s), it must contain the indication of the name of at least one partner.

**Company registry:** Is the office of the Chamber of Commerce where all the companies are registered that certifies their incorporation data.

**Company structure:** The resources on which the company is based on to reach its objectives.

**Contributions:** Are all the material non-material and financial goods that each partner brings to the company upon its incorporation.

**Curriculum vitae (CV):** Latin term meaning “course of life”. It is a brief but accurate document used to present the personal, academic and working situation of a person. There are many ways to write a CV but the most common is the European template, which can be downloaded at: [http://europass.cedefop.europa.eu/europass/home/vernav/Europasss+Documents/Europass+CV/navigate.action?locale\\_id=12](http://europass.cedefop.europa.eu/europass/home/vernav/Europasss+Documents/Europass+CV/navigate.action?locale_id=12).

**Declaration of absence of impediments:** Declaration issued by the competent authority stating the absence of impediments to the start up of the chosen activities.

**Declaration of equivalence:** Must be requested to the provincial education administration and produces all the legal effects of the corresponding Italian qualification.

**Declaration of hospitality:** a declaration stating that you are hosting a non-EU immigrant. This must be made by the holder of the lease, attaching a copy of the notification and a copy of the applicant’s ID. A copy of the registered lease contract in the name of the person making the declaration of hospitality must also be provided. All these fulfilments must be repeated in case of housing changes.

**Declaration of real estate assignment:** However assigns a property or allows the use of such property or parts of it for any other reason (renting, hospitality, loan agreement) for a period over a month, must notify the Public Security authorities. This notification must be done within 48 hours from the assignment by either by a natural person or a legal entity. This notification must be submitted, by means of a form, at the Police headquarters or the Public Security Bureau, or it can be sent by registered letter with return receipt. In some places this

notification can be submitted to the municipal Public Relations Office (Ufficio Relazioni con il Pubblico, URP).

**Declaration of responsibility:** Document in which the legal representative of a company or an employer state that, by virtue of the contract, no relationship of subordinated work will be established.

**Deed:** Sale and purchase final act. It represents the final passage of the real estate to the new proprietor by public document or private document legalised by a notary.

**EC residence permit for long-term residents (former permanent residence card):** Permanent residence document issued by the Italian State, valid to carry out any employment activity except those reserved to Italian nationals by law; also valid as ID document for five years.

**(Enterprise) Microcredit:** Is a service providing credit to low-income micro-enterprises for starting up a business. In some cases the loan is accompanied by consultancy services for the development of the business. The loan is unlimited and does not require special guarantees.

**Flow Decree:** Is the decree sign by the President of the Council of Ministers that annually defines the quota of foreign workers allowed into Italy.

**Guarantee:** Is the contract with which a subject, called guarantor, promises to pay another person’s debt with his/her resources.

**Guarantee Consortium:** Institute that provide guarantees to credit operators to ease access to medium and long-term funding.

**Large enterprise:** Large enterprises are those that do not fall into the definition of small or medium enterprise. See table below under SME.

**Legalised private document:** Document drafted and signed in presence of a public authority stating the identity of the signing person.

**Non-material goods:** Are property of the enterprise have no physical form, such as credit instruments, patents, registered trademarks and software.

**Product or service:** The material or non-material goods produced and marketed by the enterprise.

**Professional Registry:** Registry where all the names and data regarding the people entitled to practice a profession are collected. It is accessed through specific qualifications and almost always after passing a State exam.

**Profit:** The economic result of the company’s activity. Given by the difference between earnings and costs; if negative it’s called loss.

**Recognition of academic qualifications obtained abroad** Administrative procedure for the recognition of academic and professional qualifications and experiences obtained abroad.

**Registry office certificate:** Is the document issued by the Registry Office stating that the applicant resides regularly in that municipality. Registration of foreign nationals with regular residence is made by completing a special form in the local Registry Office.

**Residence permit:** Residence permit released by the Italian State or an EU country.

**SME (small and medium enterprise):**

<b>ENTERPRISE</b>	<b>NUMBER OF EMPLOYEES</b>	<b>TURNOVER</b>	<b>TOTAL BUDGET VOLUME</b>
<b>Micro-enterprises</b>	Less than 10	Less or equal to 2 million euros	Less or equal to 2 million euros
<b>Small enterprises</b>	Less than 50	Less or equal to 10 million euros	Less or equal to 10 million euros
<b>Medium enterprises</b>	Less than 250	Less or equal to 50 million euros	Less or equal to 43 million euros

**Statement of validity:** is drafted by the Italian Embassy or Consulate in the country where the qualification has been obtained. This declaration states the legal position of the school (state or legally recognised school), the order and degree of the qualification, the total number of schooling years and the type of studies that can be continued or the type of job it allows doing.

**Union offices:** Offices that represent and protect workers, pensioners and all the citizens.

**Visa** Entry into Italy requires an authorisation issued by an Italian diplomatic or consular representative.