



Istituto per l'Innovazione  
Repubblica di San Marino

**SANMARINO  
INNOVATION**

Regulation n. 001/2019

# **Regulation for the issue of the Certification of High Innovative Enterprise**



**Regulation 001/2019, "Regulation for the issue of the certificate of highly innovative enterprise referred to in Article 4 of Delegated Decree no. 101 of 13 June 2019 and subsequent amendments and integrations"**

**Article 1**

**General Principles**

1. San Marino Innovation S.p.A. is the body responsible for issuing the certificate of highly innovative enterprise, pursuant to Article 4 of Delegated Decree no. 101 of 13 June 2019.
2. San Marino Innovation S.p.A. issues the certificate of highly innovative enterprise to applicants demonstrating that they have an innovative idea of product, service, process, technology, organisation or business model.
3. The promoters may be either natural or legal persons.
4. An application for the issue of a certificate of highly innovative enterprise may also be submitted by the directors of companies with share capital established under San Marino law no more than twelve months after the submission of the application.

**Article 1 bis**

**Substantial activity requirement for geographically mobile activities**

1. In order to access the tax benefits pursuant to in articles 20, 21, 22 and 23 of Delegated Decree no. 101 of 13 June 2019, core income generating activity, as defined in the following Paragraph, would need to be performed within the territory of the Republic of San Marino, and:
  - a. to have an adequate number of fulltime employees with documented and necessary qualifications for such activities; and



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- b. incurring an adequate amount of operating expenditures to undertake such activities.
2. For the purposes of Paragraph 1, the core income generating activity means, the activity that produces the main type of business income, with the exclusion of auxiliary activities and may vary according to each relevant business sector.
  3. Where the applicant choose to outsource the core income generating activity, the requirements referred to in paragraph 1 has to be met by the outsourcer to which the core income generating activity has been outsourced. The applicant shall be responsible for the compliance of the outsourcer with these requirements.
  4. The application pursuant to the following Article 2 would need to be submitted with suitable documentation to comply with the provisions of paragraph 1, in order to allow San Marino Innovation S.p.A. to verify whether these are indeed core income generating activity for those type of activities that the applicant will undertake.
  5. With reference to the exemption provided for in Paragraph 1 of Article 36 bis of Delegated Decree no. 101 of 13 June 2019, any type of income deriving from an intangible asset (IP asset), including the exploitation of trademarks and copyrights, can never benefit from tax benefits pursuant to Articles 20, 21, 22 and 23 of Delegated Decree no. 101 of 13 June 2019. Any type of income deriving from an intangible asset (IP asset) should be referred to the general IP regime, therefore IP income falling within the objective scope of the IP preferential regime, pursuant to article 4 of Decree Law no. 123 of 25 September 2018, shall exercise the option pursuant the Chapter II of the same Decree Law no. 123 of 25 September 2018.
  6. For the purpose of the provisions of the following Article 9, San Marino Innovation S.p.A. annually verifies compliance with the requirements set forth in paragraph 1 of this article and notifies the Tax Office without delay of the non-application and the forfeiture of tax benefits pursuant to Articles 20, 21, 22 and 23 of Delegated Decree no. 101 of 13 June 2019.

## **Article 2**

### **Submission of the application to San Marino Innovation S.p.A.**

1. In order to be granted the certificate of highly innovative enterprise, the application shall be drawn up, under penalty of inadmissibility, by using exclusively the appropriate on-line form, with its attachments, available on the website of San Marino Innovation S.p.A. at



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[www.sanmarinoinnovation.com](http://www.sanmarinoinnovation.com).

2. The application shall be accompanied by the documents indicated on the website of San Marino Innovation S.p.A. at [www.sanmarinoinnovation.com](http://www.sanmarinoinnovation.com)., under penalty of inadmissibility. Alternatively, subject to the express authorisation of San Marino Innovation S.p.A., the applicant may produce certificates equivalent to part or all of the documents required for the assessment and issued by internationally recognised auditing firms of proven reputation.
3. The application shall be drawn up in Italian or, alternatively, in English.
4. The application shall be deemed to be finalised only and exclusively when it is completed in all its parts. Otherwise, the application shall be considered inadmissible.
5. San Marino Innovation S.p.A. shall not process the applications submitted in any other way.
6. San Marino Innovation S.p.A. may request supplements or additional information in the event of insufficiently detailed documents or in the event of documents containing material errors.
7. It is permitted to submit simultaneous applications for the issue of the certificate referred to in this Regulation and in Regulation 002/2019. In this case, the applications will be assessed jointly.

### **Article 3**

#### **Criteria and assessment of the application**

1. The most relevant elements in the assessment of the application are the following:
  - a) highly innovative character, with at least one of the following requirements:
    1. develop new technologies to provide products and/or services (internal development)
    2. adopt new technologies in business processes (i.e. artificial intelligence, machine learning, blockchain, etc.) (external adoption)
    3. adopt innovative solutions regarding its business model, product, service.
  - b) Substantiality, met by the requirements of Article 1bis of this Regulation.



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c) Solidity of the business plan.

2. The application shall provide evidence of the following:

- qualitative characteristics of the project,
- degree of innovation of the product and/or service and/or process and/or technology and/or organisation and/or business model submitted;
- characteristics of the reference market,
- the sources and nature of the financing;
- economic feasibility and financial sustainability of the new entrepreneurial initiative;
- competence and professional skills of the applicants;
- added value brought by the entrepreneurial initiative to the Republic of San Marino;
- social and economic impact that the entrepreneurial initiative may have on the country in general.
- any other additional information which may be decisive for the proper evaluation of the project.

## **Article 4**

### **Assessment of the application**

1. To assess the application, San Marino Innovation S.p.A., at its own discretion, may rely on external companies and professionals in possession of adequate tools, resources and technical skills, in order to ensure the highest degree of impartiality and professionalism of the assessment process.
2. San Marino Innovation S.p.A. shall be the only interlocutor with applicants, who therefore shall have no contact with the person responsible for the technical assessment of the application, except as expressly provided for the technical assessment of the application.
3. San Marino Innovation S.p.A. and any person responsible for the technical assessment shall not provide advice to the applicants for the purposes of assessment, subject to clarifications on the formal correctness of the submission of the application and information on the activities of the



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Institute.

4. It shall be absolutely forbidden for the applicants to attempt to unduly influence the person in charge of the technical assessment of the application, as well as the Institute. This type of behavior leads to the rejection of the application, as well as the prohibition to submit further applications.
5. The technical assessment of the project represents a non-binding opinion for San Marino Innovation S.p.A., which is the only and exclusive body responsible for granting the certificate of highly innovative enterprise.

## **Article 5**

### **Outcome of the assessment of the application**

1. The outcome of the assessment shall be communicated to the applicant by San Marino Innovation S.p.A. within 30 days from the date of submission of the application.
2. The outcome is communicated to the applicants by e-mail to the address indicated by them.
3. If the assessment is unsuccessful, the interested party may apply again for the issue of the certificate of highly innovative enterprise in accordance with Article 2.

## **Article 6**

### **Issue of the certificate of highly innovative enterprise**

1. If the assessment procedure is successful, San Marino Innovation S.p.A. grants the applicants the certificate of highly innovative enterprise within 15 days from the communication of the positive outcome of the application.
2. The time-limit referred to in the previous paragraph may be suspended for duly justified exceptional reasons, including those submitted by the applicant.
3. The certificate is delivered by registered mail with acknowledgement of receipt or by hand with signed acknowledgement of receipt or by certified email at [sanmarinoinnovation@pec.it](mailto:sanmarinoinnovation@pec.it) . A copy



thereof shall be sent in advance to the applicant by email.

4. From the day of issue of the certificate, the promoter(s) may establish a company under San Marino law in the form of a company with capital share, which will obtain the status of "high-technology enterprise" as provided for in Article 3 of Delegated Decree no. 101 of 13 June 2019 and may access the benefits and facilities provided for by said Delegated Decree.
5. Within 90 days from the issue of the certificate of highly innovative enterprise by San Marino Innovation S.p.A., the company shall apply for entry in the Register of High-Technology Enterprises referred to in Article 7 of Delegated Decree no. 101 of 13 June 2019, under penalty of forfeiture of the status of high-technology enterprise.
6. If, after 90 days from the issue of the certificate of highly innovative enterprise, the interested party has not submitted an application for entry in the Register of High-Technology Enterprises, the certificate issued shall be considered null and void.
7. In case of invalidity of the certificate of highly innovative enterprise, the applicant intending to obtain a new certificate is allowed to submit a new application in accordance with Article 2.
8. The procedures for granting the certificate shall be duly recorded and the President shall periodically report on them to the Board of Directors of San Marino Innovation S.p.A..
9. If the President considers that there are objective elements to depart from the technical assessment, he submits the dossier to the Board of Directors, which decides whether or not to issue the certificate at its earliest possible meeting.

## **Article 7**

### **Effects of the certification**

1. The certificate of highly innovative enterprise is issued by San Marino Innovation S.p.A..
2. The certificate is entitled "Certificate of highly innovative enterprise" and bears the name of the project for which the application has been submitted and the progressive numbering divided by calendar years.
3. Each certificate is duly registered and kept in its original form by the Institute.
4. In addition to access to the preferential scheme under Delegated Decree n.101 of 13 June 2019, the



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certificate of highly innovative enterprise allows the company:

- a. to use the logo "certified by San Marino Innovation" on its website and on any social communication;
- b. to benefit of the conventions promoted by the Institute with Authorities, Agencies, Associations, Professional Associations, Banking Institutions and, in general, with the Institutions of the Republic of San Marino;
- c. to participate in events, courses, conferences, as well as any other initiative organised by San Marino Innovation S.p.A. and other initiatives at the invitation of San Marino Innovation S.p.A.;
- d. to be involved in institutional initiatives related to its area of business and promoted or supported by San Marino Innovation S.p.A.;
- e. to participate in multi-sector technological aggregation initiatives promoted by San Marino Innovation S.p.A., with the aim of developing the cooperative network and cooperation between business networks and centres of technology;
- f. to be involved in working groups dedicated to the development of the Institute's legislative proposals, with particular reference to the specific sector of the development of new technologies aimed at accelerating the growth and internationalisation of the Institute, procedural simplification and the development of services supporting the growth of the innovation ecosystem.

## **Article 8**

### **Renewal of the certificate of highly innovative enterprise**

1. The certificate of highly innovative enterprise is valid for twelve (12) months.
2. In the 90 days prior to the expiry of the certificate, the interested party shall initiate the procedures for renewal of the certificate by using the appropriate on-line form with its attachments available on the website San Marino Innovation S.p.A. at [www.sanmarinoinnovation.com](http://www.sanmarinoinnovation.com). The time-limits for the outcome of the application and for the renewal of the certificate shall be the same as those laid





down in Articles 4 and 5.

3. Renewal of the certificate shall be subject to the successful completion of the checks and verifications referred to in Article 9.

## **Article 9**

### **Payment of the annual fee for the certificate of highly innovative enterprise**

1. Entry and stay in the Register of High-Technology Enterprises meeting the requirements envisaged in Article 3 of Delegated Decree no. 101 of 13 June 2019 are subject to the payment to San Marino Innovation S.p.A. of an annual fee, as provided for by the specific Directive issued by San Marino Innovation S.p.A., which also details the relevant payment methods.
2. The payment of the annual fee shall determine the renewal of of the certificate of highly innovative enterprise, without prejudice to the maintenance of the requirements laid down in Article 3 of Delegated Decree no. 101 of 13 June 2019.

## **Article 10**

### **Checks and verifications relating to the maintenance of the status of highly innovative enterprise**

1. Pursuant to Article 6 of Delegated Decree no. 101 of 13 June 2019, San Marino Innovation S.p.A. carries out periodic checks on companies registered with the Register of High-Technology Enterprises in order to verify that they meet the requirements for their classification as high-technology enterprises and necessary to remain in the aforementioned Register.
2. In particular, San Marino Innovation S.p.A. verifies the compliance of the registered company with the following:
  - a. exercise of the high-technology economic activity on the basis of which the certificate has been issued;



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- b. character of substantiality;
  - c. possession of an industrial or service licence, which shall not have been terminated;
  - d. non-existence of shareholdings through a fiduciary mandate;
  - e. compliance with the payment of the fee in the manner and within the time-limits established.
3. With particular regard to the requirement referred to in letter a) of paragraph 2 of this Article, for the purposes of the annual renewal of the certificate of highly innovative enterprise, San Marino Innovation S.p.A. will not only perform formal checks, but it will also assess and monitor the progress of the innovative project of the enterprise.
  4. To perform the checks, San Marino Innovation S.p.A., at its own discretion, may rely on external companies and professionals in possession of adequate tools, resources and technical skills, in order to ensure the highest degree of impartiality and professional skills in the assessment of the progress made by the enterprise.
  5. San Marino Innovation S.p.A. keeps, for consultation purposes, the Register of High-Technology Enterprises, to which it has full and free access. The data contained in the Register may be used only and exclusively for the purposes and expressly provided for by law.
  6. San Marino Innovation S.p.A. shall carry out its own checks both through the use of the Register and with the collaboration of the competent Public Offices.

## **Article 11**

### **Revocation of the certificate**

1. San Marino Innovation S.p.A. shall carry out the checks and verifications referred to in Article 9 throughout the calendar year.
2. If, as part of its checks, San Marino Innovation S.p.A. establishes that even just one of the requirements set out in Article 3 of Delegated Decree no. 101 of 13 June 2019 is no longer met, it assigns the company a time-limit of 30 days to meet such requirements. After the unsuccessful expiry of such time-limit, the company shall lose its status of high-technology enterprise.
3. If the company does not pay the annual fee referred to in Article 6 above, San Marino Innovation



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S.p.A. establishes a time-limit of 30 days to make the payment. After the unsuccessful expiry of such time-limit, the company shall lose its status of high-technology enterprise.

4. In the cases provided for in the previous paragraphs, if the company does not comply with the time-limits established, San Marino Innovation S.p.A. shall notify the revocation of the certificate of high-technology enterprise to the Office for Economic Activities, which shall take the actions falling within its competence.

## **SANMARINO INNOVATION**

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