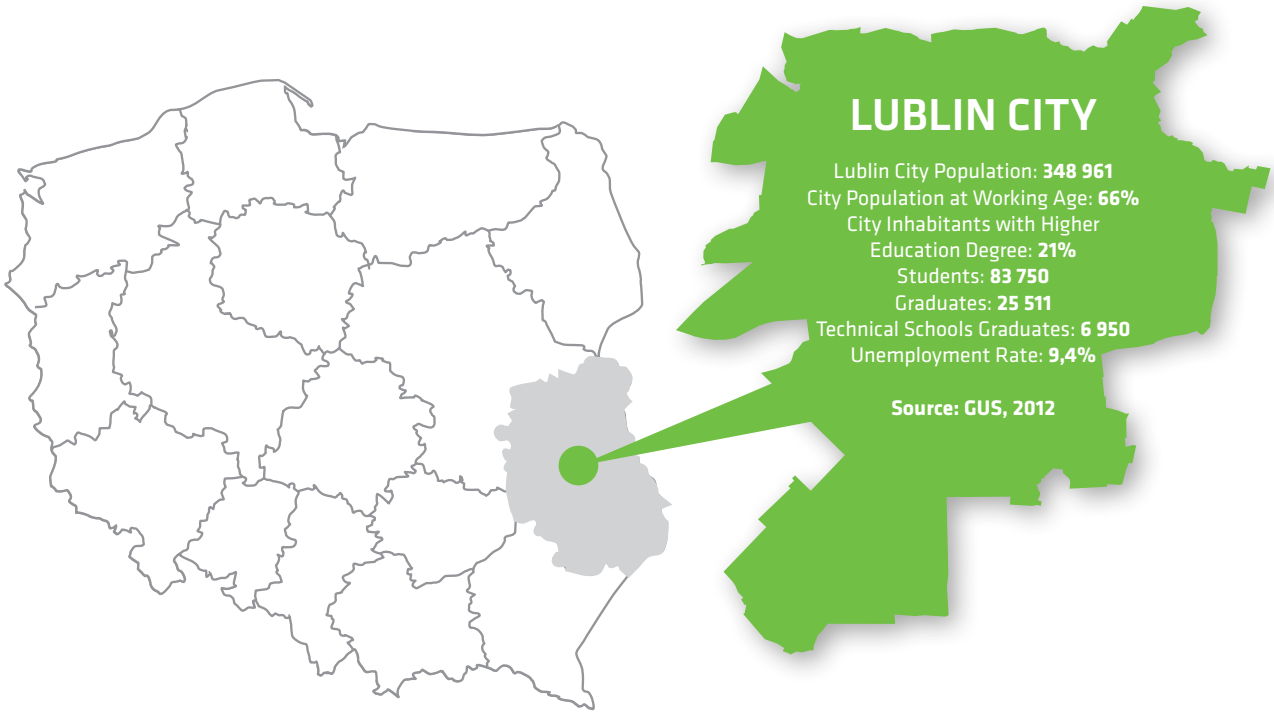
SPECIAL ECONOMIC ZONE
EURO-PARK MIELEC
LUBLIN SUBZONE

Lublin
inspires business

Lublin subzone

LUBLIN SUBZONE Is an integral part of EURO-PARK MIELEC SPECIAL ECONOMIC ZONE managed by the branch of Industrial Development Agency in Mielec. The area of the LUBLIN SUBZONE is located in the south-east part of the city near Witosa St., close to the now-constructed city ring-road, the S-17 express road intersection and the Lublin Airport. The Lublin Subzone currently covers 116 hectares of land, 47% out of which is occupied.



Our strenghts

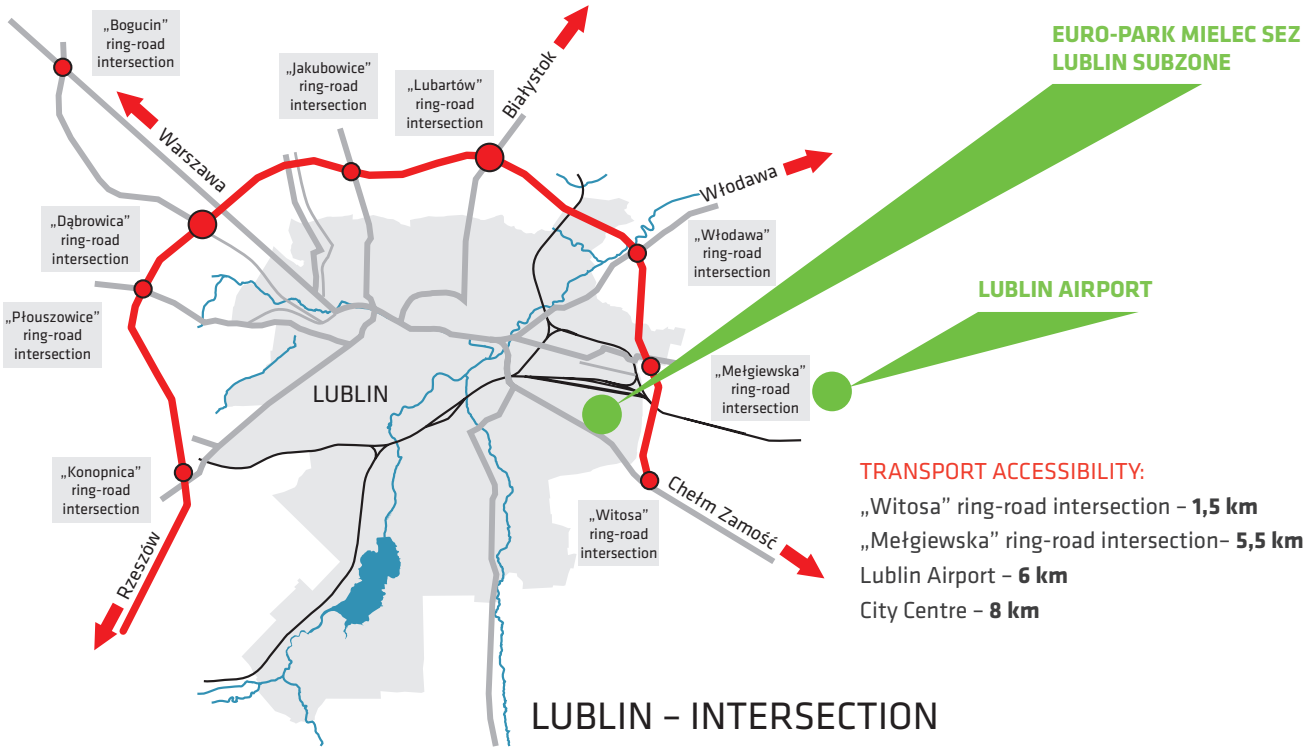
EURO-PARK Mielec SEZ, Lublin Subzone:

- investment sites situated in an industrial district away from residential areas;
- very good location in terms of transport accessibility;
- valid Zoning Plan for the investment sites.

Lublin City:

- high intelectual capital due to academic background of the city (12 state and private universities, ca. 80 000 students);
- labour costs up to 15% lower compared to regional capitals in western and central Poland;
- availability of well qualified workforce.

EURO-PARK MIELEC SPECIAL ECONOMIC ZONE – **LOCATION**



TRANSPORT ACCESSIBILITY:

„Witosa" ring-road intersection – **1,5 km**

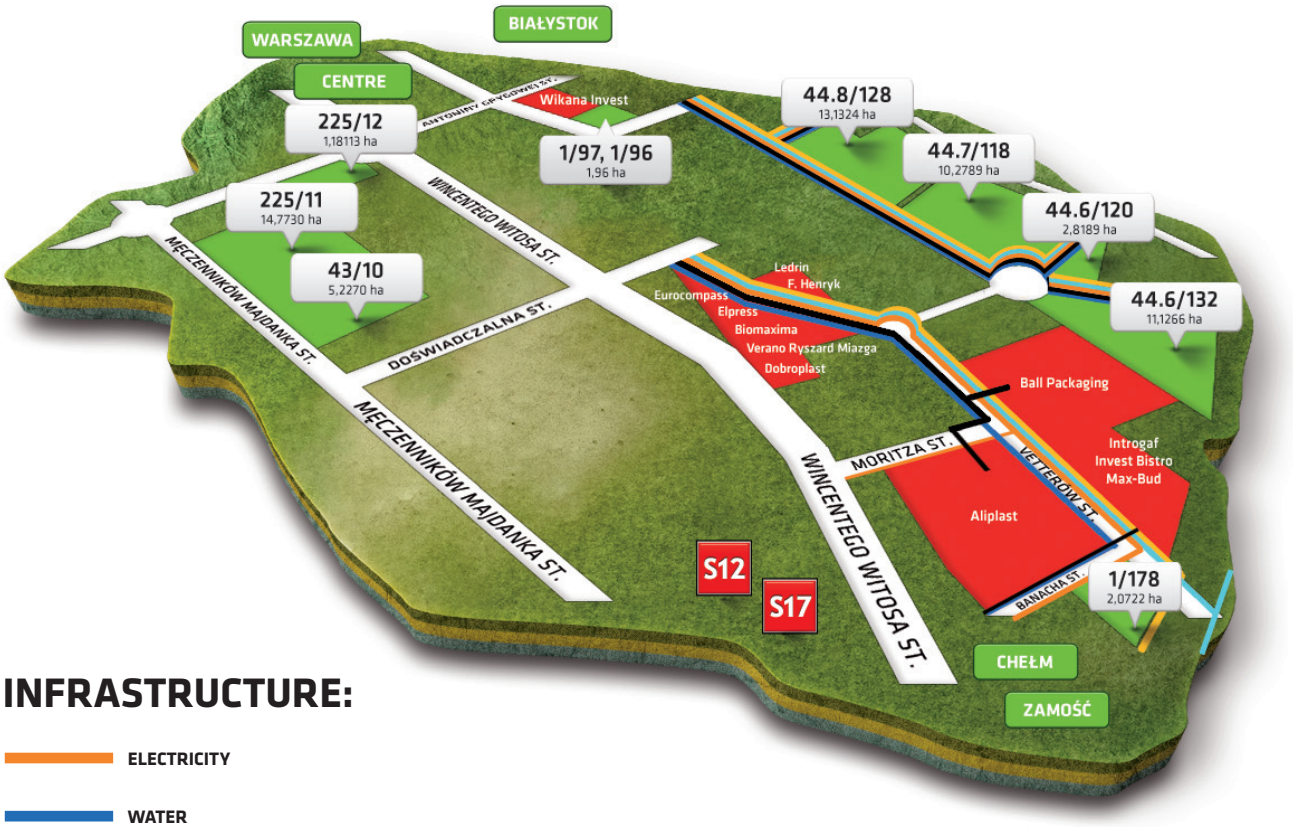
„Mełgiewska" ring-road intersection– **5,5 km**

Lublin Airport – **6 km**

City Centre – **8 km**

LUBLIN – INTERSECTION

EURO-PARK MIELEC SEZ Lublin Subzone



INFRASTRUCTURE:

- ELECTRICITY
- WATER
- GAS
- SEWAGE DISCHARGE
- STORM DRAINAGE

Lublin inspires business

TAX INCENTIVES FOR INVESTORS IN LUBLIN SUBZONE

On the basis of the Permit issued by the Minister of Economy investors conducting business activity in the E**URO-PARK MIELEC SPECIAL ECONOMIC ZONE, LUBLIN SUBZONE** are entitled to benefit from public assistance, also referred to as regional aid, in the form of personal and corporate income tax reliefs (PIT/CIT). The public assistance is granted with regard to:

1. investment expenses

2. creation of new jobs

ON THE BASIS OF THE OBTAINED PERMIT, INVESTORS ARE ALSO ENTITLED TO REAL ESTATE TAX EXEMPTION FOR THREE YEARS.

Qualified expenses

As long as the Permit remains valid, the investment expenditures within the Subzone which qualify for aid are as follows:

- purchase of land or perpetual usufruct rights;
- purchase or internal generation of fixed assets;
- extension and modernization of existing fixed assets;
- purchase of intangibles connected with technological transfer through the acquisition of patent rights, licenses, know-how or unpatented technical knowledge. In the case of large enterprises expenses connected with such investments can be increased up to 50%.

Example

INVESTMENT EXPENSES 5 MLN PLN

Taking into account the maximum regional aid rate in the amount of::

70 % (for small enterprises)
60 % (for medium-sized enterprises)
50 % (for large enterprises)

PUBLIC AID AMOUNTS TO:

5 mln x 70 % = 3,5 mln

5 mln x 60 % = 3 mln

5 mln x 50 % = 2,5 mln

Exemption from income tax on account of newly created jobs

The exemption is classified as the regional aid granted to support the creation of new jobs connected with a given investment. The amount of regional aid is calculated as a product of maximum regional aid rate (50%, 60%, 70%) and the two-year labour costs of the new workers (including gross salary and all of the obligatory contributions related to employment).

The exemption is valid starting from the month when the labour costs were first incurred until the time when the regional aid is used up on condition that the newly created jobs are maintained for at least five years for large enterprises or three years for small and medium enterprises.

Assumption: large enterprise
Employment level: 300 people
Remuneration: 2 000 PLN gross/person
Employment period: 24 months
Labour costs: 300 x 2 000 x 24 = 14.4 mln PLN

Taking into account the maximum regional aid rate amounting to 50% (for large enterprises), the following amount of exemption shall be due:

14,4 mln zł x 50% = 7,2 mln zł

Real estate tax exemption

Every company which invests in SEZ Euro-Park Mielec Lublin Subzone receives real estate tax exemption for three years from the Lublin City authorities. The public aid in the form of real estate tax exemption is granted with regard to:

- investment costs
- creation of new jobs

Assumption: area of the greenfield – 2 ha
Real estate tax rate per m^2: 0.78 PLN
20 000m^2 x 0.78 PLN = 15 600 PLN
15 600 x 3 years = 46 800 PLN

TOTAL: 46 800 PLN

Assumption: area of brownfield –2 ha
Real estate tax rate per m^2: 20.00 PLN
20 000 m^2 x 20 PLN = 400 000 PLN
400 000 PLN x 3 years = 1 200 000 PLN

TOTAL: 1 200 000 PLN

Total value of the exemption: 1 246 800 PLN

CONDITIONS TO OBTAIN THE MINISTER OF ECONOMY PERMIT TO CONDUCT BUSINESS ACTIVITY IN EURO-PARK MIELEC SEZ

The branch of Industrial Development Agency in Mielec issues permits to conduct business activity in EURO_PARK MIELEC SEZ on behalf of the Minister of Economy on the following conditions:

1. Investment should amount to at least EUR 100,000
2. For large enterprises investment is to be maintained for at least five years from the investment completion date, three years for SMEs
3. For large enterprises the newly created workplaces are to maintained for at least five years from the investment completion date, three years for SMEs

Exemption from income tax on account of new investment

The amount of regional aid due with regards to a new investment is a product of maximum regional aid rate and the expenses which can be qualified for such aid.

PROCEDURES

- submit an Investor Application Form to the Lublin City Mayor and Industrial Development Agency with a description of the planned investment project;
- enter a tender procedure announced by the Industrial Development Agency;
- submit a bid in the tender procedure;
- receive a permit to conduct business in the LUBLIN Sub-zone of the EURO-PARK MIELEC Special Economic Zone.

Investors who receive the permit are automatically entitled to benefit from both income and real estate tax exemptions.

50% for large enterprise (employing more than 250 people)

60% for medium enterprise (employing less than 250 people)

70% for small enterprise (employing less than 50 people)

Companies that have invested in EURO-PARK MIELEC SEZ, Lublin Subzone

1. Aliplast Sp. z o.o.
2. Ball Packaging Europe Sp. z o.o.
3. Biomaxima S.A.
4. D&D Resory Sp. z o.o.
5. Dobroplast
6. El-Press s.c.
7. EURO-COMPASS Sp. z o.o.
8. Firma Henryk Batyra
9. Introgaf Sp. z o.o.
10. INWEST BISTRO Sp. z o.o.
11. Laboratoria Natury Sp. z o.o.
12. Ledrin Sp. z o.o.
13. Max-Bud Grzegorz Pawłowski
14. MPC Metal Sp. z o.o.
15. Multivac Sp. z o.o.
16. MW Poland Sp. z o.o.
17. Wikana Invest Sp. z o.o.
18. Verano Ryszard Miazga

Legal regulations

- Act on special economic zones of October 20th 1994(Journal of Laws 2007 No 42, Item 274 with further amendments)
- The Decree of the Council of Ministers on the Mielec Special Economic Zone of 15 December 2008 (Journal of Laws No 232, item 1555), (Journal of Laws 2009 no 112, item. 919 AMENDMENT), (Journal of Laws 2010 no 39, item. 208 AMENDMENT), (Journal of Laws 2010 no 114, item. 762 AMENDMENT), (Journal of Laws 2011 no 204, item. 1197 AMENDMENT)
- Regulation of the Council of Ministers on public aid of 10 December 2008 (Journal of Laws No 232, item 1548), (Journal of Laws 2010 no 15, poz. 78 AMENDMENT)
- Regulation of the Council of Ministers concerning the criteria for including some areas into the Special Economic Zone of 10 December 2008 (Journal of Laws No 224, item 1477), (Journal of Laws 2010 no15, poz. 79 AMENDMENT)
- The Decree of the Council of Ministers of November 15th 2004 on procedure, terms and conditions of bids or negotiations and criteria for evaluation of the intensions of economic enterprises, which are to be undertaken by entrepreneurs in Special Economic Zone EURO-PARK MIELEC (Journal of Laws No 254, Item 2538), (Journal of Laws 2010 No.108, item. 695 AMENDMENT)
- The Decree of the Council of Ministers dated July 2th 2009 on entrusting the Industrial Development Agency with granting permits for economic activity and conducting regular inspections of entrepreneurs' activity in Special Economic Zone EURO-PARK MIELEC and determining the scope of these inspections (Journal of Laws No 112 Item 922)
- Act of April 30th 2004 on the procedure in issues related to public aid (Journal of Laws No. 123 Item 1291)
- Commission Regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty
- Definition of SME (Commission Recommendation 2003/361/WE of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises)
- GUIDELINES ON NATIONAL REGIONAL AID FOR 2007-2013 (2006/C 54/08)
- Resolution No 188/XIII/2007 Lublin City Council of 25 October 2007 regarding real estate tax exemption within the regional aid programme for entrepreneur performing new investment or creating new jobs related with new investments in SEZ Euro-Park Mielec Lublin Subzone.

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