SUBSIDIARY LEGISLATION 463.04

ENTERPRISE SUPPORT INCENTIVES REGULATIONS

1st January, 2008*

LEGAL NOTICE 70 of 2008, as amended by Legal Notices 60 of 2009, 107 and 488 of 2010, 170 and 456 of 2012, 432 of 2013, and 118, 188, 212, 413 and 414 of 2015.

1. The title of these regulations is the Enterprise Support Incentives Regulations. Citation.

2. In these regulations, unless the context otherwise requires: Interpretation. *Amended by: L.N. 456 of 2012; L.N. 432 of 2013; L.N. 212 of 2015; L.N. 413 of 2015.* Cap. 463.

"the Act" means the Malta Enterprise Act;

"the Corporation" means Malta Enterprise established under the Act;

"Guidelines" means such guidelines as may be published by the Corporation from time to time in terms of the Act;

"regulatory licences and permits" shall mean any licence, permit or authorisation issued by law by a local authority as a prerequisite for eligibility to assistance as defined in the respective guidelines regulating the assistance;

"the Treaty" means the Treaty establishing the European Community published in the Official Journal of the European Union in the edition of the 29th December 2006:

Provided that as from the 26th October 2012, "the Treaty" means the Treaty on the Functioning of the European Union published in the Official Journal of the European Union in the edition of the 26th October 2012.

"undertaking" means an undertaking as defined in the Act, except for the purposes of regulation 16 where undertaking shall mean:

(*a*) a limited liability company constituted under the Companies Act; or Cap. 386.

(*b*) a limited liability company incorporated or registered as an overseas company in accordance with the Companies Act: Cap. 386.

Provided that for the purposes of regulation 12, undertaking shall mean:

(*a*) a partnership constituted under the Companies Act, being a partnership *en nom collectif*, *en nom commandite*, or a limited liability company; or Cap. 386.

*see regulation 1(2) of these Regulations as originally promulgated.

(*b*) a body of persons constituted, incorporated or registered outside Malta, and of a nature similar to the aforesaid partnerships in accordance with the Companies Act; or

Cap. 386.

(*c*) a co-operative society duly registered as such under the Co-operative Societies Act.

Cap. 442.

Cash grants.
Amended by: L.N. 60 of 2009; L.N. 212 of 2015.

3. (1) Where the Corporation is satisfied that an undertaking is carrying on or intending to carry out an activity that may contribute to the economic development of Malta, the Corporation may provide such an undertaking with a cash grant as established in these regulations and in the Guidelines:

Provided that an undertaking shall not qualify for any of the benefits provided by these regulations if such undertaking operates in the -

(*a*) fishery or aquaculture sectors;

(*b*) primary production of agricultural products:

Provided that such assistance may be granted to undertakings that operate in the processing and marketing of agricultural products as described in Annex 1 to the Treaty:

Provided further that such assistance may not be granted to undertakings that operate in the processing and marketing of agricultural products as listed in Annex 1 to the Treaty:

(i) when the amount of the assistance would be fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;

(ii) when the assistance is conditional on being partly or entirely passed on to primary producers.

(2) Assistance under this regulation may not be granted:

(*a*) when the assistance would be granted for export-related activities towards third countries or Member States, that would be directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;

(*b*) when the assistance would be contingent upon the use of local over imported goods;

(*c*) when the assistance would be granted to undertakings in difficulty:

Provided that the provisions of paragraph (*c*) of sub-regulation 2 shall only be applicable to undertakings which qualify for assistance under these regulations until the 31st December, 2013.

Assistance for participation in trade fairs, etc.
Amended by: L.N. 212 of 2015.

4. (1) Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires assistance for the participation in trade fairs, trade missions and other such events the Corporation may provide such an undertaking with a cash grant which shall not exceed sixty-five per cent (65%) of the total costs incurred by the undertaking in accordance with the terms and conditions set out in the Guidelines:

Provided that the provisions of sub-regulation (1) shall only be applicable to undertakings which qualify for assistance under these regulations until the 31st January, 2013.

(2) Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires assistance to develop the international competitiveness of the undertaking or for the participation in trade fairs, trade missions and other such events, the Corporation may provide such an undertaking with a cash grant which shall not exceed fifty per cent (50%) of the eligible costs incurred in accordance with the terms and conditions set out in the Guidelines.

Provided that applications for assistance under sub-regulation (2) shall reach the Corporation by not later than the 31st December, 2017.

.Assistance for collaboration with other undertakings.
Amended by: L.N. 60 of 2009; L.N. 488 of 2010; L.N. 432 of 2013; L.N. 212 of 2015.

5. Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires assistance to collaborate with other undertakings or to administer interactions between a number of undertakings that are collaborating with it with the aim of achieving common objectives, the Corporation may provide such an undertaking with a cash grant that may not exceed the limits set in regulation 18 in accordance with the terms and conditions set out in the Guidelines.

Assistance for business development projects.
Amended by: L.N. 60 of 2009; L.N. 488 of 2010; L.N. 432 of 2013.

6. Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires assistance to set up business development projects, the Corporation may provide such an undertaking with a cash grant that may not exceed the limits set in regulation 17 in accordance with the terms and conditions set out in the Guidelines.

Assistance for the engagement of advisors.
Amended by: L.N. 212 of 2015.

7. (1) Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires the assistance of advisors in a particular field, the Corporation may provide such an undertaking with a cash grant that may cover up to one hundred per cent (100%) for the first fifteen hours of the costs of the services of such an advisor and that otherwise may not exceed seventy-five per cent (75%) of the costs of the services of such advisor in accordance with the terms and conditions set out in the Guidelines:

Provided that applications for assistance under this regulation shall reach the Corporation by not later than the 31st March, 2014.

(2) Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires assistance of advisors in a particular field, the Corporation may provide such an undertaking with a cash grant which shall not exceed the amount of two thousand five hundred euro (€2,500) per annum in accordance with the terms and conditions set out in the Guidelines:

Provided that applications for assistance under sub-regulation (2) shall reach the Corporation by not later than the 31st December, 2017.

Assistance for the development of international competitiveness. *Amended by: L.N. 212 of 2015.*

8. Where the Corporation is satisfied that an undertaking carrying on or intending to carry out a qualifying activity that may contribute to the economic development of Malta, requires assistance to support or develop the international competitiveness of the undertaking, the Corporation may provide such an undertaking with a cash grant that shall not exceed sixty-five per cent (65%) of the eligible costs incurred in accordance with the terms and conditions set out in the Guidelines:

Provided that applications for assistance under this regulation shall reach the Corporation by not later than the 31st December, 2013.

Tax credits to undertakings carrying out a creative activity. *Added by: L.N. 488 of 2010.*

9. (1) When the Corporation is satisfied that an undertaking carrying on or intending to carry out a creative activity that may contribute to the economic development of Malta, requires assistance to develop and improve its business or to organise creative activities or events as may be specified in the Guidelines, the Corporation may provide such an undertaking with a tax credit of sixty per cent (60%) to be calculated as a percentage of the eligible costs incurred as from 1st January 2010 in accordance with the terms and conditions set out in the Guidelines:

Provided that for the purpose of this regulation, "creative activity" shall mean an economic activity, requiring an appreciable degree of human self-expression, that leads to the development and production of artistic works, products or services.

(2) The intensity of the tax credit shall be in accordance with the terms and conditions set out in the Guidelines:

Provided that this benefit shall be calculated on the eligible costs incurred as from 1st January 2010 till the 31st December 2013:

Provided further that the total amount of tax credits that may be granted in terms of this regulation shall not exceed twenty five thousand euro (€25,000).

(3) The tax credit referred to in this regulation shall be due as a deduction from tax payable by an undertaking on its chargeable income derived from its trade or business for that year of assessment commencing on the 1st January of the year immediately following the year in which the eligible costs are undertaken, and, where the tax credit, for that year of assessment, exceeds the income tax payable by such an undertaking for that year, the excess

in the tax credit shall be allowed to be carried forward to the subsequent year of assessment and deemed to be a tax credit for that year:

Provided that a tax credit shall not give rise to a right to a refund of tax:

Provided further that unutilised tax credits can only be availed of until year of assessment 2015.

(4) Where an undertaking has benefited from the provisions of this regulation, the tax credit shall be deemed to have relieved from tax so much of that undertaking's chargeable income which, when multiplied by the rates of tax at which it was chargeable in that year, is equal to the tax credit on the investment; and where the undertaking is a company and such undertaking or any subsequent company distributes the income which is so deemed to have been relieved from tax, such undertaking or undertakings shall state in the dividend warrant pertaining to any such distribution that such income has been relieved from tax by a tax credit in accordance with this regulation; and the tax which has so been relieved shall not be available for refund for any purpose of the Income Tax Act. Cap. 123.

(5) (*a*) In the case of an undertaking which is a company, the chargeable income which is deemed to have been relieved from tax in accordance with sub-regulation (4) shall, for the purposes of the Income Tax Act, be allocated to the Final Taxed Account of the company in question and any dividends, or part thereof, distributed from such income shall be exempted from income tax in the hands of the members of the company on receipt of such distribution. Cap. 123.

(*b*) Where a dividend referred to in paragraph (*a*) is distributed to a member which is also a company, in this paragraph referred to as "the second company", the said dividend shall likewise be distributed by the second company to its members in the form of dividends exempt from income tax in the hands of the recipients, and where a member of the second company is again a company, the preceding provisions hereof shall apply *mutatis mutandis* as though references to the first company were references to the second company, and as though references therein to the second company were references to that member, and the principle set out in this sub-regulation shall continue to be applied for as long as such income or part thereof to which this regulation applies is distributed by way of dividends.

(6) Applications for assistance under this regulation shall reach the Corporation by not later than the 31st March 2013.

Assistance for the reduction of impact on the environment.
Added by: L.N. 60 of 2009. Re-numbered by: L.N. 488 of 2010. Amended by: L.N. 212 of 2015.

10. Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta, requires assistance on initiatives that reduce the undertaking's impact on the environment, the Corporation may provide such an undertaking with a cash grant that shall not exceed sixty per cent (60%) of the eligible costs incurred in accordance with the terms and conditions set out in the Guidelines:

Provided that applications for assistance under this regulation shall reach the Corporation by not later than the 31st December, 2013.

Assistance to counter effects of the global financial and economic crisis.
Added by: L.N. 107 of 2010. Re-numbered by: L.N. 488 of 2010.

11. (1) Where the Corporation is satisfied that an undertaking that was not in difficulty on the 1st July 2008 but entered in difficulty thereafter as a result of the global financial and economic crisis, requires assistance to counter the effects of such crisis, the Corporation may provide such an undertaking with a cash grant that may not exceed the limits set in sub-regulation (2) in accordance with the terms and conditions set out in the Guidelines:

Provided that an undertaking shall not qualify for this assistance if it was in difficulty before the 1st July 2008 in terms of the Community Guidelines on State Aid for Rescuing and Restructuring Firms in Difficulty.*

(2) Any assistance that may be provided under sub-regulation (1) shall be in conformity with Communication from the Commission - Temporary Community framework for State aid measures to support access to finance in the current financial and economic crisis.† The amount of *de minimis* aid that an undertaking may receive under these regulations may not exceed the amount of five hundred thousand euro (€500,000) during the period starting from 1st January 2008 to 31st December 2010. This maximum threshold includes all aid granted as *de minimis* aid from the Corporation as well as from any other entity.

(3) The Corporation shall no longer grant approval for the purposes of sub-regulation (1) after the 31st December 2010.

Assistance for undertakings carrying on a manufacturing activity in Gozo.
Added by: L.N. 107 of 2010. Re-numbered by: L.N. 488 of 2010.

12. Where the Corporation is satisfied that an undertaking is carrying on a manufacturing activity that may contribute to the economic development of Gozo, the Corporation may provide such an undertaking with a cash grant as established in these regulations and in the Guidelines to cover the necessary transport costs or part thereof, incurred by the undertaking in transporting between Malta and Gozo machinery, plant, materials, goods or products connected with its manufacturing activities in Gozo.

*Official Journal C244, 01.10.2004
†Official Journal C83 of 7th April 2009

Tax credits for micro enterprises and the self-employed.
Added by: L.N. 107 of 2010. Re-numbered by: L.N. 488 of 2010. Amended by: L.N. 170 of 2012; L.N. 432 of 2013.

13. (1) Where the Corporation is satisfied that an undertaking carrying out a trade or business requires assistance to expand, innovate or invest in its business in Malta, the Corporation may provide such an undertaking with a tax credit. The intensity of the tax credit shall be in accordance with the terms and conditions set out in the Guidelines:

Provided that this benefit shall be calculated on the eligible costs incurred as from 1st January 2010 till the 31st December 2012:

Provided further that the total amount of tax credits that may be granted in terms of this regulation shall not exceed twenty five thousand euro (€25,000).

(2) In order to qualify for the benefit under sub-regulation (1), the undertaking:

(*a*) shall not employ more than nine full-time employees, or equivalent, in its trade or business as on the 1st January 2012:

Provided that apprentices and students shall not be treated as employees for the purpose of this sub-regulation; and

(*b*) shall have a turnover or annual balance sheet total that does not exceed two million euro (€2,000,000).

(3) The tax credit referred to in this regulation shall be due as a deduction from tax payable by an undertaking on its chargeable income derived from its trade or business for that year of assessment commencing on the 1st January of the year immediately following the year in which the eligible costs are undertaken, and, where the tax credit, for that year of assessment, exceeds the income tax payable by such an undertaking for that year, the excess in the tax credit shall be allowed to be carried forward to the subsequent year of assessment and deemed to be a tax credit for that year:

Provided that a tax credit shall not give rise to a right to a refund of tax.

Provided further that unutilised tax credits can only be availed of until year of assessment 2015.

(4) Where an undertaking has benefited from the provisions of this regulation, the tax credit shall be deemed to have relieved from tax so much of that undertaking's chargeable income which, when multiplied by the rates of tax at which it was chargeable in that year, is equal to the tax credit on the investment; and where the undertaking is a company and such undertaking or any subsequent company distributes the income which is so deemed to have been relieved from tax, such undertaking or undertakings shall state in the dividend warrant pertaining to any such distribution that such income has been relieved from tax by a tax credit in accordance with this regulation; and the tax which has so been relieved shall not be available for refund for any purpose of the Income Tax Act. Cap. 123.

(5) (*a*) In the case of an undertaking which is a company, the chargeable income which is deemed to have been relieved from tax in accordance with sub-regulation (4) shall, for the purposes of the Income Tax Act, be allocated to the Final Taxed Account of the company in question and any dividends, or part thereof, distributed from such income shall be exempted from income tax in the hands of the members of the company on receipt of such distribution.

Cap. 123.

(*b*) Where a dividend referred to in paragraph (*a*) is distributed to a member which is also a company, in this paragraph referred to as "the second company", the said dividend shall likewise be distributed by the second company to its members in the form of dividends exempt from income tax in the hands of the recipients, and where a member of the second company is again a company, the preceding provisions shall apply *mutatis mutandis* as though references to the first company were references to the second company, and as though references therein to the second company were references to that member, and the principle set out in this sub-regulation shall continue to be applied for as long as such income or part thereof to which this regulation applies are distributed by way of dividends.

(6) In case of a company, no tax credit shall be due to an undertaking under this regulation unless it is claimed in the appropriate section of a tax return submitted by electronic means by not later than the relative tax return date.

(7) Applications for assistance under this regulation shall reach the Corporation by not later than the 31st March 2013.

(8) Notwithstanding the provisions of sub-regulation (7), where the Corporation is satisfied that an undertaking that qualified for the benefit under sub-regulations (1) and (2), has incurred eligible costs between 1st July 2012 and 31st December 2012, applied for regulatory licences and permits as required by the Guidelines before the 31st March 2013 and attained these regulatory licences and permits after 31st March 2013, the Corporation may provide such an undertaking with a tax credit under this regulation, provided that applications shall reach the Corporation by not later than 31st December 2013.

Tax credits to undertakings for restoration works on protected buildings used for commercial activities.
Added by: L.N. 456 of 2012.

14. (*Deleted by L.N. 212 of 2015*).

Tax credits for undertakings and the self-employed for capital investment and job creation.
Added by: L.N. 432 of 2013.

15. (1) Where the Corporation is satisfied that an undertaking carrying out a trade or business requires assistance to expand, innovate or invest in its business in Malta, the Corporation may provide such an undertaking with a tax credit. The intensity of the tax credit shall be in accordance with the terms and conditions set out in the Guidelines:

Provided that this benefit shall be calculated on the eligible costs incurred as from 1st January 2013 till the 31st December 2013:

Provided further that the total amount of tax credits that may be granted in terms of this regulation and any amount of tax credit granted to an undertaking in terms of regulation 13 shall not exceed twenty-five thousand euro (€25,000).

(2) In order to qualify for the benefit under sub-regulation (1), the undertaking:

(*a*) shall not have in its employ more than thirty full-time employees, or equivalent, in its trade or business as on the 30th November 2012:

Provided that apprentices and students shall not be treated as employees for the purpose of this paragraph; and

(*b*) shall have a turnover or annual balance sheet total that does not exceed ten million euro (€10,000,000).

(3) The tax credit referred into this regulation shall be due as a deduction from tax payable by an undertaking on its chargeable income derived from its trade or business for that year of assessment commencing on the 1st January of the year immediately following the year in which the eligible costs are undertaken, and, where the tax credit, for that year of assessment, exceeds the income tax payable by such an undertaking for that year, the excess in the tax credit shall be allowed to be carried forward to the subsequent year of assessment and deemed to be a tax credit for that year:

Provided that a tax credit shall not give rise to a right to a refund of tax:

Provided further that unutilised tax credits can only be availed of until year of assessment 2017.

(4) Sub-regulations (4), (5) and (6) of regulation 13 shall apply *mutatis mutandis* to tax credits under this regulation.

(5) Applications for assistance under this regulation shall reach the Corporation by not later than the 31st March 2014.

Tax credits to undertakings for digital applications development.
Added by: L.N. 456 of 2012. Re-numbered by: L.N. 432 of 2013. Amended by: L.N. 212 of 2015.

16. (1) When the Corporation is satisfied that an undertaking carrying on or intending to carry out a commercial activity that may contribute to the economic development of Malta, requires assistance for digital applications development as may be specified in the Guidelines, the Corporation may provide such an undertaking with a tax credit to be calculated as a percentage of the eligible costs as may be defined in the Guidelines incurred as from 1st October 2012 of 100% for the subcontracted development of a

single digital game project that serves as a promotional tool and informs users about the undertaking's products or services in accordance with the terms and conditions as may be set in the Guidelines.

(2) The intensity of the tax credit shall be in accordance with the terms and conditions of the Guidelines:

Provided that this benefit shall be calculated on the eligible costs incurred as from the 1st October 2012:

Provided further that the total amount of the tax credit that may be granted in terms of this regulation shall not exceed fifteen thousand euro (€15,000).

(3) The tax credit referred to in this regulation shall be due as a deduction from tax payable by an undertaking on its chargeable income derived from its trade or business for that year of assessment commencing on the 1st January of the year immediately following the year in which the eligible costs are incurred, and where the tax credit, for that year of assessment, exceeds the income tax payable by such undertaking for that year, the excess in the tax credit shall be allowed to be carried forward to the subsequent year of assessment and deemed to be a tax credit for that year:

Provided that a tax credit shall not give rise to a right to a refund of tax.

(4) Where an undertaking has benefited from the provisions of this regulation, the tax credit shall be deemed to have relieved from tax so much of that undertaking's chargeable income which, when multiplied by the rates of tax at which it was chargeable in that year, is equal to the tax credit on the investment; and where such undertaking or any subsequent company distributes the income which is so deemed to have been relieved from tax, such undertaking or undertakings shall state in the dividend warrant pertaining to any such distribution that such income has been relieved from tax by a tax credit in accordance with this regulation; and the tax which has so been relieved shall not be available for refund for any purpose of the Income Tax Act.

Cap. 123.

(5) (*a*) The chargeable income which is deemed to have been relieved from tax in accordance with sub-regulation (4) shall, for the purposes of the Income Tax Act, be allocated to the Final Taxed Account of the company in question and any dividends, or part thereof, distributed from such income shall be exempted from income tax in the hands of the members of the company on receipt of such distribution.

Cap. 123.

(*b*) Where a dividend referred to in paragraph (*a*) is distributed to a member which is also a company, in this sub-regulation referred to as "the second company", the said dividend shall likewise be distributed by the second company to its members in the form of dividends exempt from income tax in the hands of the recipients, and where a member of the second company is again a company, the preceding

provisions shall apply *mutatis mutandis* as though references to the first company were references to the second company, and as though references therein to the second company were references to that member, and the principle set out in this sub-regulation shall continue to be applied for as long as such income or part thereof to which this regulation applies are distributed by way of dividends.

(6) Applications for assistance under this regulation shall reach the Corporation by not later than the 31st December, 2013.

Tax credits for qualifying certifications. *Added by: L.N. 118 of 2015.*

17. (1) Where the Corporation is satisfied that an undertaking carrying on or intending to carry out an activity that may contribute to the economic development of Malta requires assistance to achieve qualifying certifications awarded by a certifying body to improve processes, products or services or to achieve growth in international markets, the Corporation may provide such an undertaking with a tax credit:

Provided that for the purposes of this regulation, a "qualifying certification" and a "certifying body" shall have the meaning attributed to them in the Guidelines.

(2) The total amount of tax credits that may be granted in terms of this regulation shall not exceed fifty per cent (50%) of the eligible costs as may be prescribed in the Guidelines and as incurred and paid for as from the 1st March 2015 till the 31st December 2017:

Provided that the total amount of tax credits that may be granted in terms of this regulation may not exceed the amount of twenty-five thousand euro (€25,000).

(3) The tax credit referred to in this regulation shall be due as a deduction from tax payable by an undertaking on its chargeable income derived from its trade or business for that year of assessment commencing on the 1st January of the year immediately following the year in which the eligible costs are incurred, and where the tax credit, for that year of assessment, exceeds the income tax payable by such an undertaking for that year, the excess in tax credit shall be allowed to be carried forward to the subsequent year of assessment and deemed to be a tax credit for that year:

Provided that unutilised tax credits can only be availed of from the first year of assessment following the date of the Incentive Entitlement Certificate issued by the Corporation and any unutilised tax credit can only be carried forward to the next two years of assessment:

Provided also that "Incentive Entitlement Certificate" means an Incentive Entitlement Certificate as defined in the Act:

Provided further that a tax credit shall not give rise to a right to a refund of tax.

(4) Where an undertaking has benefited from the provisions of this regulation, the tax credit shall be deemed to have relieved from tax so much of that undertaking's chargeable income which, when multiplied by the rates of tax which it was chargeable in that year, is equal to the tax credit on the investment; and where such undertaking or any subsequent company distributes the income which is so deemed to have been relieved from tax such undertaking or undertakings shall state in the dividend warrant pertaining to any such distribution that such income has been relieved from tax by a tax credit in accordance with this regulation; and the tax which has so been relieved shall not be available for refund for any purpose of the Income Tax Act.

Cap. 123.

(5) (*a*) The chargeable income which is deemed to have been relieved from tax in accordance with sub-regulation (4) shall, for the purposes of the Income Tax Act, be allocated to the Final Taxed Account of the company in question and any dividends, or part thereof, distributed from such income shall be exempted from income tax in the hands of the members of the company on receipt of such distribution.

Cap. 123.

(*b*) Where a dividend referred to in paragraph (*a*) is distributed to a member which is also a company, in this sub-regulation referred to as "the second company", the said dividend shall likewise be distributed by the second company to its members in the form of dividends exempt from income tax in the hands of the recipients, and where a member of the second company is again a company, the preceding provisions shall apply *mutatis mutandis* as though references to the first company were references to the second company, and as though references therein to the second company were references to that member, and the principle set out in this sub-regulation shall continue to be applied for as long as such income or part thereof to which this regulation applies are distributed by way of dividends.

(6) Applications for assistance under this regulation shall reach the Corporation by not later than ten in the morning central European time of the 31st December 2017.

Assistance to business associations that facilitate collaboration between undertakings. *Added by: L.N. 414 of 2015.*

18. Where the Corporation is satisfied that a business association requires assistance to facilitate collaboration between undertakings that carry on or intend to carry out activities that may contribute to the economic development of Malta, the Corporation may provide such a business association with a cash grant in accordance with the terms and conditions set out in the Guidelines:

Provided that for the purposes of this regulation, a "business association" shall have the meaning attributed to it in the Guidelines:

Provided also that applications for assistance under this regulation may be submitted to the Corporation as from the 1st January 2016 and shall reach the same Corporation by not later

than ten in the morning of the 31st December 2020.

'*De minimis* rule'. *Re-numbered by: L.N. 60 of 2009; L.N. 107 of 2010; L.N. 488 of 2010; L.N. 456 of 2012; Re-numbered and amended by: L.N. 432 of 2013; L.N. 118 of 2015; L.N. 188 of 2015; L.N. 414 of 2015.*

19. Any assistance that may be provided under these regulations shall be in conformity with the *De Minimis* Regulation as defined in Commission Regulation (EC) No. 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid, or any other regulation that may substitute it. An undertaking may receive a total amount of up to two hundred thousand euro (€200,000) of *de minimis* aid over a consecutive three fiscal year period. This maximum threshold includes all aid granted as *de minimis* aid from the Corporation as well as from any other entity:

Provided that, as from the 1st January 2014, assistance provided under regulations 4, 5, 6, 7, 12, 17 and 18 shall be in conformity with Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid. A single undertaking may receive a total amount of up to two hundred thousand euro (€200,000) of *de minimis* aid over a consecutive three fiscal year period. This maximum threshold includes all aid granted as *de minimis* aid from the Corporation as well as from any other entity:

Provided further that for the purposes of regulations 4, 5, 6, 7, 12, 17 and 18, a "single undertaking" shall include all undertakings having at least one of the following relationships with each other:

(*a*) one undertaking has a majority of the shareholders' or members' voting rights in another undertaking;

(*b*) one undertaking has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another undertaking;

(*c*) one undertaking has the right to exercise a dominant influence over another undertaking pursuant to a contract entered into with that undertaking or to a provision in its memorandum or articles of association;

(*d*) one undertaking, which is a shareholder in or member of another undertaking, controls alone, pursuant to an agreement with other shareholders in or members of that undertaking, a majority of shareholders' or members' voting rights in that undertaking.

Undertakings having any of the relationships referred to in paragraphs (*a*) to (*d*) through one or more other undertakings shall also be considered to be a single undertaking.