

**Polish Investment Zone – first summaries**

*Colliers International, EY and the Polish Investment and Trade Agency analyse the situation of domestic small and medium enterprises over a year after the creation of the Polish Investment Zone*

**Warsaw, October 21, 2019** – Details of the changes introduced in the 2018 act, the experience of companies that have already benefited from support under the new rules, as well as the benefits and challenges that accompany doing business with PIZ support were among the issues analysed in the report ‘Polish Investment Zone’ prepared by Colliers International, EY and the Polish Investment and Trade Agency.

**Zone for entrepreneurs**

More than a year has passed since the Act on Support for New Investments came into force. The main objective of the new regulation was for all areas designated for business activity to be placed within the Polish Investment Zone.

“Prior to the adoption of the law, many domestic companies were convinced that they were not able to do business within the zone. The introduction of the Polish Investment Zone has shown that the zone’s privileges are within the reach of this group of enterprises, and obtaining the zone’s benefits has become much easier. Importantly, thanks to the new law, enterprises no longer have to concentrate their investments in specific parts of Poland, but can choose the location they consider the most advantageous from the point of view of their business,” says **Łukasz Pańczyk**, director in the Industrial and Logistics Agency at Colliers International.

The Polish Investment Zone makes it possible to receive tax exemptions for a period of 10, 12 or 15 years, provided that the investment fulfils certain eligibility criteria. PIZ-related tax credits provide for personal and corporate tax exemptions, the level of which depends on the location and size of the company. The exemption can be 10%-50% for large companies, 20%-60% for medium-sized companies and 30%-70% for micro and small enterprises.

Due to the lowering of the required amount of capital expenditures, the zone’s advantages are increasingly attractive for small and medium-sized companies. The simplification of the regulations has resulted in more domestic businesses taking advantage of the zone’s benefits.

Approximately 90% of decisions for support issued under the new regulation have gone to Polish businesses, more than half of which are SMEs. Operating within the Polish Investment Zone, they have created new jobs, developed products and in return do not pay income tax (PIT or CIT). Since September 2018, the total amount of investment outlays has reached about PLN 17 billion.

**Single procedure, longer exemption period**

Support under the PIZ may be granted for both production and service projects. For service projects, the scope of activities eligible for tax exemption has been extended. Investments in services that are classified as modern business services or R&D are subject to significantly lower quantitative criteria. The same applies to micro, small and medium-sized enterprises.

“In the new support system, the procedure for applying for tax exemption has become more unified in Poland. On the other hand, investors have more obligations to meet, which concern not only the amount of investment outlays, number of workplaces and deadlines specified in the support decision and the period of the investment, but also quality criteria,” says **Dominika Jędrak**, director of the Research and Consultancy Services at Colliers International.

In terms of benefits, the biggest advantage of the Polish Investment Zone is the much longer tax exemption period. This applies particularly to investments located areas with the highest aid intensity (50%), where the exemption period is 15 years, i.e. almost twice as long as the exemption period granted recently within Special Economic Zones (8.5 years).

-- End --

**About Colliers International**

*Colliers International (NASDAQ, TSX: CIGI) is a leading global real estate services and investment management company. With operations in 68 countries, our 14,000 enterprising people work collaboratively to provide expert advice and services to maximize the value of property for real estate occupiers, owners and investors. For more than 20 years, our experienced leadership team, owning more than 40% of our equity, have delivered industry-leading investment returns for shareholders. In 2018, corporate revenues were $2.8 billion ($3.3 billion including affiliates), with more than $26 billion of assets under management. Learn more about how we accelerate success at* [*Colliers.com*](http://www.colliers.com/en-gb/emea) *or follow us on* [*Twitter*](https://twitter.com/Colliers_EMEA) *(@Colliers\_EMEA) and* [*LinkedIn*](https://www.linkedin.com/showcase/colliers-international-emea-research/)*.*

*Colliers International has been active in the Polish market since 1997 and operates through offices in Warsaw, Kraków, Wrocław, Poznań, Gdańsk, Katowice, Łódź and Lublin with over 250 employees in total. The company has been often honored for its achievements by industry organizations such as Eurobuild, CIJ Journal, CEE Quality Awards and the International Property Awards. Colliers’ distinctions include the “Outsourcing Star”, given in recognition of its status as one of the most active real estate advisors in the outsourcing sector; and the “Gazele Biznesu” for being one of the most dynamically developing companies in Poland. More about Colliers International in Poland at* [*Colliers.pl*](https://www2.colliers.com/en-PL) *and our* [*LinkedIn*](https://www.linkedin.com/company/colliers-international/?viewAsMember=true)*,* [*Instagram*](http://instagram.com/colliers_pl)*,* [*YouTube*](https://www.youtube.com/user/ColliersPL) *and* [*Facebook*](https://www.facebook.com/collierspl) *pages.*

**For further information, please contact:**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|

|  |  |
| --- | --- |
| Sylwia SkubiszewskaMobile +48 666 819 228Email: sylwia.skubiszewska@colliers.com | Małgorzata CiechanowskaMobile: +48 882 014 424 Email: malgorzata.ciechanowska@colliers.com |
|  |  |
|  |  |

 |  |