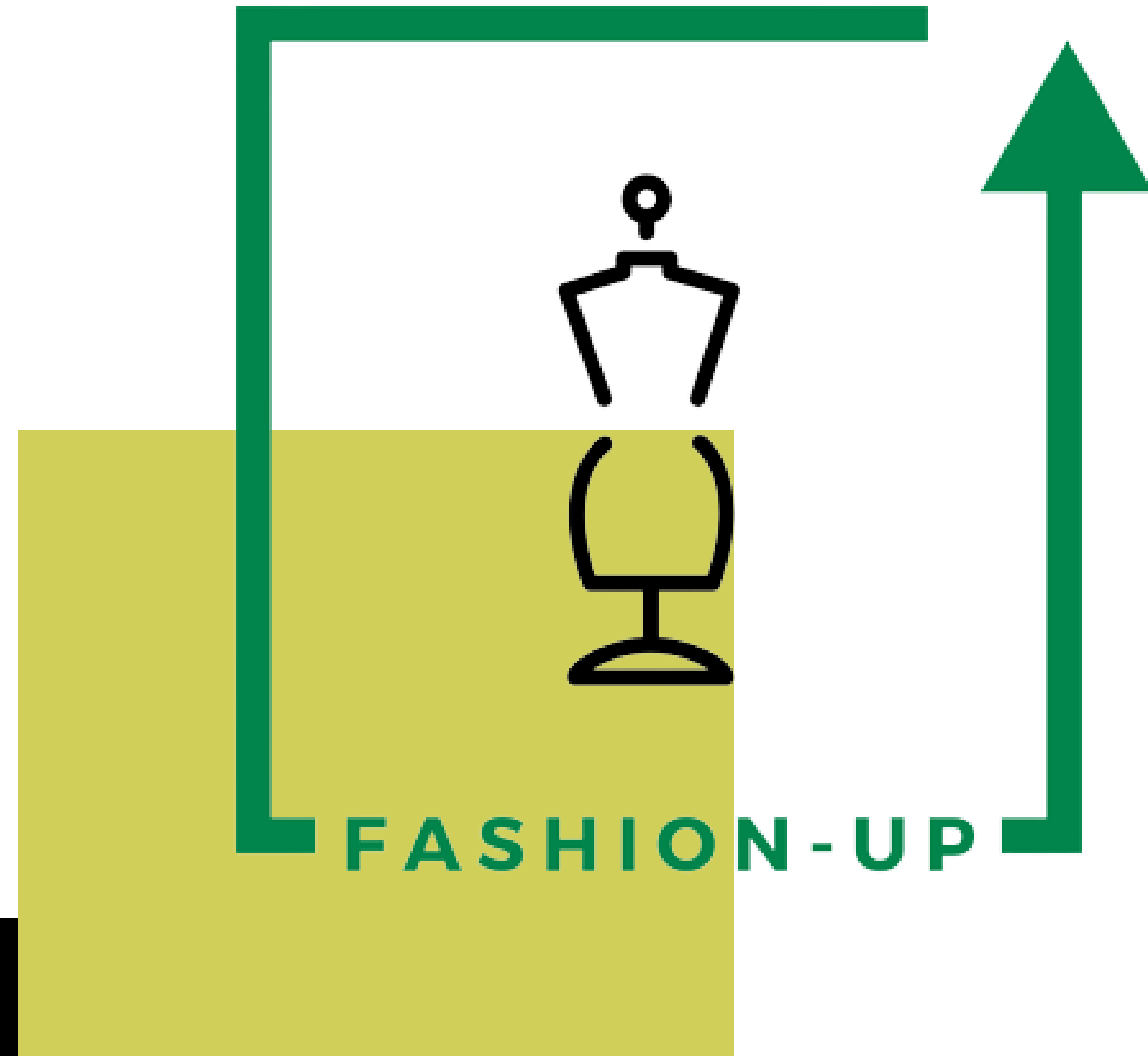


# Module 5

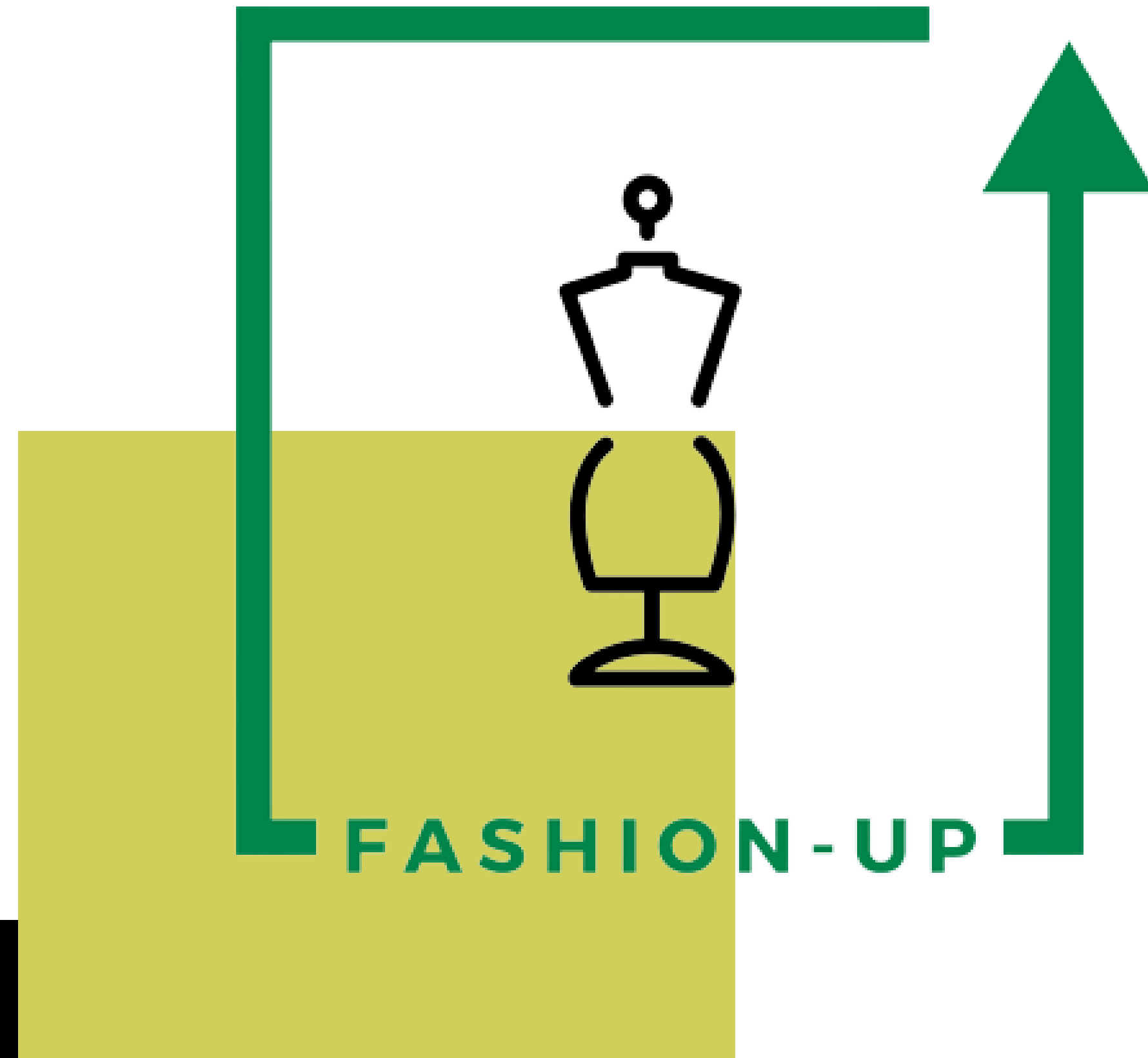
## UNIT 2

LAWS AND REGULATIONS



Duration: 2 hours

Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Education and Culture Executive Agency (EACEA). Neither the European Union nor EACEA can be held responsible for them.





# Overview of the Unit

In this Unit, you will learn about the national laws for starting a business in Greece, Italy, Portugal, and Poland. Furthermore, you will learn about the EU regulations and policies regarding the setting-up of an upcycling atelier, and the regulations for tax compliance of a self-employed business.





# Expected Learning Outcomes

By the end of this Unit, you will be able to:

1. Summarize the national laws for starting a business
2. Identify the EU regulations and policies
3. Interpret the regulations for tax-compliance of a self-employed business.

## Pre-requisite knowledge

No prior knowledge is required for this Unit.

**Estimated Reading Time**

22 minutes



# Learning Objective

The Unit aims to equip the future sartorial artisans with a basic knowledge of laws and regulations.



## Target Audience

This Unit targets learners who are seeking basic knowledge on how to comply with national and EU laws and regulations that are necessary for setting-up an upcycling atelier.

## Key concepts

Laws, EU, regulations, tax compliance



- A laptop with access to the internet
- A projector

# Necessary equipment



01



## Teacher's Profile

### Technical:

- Familiarity with the legal framework required to establish a business in GR, IT, PL, and PT.
- Expertise in European Union regulations
- Understanding of the tax obligations and reporting requirements for self-employed individuals and small businesses.

### Pedagogical:

- Experience in teaching adult learners and understanding their learning styles
- Strong communication and presentation skills to engage learners



02

## Methodology

This Unit will be based on the experiential learning methodology.



# Starting a business in the EU

To start a business in the EU, you must follow common regulations that apply across all member states.



In order to get comprehensive information on the rules, regulations, and procedures that apply to a specific service or activity, you can consult the **Points of Single Contact** of the EU.

Visit



[https://single-market-economy.ec.europa.eu/single-market/services/directive/points-single-contact\\_en](https://single-market-economy.ec.europa.eu/single-market/services/directive/points-single-contact_en)

To find out the requirements for a specific country, you can visit the following EU website.

Visit



[https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index\\_en.htm](https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index_en.htm)



# EU citizens' rights for starting a business



## What you can do

1. Create a business entity within the European Union.
2. Create a new legal entity as a subsidiary branch of an existing European Union company.

## Requirements

Even though the requirements vary per country, here are the main targets that EU encourages all countries to meet:

1. setting up in no more than 3 working days,
2. costing less than 100 EUR,
3. completing all procedures through a single administrative body,
4. completing all registration formalities online,
5. registering a company in another EU country online.

# EU funding and support

The EU is running initiatives and projects that aim to help the citizens set up their businesses. Some of them are:

- **Startup Europe** that strengthens networking opportunities between high tech startups, scaleups, investors, accelerators, corporate networks, universities and the media. <https://digital-strategy.ec.europa.eu/en/policies/startup-europe>
- The **Startup Europe Partnership** that is an integrated pan-European open innovation platform that helps the best EU scaleups grow. <https://startupeuropepartnership.eu/>
- The **InvestEU Portal** that brings together investors and project promoters on a single EU-wide database of investment opportunities. <https://ec.europa.eu/investeuportal/desktop/en/index.html>
- The **Erasmus for Young Entrepreneurs** that is a cross-border business exchange programme, which offers new entrepreneurs the possibility to collaborate with experienced entrepreneurs from another European country. <https://www.erasmus-entrepreneurs.eu/index.php?lan=en>





# Starting a business

GREECE



Starting a business in Greece requires several steps to ensure compliance with local regulations and tax laws. In the next pages there is a detailed overview of the process, highlighting key steps and requirements.





GREECE



# 1. Corporate legal structures

The first step in starting a business is choosing the appropriate corporate legal structure. The choice of legal structure will impact taxes, liability, and other operational aspects of the business, so it's crucial to consult with legal or financial advisors to select the best option for your needs.

01

## Sole Proprietorship

This is the simplest form of business structure. It involves one individual as the business owner, who is personally liable for all business debts.

02

## Partnerships

Partnerships involve two or more individuals who share profits, losses, and responsibilities.

03

## Private Limited Company

This is a flexible option that limits liability to the company's capital.

04

## Public Limited Company

More suitable for larger businesses with more significant capital requirements.

Watch



<https://www.youtube.com/watch?v=h1znOp2qxrg&t=17s>

## GREECE

## 2. Registering the business



The next step involves registering the business with the General Commercial Registry (GEMI), which is managed by the Ministry of Development and Investments. GEMI is responsible for maintaining an official register of all businesses operating in Greece. You will need to:

01

Fill out a registration form.

02

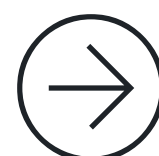
Submit the required documentation, including identification, proof of address, and proof of legal structure.

03

Pay the applicable registration fees.

For some types of businesses, such as those that are more heavily regulated, additional approvals or permits may be required before registration.

Visit



<https://www.businessportal.gr/en/home-en/>

### 3. Tax registration



#### GREECE

Once your business is registered with GEMI, the next step is to register with the Tax Office. You will need to obtain a Tax Identification Number (AFM) for your business. This number is necessary for filing taxes, paying VAT (if applicable), and fulfilling other tax-related obligations. The process is fairly straightforward, but the type of taxes you must register for depends on the size and nature of your business.

Visit



<https://www.mygreekexpatjourney.com/post/how-do-i-get-a-tin-afm-in-greece>

- **VAT:** If your business earns more than the exemption threshold (currently €10,000 for most businesses), you must register for VAT.
- **Income tax:** Depending on your legal structure, you'll need to follow specific guidelines for filing income tax returns and paying taxes.
- **Social security contributions:** Businesses must also register with the Greek social security system, which includes EFKA (Unified Social Security Fund), for employee contributions.



## GREECE

## 4. Licenses and permits

Some businesses in Greece require specific licenses or permits before they can start operations (for example, food establishments must obtain health and safety permits, while businesses in sectors like construction or tourism might need additional approvals). The exact requirements vary based on the type of business, and you should consult the local authorities to determine which licenses you need. A common regulatory body for specific industries is the [Greek Chamber of Commerce](#), which can provide guidance on sector-specific requirements.

Once the legal and regulatory steps are completed, it is essential to set up a reliable accounting and bookkeeping system. Greek law requires businesses to maintain accurate financial records for tax purposes. Depending on the size of the business and its structure, you may need to hire an accountant or work with a local accounting firm to ensure compliance with Greek financial regulations.

## 5. Accounting and bookkeeping





## GREECE

## 6. Labour and employment regulations

If you plan to hire employees, it is essential to understand Greece's labor laws. These laws govern employee contracts, working hours, wages, and social security contributions. When hiring staff, you must:

- Register employees with the social security system (EFKA),
- Provide them with legally compliant employment contracts,
- Adhere to minimum wage laws, which are subject to change.

Businesses must also follow health and safety regulations to ensure a safe working environment for employees.

## 7. Ongoing compliance

Once the business is operational, it is important to ensure ongoing compliance with Greek regulations. This includes:

- Filing tax returns and paying taxes on time,
- Renewing licenses and permits as necessary,
- Maintaining proper financial records,
- Keeping up-to-date with changes in business and employment law.

Non-compliance can result in penalties, fines, or even the closure of the business, so it's crucial to stay informed about the legal and regulatory landscape in Greece.



# Starting a business

ITALY



To Start a business you need to have a VAT number and register your business with the Business Register of the Chamber of Commerce with territorial jurisdiction.



ITALY



# Do you want to open a new business in Italy ?

A business is a professionally organized economic activity aimed at the production or exchange of goods or services.

A

## Sole Proprietorship

Activity carried out by a single person, the owner of the company, who can avail himself of the assistance of collaborators, including family members, or employees. The owner of the company is the only person responsible for the management of the company.

A public deed is not required to set up a sole proprietorship.

B

## Partnership or capital company

Companies are organizations of people and means through which the business is carried out in a collective form.

Companies are distinguished in different forms, for example: partnerships (simple partnership, general partnership, limited partnership, etc.)

capital companies (joint stock companies, limited liability companies, etc.). Capital companies, partnerships, and cooperative companies are registered in the ordinary section of the Companies Register, while simple companies are registered in the special section, as provided for by the Civil Code.

C

## Innovative Startups

Innovative Startups are joint-stock companies, also established in cooperative form, that meet certain requirements and have as their exclusive or prevalent corporate purpose "the development, production and marketing of innovative products or services with high technological value".

ITALY



## Among the most common corporate legal structures:

The first step in starting a business is choosing the appropriate corporate legal structure. The choice of legal structure will impact taxes, liability, and other operational aspects of the business, so it's crucial to consult with legal or financial advisors to select the best option for your needs.

A 1

### Sole Proprietorship

This is the simplest form of business structure. It involves one individual as the business owner, who is personally liable for all business debts.

A 2

### Partnerships (SNC)

Partnerships involve two or more individuals who share profits, losses, and responsibilities.

A 3

### Private Limited Company (SAS)

This is a flexible option that limits liability to the company's capital.

A 4

### Public Limited Company (SPA)

More suitable for larger businesses with more significant capital requirements.

Visit



[https://www.agenziaentrate.gov.it/portale/web/guest/schede/istanze/aa9\\_11-apertura-variazione-chiusura-pf/scheda-informativa-aa9\\_11](https://www.agenziaentrate.gov.it/portale/web/guest/schede/istanze/aa9_11-apertura-variazione-chiusura-pf/scheda-informativa-aa9_11)



ITALY



# 1. It is mandatory to have a VAT number?

The VAT number is a code made up of 11 numbers.

To open a VAT number, you will need to notify the Revenue Agency of the start of your business, within 30 days of the first day of business, through a specific declaration drawn up on form AA9/7 if you want to open a sole proprietorship or form AA7/7 if you want to start a company.

Currently is in force a flat-rate regime, which allows you to benefit from a reduced tax rate in the first years of operation.

When opening a VAT number, you will also need to choose the ATECO code of the activity you intend to carry out and the type of accounting regime, which can be either flat-rate or ordinary accounting.



# The ATECO Code

ITALY

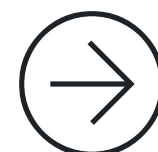
**ATECO** is the Italian translation of the **nomenclature of economic activities** (NACE) created by Eurostat.

The **ATECO CODE** in Italy is the classification of economic activities adopted by ISTAT (National Institute for Statistics) for statistical purposes, i.e. for the production and dissemination of official statistical data.

The management of the classification is entrusted to ISTAT in the various updating phases to which it is subjected both at national and international level.

At national level, the classification is also used for other administrative purposes (for example, tax purposes).

From 1 January 2025, the classification in force is ATECO 2025 and will be adopted operationally starting from 1 April 2025.



# The Italian ATECO code for artisan tailoring

ITALY



Let's see which is the ATECO CODE for the artisanal tailoring in Italy.

This code will distinguish the business to be formally registered and launched.

*ARTISAN TAILOR*  
**ATECO 14.13.20**  
***Tailoring** and made-to-measure outerwear*

*SARTORIA ARTIGIANA*  
*ATECO 14.13.20*  
*sartoria e confezione su misura di abbigliamento esterno*





ITALY



## 2. Registering the business

To start a sole proprietorship, it is necessary to submit, exclusively electronically, the Single Communication to the competent Business Register. The Single Communication allows you to complete all the formalities required to set up the business in a single step, in particular:

01

Assignment of the VAT number by the Revenue Agency

02

Registration in the Business Register and possibly in the Register of Artisan Businesses

03

INPS obligations for social security purposes  
INAIL obligations for insurance purposes

04

Certified Notification of Commencement of Activity (SCIA) for the One-Stop Shop for Productive Activities (SUAP). For more information, visit [www.impresainungiorno.gov.it](http://www.impresainungiorno.gov.it)

To carry out these operations, the owner can contact an intermediary (accountant, trade association) or proceed independently.

Visit



<https://www.registroimprese.it/nuova-impresa>



ITALY



### 3. Send the registration



The preparation and sending of the single Communication practices are implemented through the use of specific software, alternatively:

[Visit](#)

<https://www.registroimprese.it/web/guest/pratiche-soluzioni-mercato>

It is necessary to have:

a Certified Electronic Mail (PEC) box, as the electronic domicile of the company. See the list of Public Managers

a Digital Signature device of the company owner or of his/her possible delegate

## Focus on: Regione Toscana for Innovative Startups

ITALY



A start-up is a temporary organization looking for a business model that is scalable, repeatable, and generates a profit.

### WHAT

We talk about Innovative Start ups as a type of Start up with some specific characteristics introduced by the legislative decree 179/2012 with which Italy has adopted organic legislation aimed at encouraging the birth and growth of new high-performance businesses. The objective of the policy is to support the development of an entrepreneurial ecosystem oriented towards innovation, capable of creating new jobs and attracting human and financial capital from the world.

### HOW

How to set up an innovative start-up  
The incorporation is free and without the need for a notarial deed for innovative startups and limited liability companies. starting from 20 July 2017 (pursuant to the provisions of Legislative Decree 3/2015 in order to facilitate the establishment of joint-stock companies of hi-tech entrepreneurs).

### WHY

Starting from 22 June 2017, it is possible to modify the statute and deed of incorporation online with a digital signature and with the benefits approved by the EU Commission regarding the deductions provided for those who invest in innovative startups.

The objective of simplification for these companies (online procedure, free and without a notary) combined with public funding, is to achieve the objectives of the Industry 4.0 Plan for the digitalisation of Italian companies.

To set up a start-up or innovative company in the form of an LLC without a notary, it is necessary to follow the procedure available by accessing the dedicated Company Registry website.

Visit

<https://www.regione.toscana.it/-/start-up-innovative>



# Starting a business

PORTUGAL



Starting a business in Portugal requires several steps to ensure compliance with local regulations and tax laws. In the next pages there is a detailed overview of the process, highlighting key steps and requirements.





# 1. Corporate legal structures

The first step to start a business is choosing the appropriate corporate legal structure. The choice of legal structure will impact taxes, liability, and other operational aspects of the business, so it is crucial to consult legal or financial advisors to select the best option for your needs.

01

## **Sole Proprietorship** (ENI - Empresário em nome individual)

Easiest option for small businesses. It's suitable for freelancers or small business owners who want to work alone.

02

## **Private Limited Company** (Sociedade por Quotas - Lda.)

Most common structure for small and medium businesses. It requires a minimum of two shareholders.

03

## **Public Limited Company** (Sociedade Anónima - SA)

Suitable for larger businesses, especially if you plan to raise capital from the public. It requires a minimum capital of €50,000





# 1. Corporate legal structures

04

## Cooperative (Cooperativa)

Collective business structure where the profits are shared among the members, ideal for social or community-driven projects.

05

## Freelancer / Self-Employed (Recibos Verdes)

Ideal option if you plan to work independently and don't want to set up a formal company structure.

Watch



<https://www.youtube.com/watch?v=ZGpSB9KCuto>



## 2. Registering the business

Next, you will have to register your business, there are two ways to do it:

01

**ONLINE via the “[Empresa na Hora](#)” service:** You can quickly set up a company online with the “Empresa na Hora” service. This allows you to register a company in just one day, choosing from the most common company structures. You’ll need to provide a digital signature, and your company’s name and tax information.

02

**THROUGH A LAWYER or Accountant:** you can hire a lawyer or an accountant to handle the registration process for you, which might include drafting the company’s articles of association, registering the company with the Portuguese Tax and Social Security authorities, etc.

Visit



[How to create an “Empresa na Hora”](#)

### 3. Tax registration



Once your business is registered, the next step is to register with the Tax Office (Departamento das Finanças). You need to obtain a Tax Identification Number (NIF) for yourself (if you don't have one already) and one for your business. This is essential for filing taxes, paying VAT and fulfilling other tax-related obligations. You will need to fill in the specifics of your business as the taxes depends on the size and nature of it.

Visit



[Video: applying for NIF](#)

- **VAT:** Most businesses must register for VAT (IVA) if their turnover exceeds certain limits (currently €15,000). Rates vary (23% standard, 13% reduced, and 6% super-reduced) depending on the type of good transactioned. Always check at the Finance Department [Website](#).
- **Income tax:** Depending on your legal structure, you'll need to follow specific guidelines for filing income tax returns and paying taxes.

PORTUGAL



## 4. Social Security Obligations

### PORTUGAL

**Social security contributions:** Businesses must register with the Portuguese social security system (ISS), the contributions will depend on the yearly earnings.

If you're planning to hire employees, you must register with the Portuguese Social Security (Segurança Social) to contribute to the social security system. If you're self-employed, you'll need to pay social security contributions yourself.

## 5. Open a Bank Account

A business bank account is mandatory for companies. Most banks in Portugal offer business accounts, which are necessary for handling transactions and business expenses.

You'll need your business registration documents and proof of identification.

In case you are self-employed it is not mandatory but is highly recommended.





## 6. Licenses and permits

Some businesses in Portugal require specific licenses or permits before they can start operations (for example, food establishments must obtain health and safety permits, while businesses in sectors like construction or tourism might need additional approvals). The exact requirements vary based on the type of business. You should consult the local authorities to determine which licenses you need.

Once the legal and regulatory steps are completed, it is essential to set up a reliable accounting and bookkeeping system. Portuguese law requires businesses to maintain accurate financial records for tax purposes. Depending on the size of the business and its structure, you may need to hire an accountant or work with a local accounting firm to ensure compliance with financial regulations.

## PORTUGAL

## 7. Accounting and bookkeeping



## PORTUGAL



## 8. Labour and employment regulations

If you plan to hire employees, it is essential to understand Portugal's labor laws. These laws govern employee contracts, working hours, wages, and social security contributions. When hiring staff, you must:

- Register employees with the social security system (Instituto de Segurança Social)
- Pay the taxes accordingly
- Provide them with legally compliant employment contracts and wage laws
- Businesses must also follow health and safety regulations to ensure a safe work environment

## 9. Ongoing compliance

Once the business is operational, it is important to ensure ongoing compliance with Portuguese regulations. This includes:

- Filing tax returns and paying taxes on time,
- Renewing licenses and permits as necessary,
- Maintaining proper financial records,
- Keeping up-to-date with changes in business and employment law.

Non-compliance can result in penalties, fines, or even the closure of the business, so it's crucial to stay informed about the legal and regulatory landscape.

# Starting a business

POLAND



Starting a business in Poland requires the following steps.



# Choosing the legal form of the business



In Poland, popular legal forms include:

- sole proprietorship,
- limited liability company (sp. z o.o.),
- and civil partnership.

The choice depends on the size of the planned business, required capital, and legal liability





# Sole proprietorship



**For small-scale operations** and those new to entrepreneurship, **sole proprietorship** often appears to be the best option.

This business form is simpler to establish and manage, offering a straightforward path for individuals looking to start their business quickly and with **minimal bureaucratic** overhead.

It allows the owner to maintain **full control** over all decisions and profits, while also simplifying tax filing and administrative duties.



# Registering the business

## **CEIDG:**

Sole proprietorships are registered through the Central Registration and Information on Business (CEIDG), which can be done online using a trusted profile (profil zaufany, epuap)

## **KRS:**



Commercial companies such as limited liability companies are registered in the National Court Register (KRS, Krajowy Rejestr Sądowy). This process requires notarial confirmation of the company agreement and registration with the appropriate court registry



# PKD code



When establishing a business in Poland, one crucial step is to select the Polish Classification of Activities (PKD) code that best describes the nature of your business.

The PKD system categorizes various types of business activities to standardize and facilitate regulatory processes, statistical reporting, and tax assessments. It is essential to choose the appropriate PKD code during the registration process as it directly influences the type of economic activities your business is legally allowed to conduct.

This selection ensures that your business complies with local regulations and receives the correct tax treatment based on its primary operations.

You can find information about PKD codes on the website of the Central Statistical Office [HERE](#)



# Registration with ZUS and the Tax Office



After registering the business, you must register with:

- the Social Insurance Institution (ZUS, Zakład Ubezpieczeń Społecznych) and
- the head of the tax office (urząd skarbowy).

to address social security and tax matters.





# Issuance of NIP and REGON



During the business registration process, the entrepreneur receives:

- a Tax Identification Number (NIP) and
- a Statistical Number (REGON),

which are necessary for conducting business activities.

### **Important!**

Once you receive documents confirming the assignment of these numbers, **keep them safe** and ideally **make a copy**.

In the future, you may be asked to present them.



# Handling formalities related to conducting specific types of activities



Some types of activities require additional permits or licenses, for example, in the medical, construction, or transport sectors.

Consider who you will be conducting this business for, as well as whether your customers require certificates confirming the items you produce.




Let's do this  
*on line*



If you have already considered the form of your business,  
**we have good news.**

Today, you can **establish a company online**

**gov.pl** Serwis informacyjno-usługowy dla przedsiębiorcy



**Biznes.gov.pl**  
Informacje Katalog usług Wyszukiwarka firm

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**Zarejestruj działalność gospodarczą w CEIDG**  
Chcesz rozpocząć prowadzenie działalności gospodarczej jako indywidualny przedsiębiorca? Złóż wniosek o wpis do Centralnej Ewidencji i Informacji o Działalności Gospodarczej (CEIDG).

Check here  
[biznes.gov.pl](https://biznes.gov.pl)





# Bank account



When you register your company, you must **open a bank account** for it.

The market offers a wide range of banks, and you need to familiarize yourself with their offers and then choose the one that is best for you.



## **Pay attention to:**

- the cost of maintaining a bank account
- additional fees, such as for external transfers
- whether a card is offered with the account
- whether you can open auxiliary accounts

Consider opening an account at your bank where you already have a personal account.

This can simplify your daily transactions and help manage your financial flows.





# Unit Summary

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In this Unit you learnt how to set up a company, which legal forms to choose, and where to register when starting your own business according to your country.

## References

- [https://single-market-economy.ec.europa.eu/single-market/services/directive/points-single-contact\\_en](https://single-market-economy.ec.europa.eu/single-market/services/directive/points-single-contact_en)
- [https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index\\_en.htm](https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index_en.htm)
- <https://digital-strategy.ec.europa.eu/en/policies/startup-europe>
- <https://startupeuropepartnership.eu/>
- <https://ec.europa.eu/investeuportal/desktop/en/index.html>
- <https://www.erasmus-entrepreneurs.eu/index.php?lan=en>
- <https://www.businessportal.gr/en/home-en/>
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- <https://www.regione.toscana.it/agevolazioni-e-semplificazioni-per-constituire-un-impresa>

