

# TAX BENEFITS

For investments on Parana State

# PARANA COMPETITIVE PROGRAM



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Decree nº 630/2011 and 7291/2013



## OBJECTIVES

- a) Attraction of new investments into the State of Paraná
- b) Expansion of industrial activities already located within the State of Paraná

## BENEFITS

- a) Deferral of the incremental ICMS
- b) Deferral of ICMS on electricity supplied by energy companies located in Paraná and on natural gas supplied by COMPAGÁS

# NEW PRODUCTIVE UNIT



## PAYMENT

**Percentage of payment (deferral):** from 10% up to 90% of the ICMS generated



## INVESTMENTS

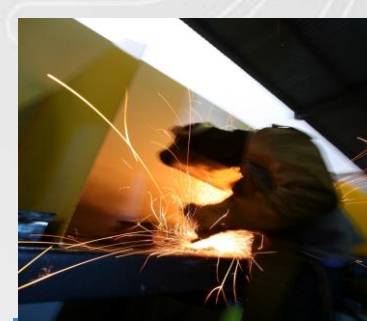
Investments made in the 24 months prior to the requirement protocol; investments under implementation and future investments (projected).



## DEADLINES

**Grace period:** from 2 up to 8 years

**Payment period:** from 2 up to 8 years



## CONDITIONS

**Special condition of analysis for industries regarding to products with no similar produced in the State**

**Inflation Adjustment:**  
FCA (INPC/IBGE – 2010: 5.5%)



# DEFERRAL OF ELECTRICAL ENERGY

## AND NATURAL GAS



Percentage of deferral (exemption): 100% of the ICMS over supplying operations of gas by COMPAGÁS and electricity by companies established in Parana.



Requirement: The application can be made along with the incremental ICMS postponement application or in specific application



Deferral deadline: defined by the State Revenue Service (SEFA).



Limits: term conceded by SEFA or until its amount reaches the amount of the original investment, whatever happens first.

SUPPORT

# INDUSTRIAL EXPANSION

## DEFINITION

“Industrial expansion”: the increase in production resulting of investments in existing plants



## TARGET

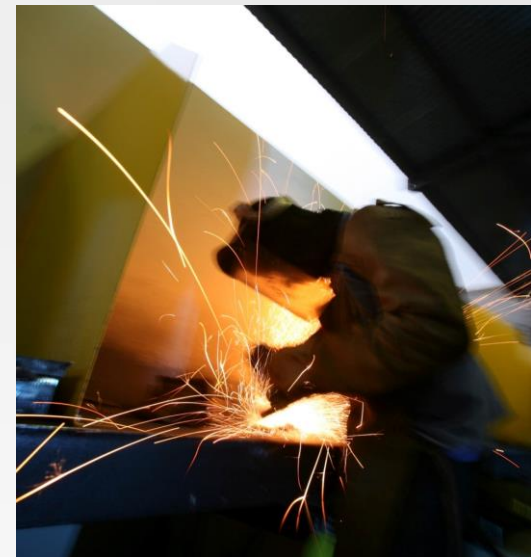
**Investments realized in the last 24 months before the date of protocol requirement**

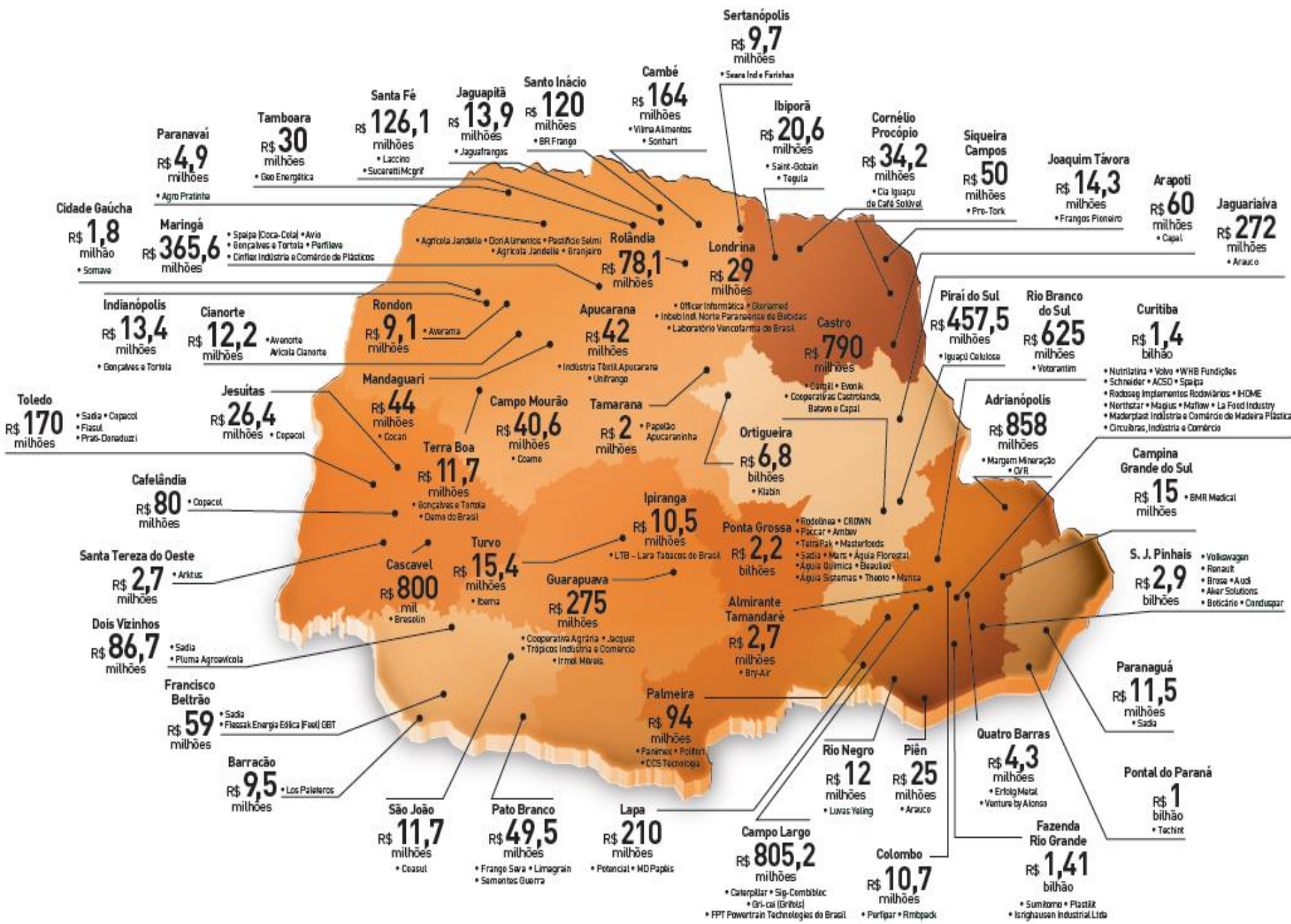
10% up to 90% of the incremental ICMS (difference between the monthly ICMS debt and the historical ICMS debt, determined by the average of ICMS debts from the 12 months before the starting of expansion)

- ✓ **Grace period:** from 2 up to 8 years
- ✓ **Payment period:** from 2 up to 8 years
- ✓ **Special condition of analysis for industries regarding to products with no similar produced in the State**
- ✓ **Inflation adjustment:** FCA (INPC/IBGE)

# OTHER BENEFITS

- ICMS suspension on the import of capital goods, raw materials, components, parts and pieces, at the time of customs clearance, when performed through ports or airports in Parana.
- On machinery and equipment for the fixed assets, the tax will be released in a graphic account at the rate of one forty-eight cents (1/48) per month, compensable in accordance with the ICMS regulation
- Deferral of ICMS upon acquisition of machinery and equipment from suppliers located at Parana to integrate the fixed assets







# REQUIREMENTS


- Clearance Certificate of the company and of the company partners by the IRS and State Attorney Office
- Clearance Certificate by Social Security Service and FGTS
- Clearance Certificate of the company and of the company's partners by the State Environment Department (IAP), State Funding Agency (Agência de Fomento do Parana) and BRDE (Regional Bank for Economic Development)
- No ICMS debts up to the date of Protocol









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THANK YOU.