



Republic of  
Moldova

## PARLIAMENT

### Law no. 77 of 21.04.2016 on information technology parks

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#### Chapter I GENERAL PROVISIONS

##### **Article 1.** Area of regulation and scope of the law

(1) This law regulates the process of information technology parks establishing, as well as their functioning.

(2) The purpose of this law is to create necessary premises for stimulating the development of information technology industry by creating high added-value jobs and attracting domestic and foreign investments.

##### **Article 2.** Key concepts

Under this law, the following terms are defined:

*Administration of the park* – an administrative authority established by the Government for managing the information technology park;

*Information technology park (park)* – organizational structure, whose residents are engaged in activities provided for in art.8;

*Resident of the Park* – a legal or natural person registered in the Republic of Moldova as subject of entrepreneurial activity that is included in the Register of park residents and whose main activity is one or several activities provided for in art. 8, based on a contract with the Administration of park;

*Main activity* – activity that brings 70% or more of income from sales of resident of park.

##### **Article 3.** Core objectives of information technology parks

Parks' creation aims to achieve the following major goals:

- a) increasing competitiveness of IT companies;
- b) supporting small and medium-sized enterprises engaged in the IT industry;
- c) attracting foreign and domestic investments;
- d) carrying out certain activities that generate high-value added products;
- e) developing IT production;

- f) establishing partnerships with multinational IT companies with a view to convey positive practices and the most advanced knowledge in the field;
- g) attracting qualified human resources;
- h) creating jobs.

**Article 4.** Principles of establishing and functioning of information technology parks

Basic principles of parks creation and operation are:

- a) impartial and objective treatment of applicants' aiming to create a park;
- b) transparency in the process of initiating the creation of the park;
- c) equal treatment of all potential residents during the registration process;
- d) non-involvement of public authorities and of Administration of the park in the activity of the residents, except within the limits provided by the present law, the normative acts in force and the contract regarding the activity in the park;
- e) achieving the basic objectives of the parks.

## **Chapter II**

### **SUBJECTS OF THE INFORMATION TECHNOLOGY PARK**

**Article 5.** Applicants' aiming to create a park

Parks may be created at the request of legal entities or individuals registered in the Republic of Moldova as subjects of entrepreneurial activity that have not/are not engaged in a process of insolvency or liquidation and/or restructuring as a result of insolvency or that entrepreneurial activity has not been/is not suspended, or that have not been/are not the subject of a legal procedure to be declared in one of these.

**Article 6.** Administration of the park

- (1) The Administration of the park has a legal personality and operates based on self-financing principles. By the Government Decision establishing the Administration of the park, the Regulation on organization and functioning of the Administration of the park shall be approved.
- (2) The Administration of the park is managed by an administrator, appointed by the Government as proposed by the Ministry of Economy and Infrastructure, for a period of 5 years. The functions, rights and obligations of the administrator are defined by the Regulation on organization and functioning of the Administration of the park and taken-over to the contract signed between the administrator and the Ministry of Economy and Infrastructure.
- (3) The income sources of the park Administration are constituted from the compulsory contributions of the park residents, the size of which is determined by the Administration according to its regulation, depending on the number of residents of the park and the income from their sales. The size of the mandatory levy of the park resident is established on equal terms and cannot be discriminatory.
- (4) The administration has no right to intervene in the economic activity of the residents of the park.

**Article 7.** Residents of the park

- (1) The registration of the park residents shall be carried out by its Administration in accordance

with the Regulation on registration of park residents, approved by the Government. It expressly and exhaustively states the procedure and the registration requirements, as well as the model of the contract for the activity pursuit in the park. The legal or natural persons at whose request the park was created shall be registered as residents ex officio.

(2) The person registered as a resident of the park shall conclude with his Administration a contract for the activity in the park and shall be entered in the register of the residents of the park at the date of signing the contract. The contract is concluded for a period of at least 4 years. The term of the contract may not exceed the park operation period.

(3) The contract shall stipulate:

- a) types of authorized activities;
- b) rights and obligations of the resident and of the Administration of the park;
- c) amount of mandatory contribution;
- d) types of reports to be submitted by the resident to the park's Administration;
- e) parties liability in case of breach of contractual obligations;
- f) other clauses negotiated by the parties.

(4) Residents of the park carry out one or several activities described in art. 8 as their main activity in their headquarters and their branches located on the territory of the Republic of Moldova.

(5) Residents of the park keep accounting records of their activity and submit reports and statements in the manner prescribed by the legislation in force.

(6) Residents of the park are not liable for the obligations of the Administration.

(7) The park Administration keeps the Register of the residents of the park and issues confirmatory certificates regarding the park's resident title.

### **Chapter III**

#### **ESTABLISHING THE INFORMATION TECHNOLOGY PARKS**

**Article 8.** Main activities undertaken in the park

The following core activities shall be carried out in information technology parks (according to CEAM rev.2):

- a) customized software development activities (customer oriented software) (62.01);
- b) computer game editing activities (58.21);
- c) editing of other software products (58.29);
- d) management activities (management and operation) of computing means (62.03);
- e) data processing, web page management and related activities (63.11);
- f) web portal activities (63.12);
- g) information technology consulting activities (62.02);
- h) other information technology service activities (62.09).

**Article 9.** Establishing the information technology park

(1) The park is established by a Government decision following the proposal of the Ministry of Economy and Infrastructure.

(2) The operational life of the park is determined by Government decision, but it cannot exceed 10 years.

**Article 10.** Application for establishing a park

- (1) In order to create a park, applicants shall submit to the Ministry of Economy and Infrastructure an application for establishing a park with the goals behind the park creation, its functional orientation, as well as the activities to be carried out in the park. Copies of constituent documents of legal entity or individual requesting creation of the park, as well as a feasibility study shall be attached to the application.
- (2) The feasibility study on creation of the park shall include:
  - a) description of the concept of the park and the goals of its creation;
  - b) argumentation of the possibility of carrying out the allowed activities and of attracting potential residents;
  - c) the extent of staffing of potential residents of the park;
  - d) stages and deadlines for creation of the park;
  - e) amount of investments required to create the park and their sources.

**Article 11.** Evaluation of the application for establishing a park

- (1) The Ministry of Economy and Infrastructure examines the application and the attached documents within 30 calendar days running from the date of submission of the application.
- (2) If more than one applicant applies simultaneously, the applications will be examined in the order of filing, taking into account the date and time of its receipt.
- (3) If the submitted documents do not meet the requirements provided by art.10, the Ministry of Economy and Infrastructure may request the submission of corrected documents and information. In this case, the term provided in par.(1) is extended by another 15 calendar days from the date of the additional request of the Ministry.
- (4) If the applicant fails to submit corrected documents and information within the term provided in par.(3) or repeatedly submits documents that do not meet the requirements, the Ministry of Economy and Infrastructure informs it, by a written notice, about the rejection of the application for creation of a park and in all cases provides the reasons for such refusal.
- (5) If after examination of the application a preventive decision for creation of park is made, the Ministry of Economy and Infrastructure shall submit to the Government for approval the draft decision to establish a park, accompanied by the draft Regulation on organization and functioning of the Administration of the park and the draft Regulation on registration of the park residents, and shall inform the applicant, with a written notice, about initiation of the procedure of establishing the park.

## **Chapter IV**

### **TASKS AND POWERS OF THE STRUCTURES INVOLVED IN ESTABLISHING AND OPERATING PARKS'**

**Article 12.** Functions of the Ministry of Economy and Infrastructure

In the context of this law, the Ministry of Economy and Infrastructure is responsible for:

- a) monitoring of the parks' activity and developing policies in the field to support their growth;
- b) ensuring the performance of annual evaluation of the results of the parks' activity;
- c) collaboration with central and local public administration authorities, non-governmental

organizations and independent experts, organizations in the field of science and innovation to support and develop park activities;

- d) informing the public about the projects implemented within the parks’.

**Article 13.** Functions of the Administration of the park

The duties of the park’s Administration include:

- a) approval of the Regulation on organization and functioning of the park, after consultation with the Ministry of Economy and Infrastructure, and setting of objectives of the park;
- b) management of the park in accordance with provisions of this law and other normative acts in force;
- c) creation, maintaining and updating of the Register of the park residents, as well as the official website of the park;
- d) ensuring online access to the Register of the park residents;
- e) participation in evaluation of activity of the park, as appropriate;
- f) contribution to attracting investors and inventors in the activity of the park;
- g) submission of proposals to the Ministry of Economy and Infrastructure on development of the activity of the park;
- h) offering consulting services to the park residents on the basis of a contract and their requests;
- i) drawing up and submission to the Ministry of Economy and Infrastructure quarterly and annual reports on the park and its residents activity. The reports shall be made public on the park’s official website, and the data from these reports on the open data government portal;
- j) representation of the park in relations with the central and local public administration authorities, if necessary;
- k) preparing the park development projects.

**Article 14.** The distribution of the single tax amounts collected from the residents of the information technology parks

Amounts paid by the park residents as a single tax charged from the residents of information technology parks shall be transferred to the Ministry of Finance on a treasury revenue accounts and then distributed accordingly:

- a) to the state budget: income tax on entrepreneurial activity - 10.0%, income tax deducted from salary - 19.4%, the duty for use of roads by motor vehicles registered in the Republic of Moldova - 0.1%;
- b) to the state social insurance budget: compulsory state social insurance contributions from the residents of the information technology industry parks - 54.7%;
- c) mandatory health insurance funds: compulsory health insurance premiums in form of a percentage contribution from the salary and other rewards paid by employers and employees - 15.4%;
- d) to local budgets: local taxes charged from the information technology parks residents - 0.3%, real estate tax of legal entities - 0.1%.

**Chapter V**

**SUPPORT AND FOSTERING THE PARK RESIDENTS' ACTIVITY**

**Article 15.** Incentives and inducements for establishing and operating information technology parks

(1) In order to facilitate establishing and operating information technology parks, the state provides their residents with the following incentives:

- a) the single tax charged from the residents of information technology parks in the amount of 7% of the sales income but which will not be below the minimum amount set in par.(2). It includes the following taxes and duties due by the residents of the parks according to the applicable law: income tax on entrepreneurial activity, income tax on salary, compulsory social security contributions due by employees and employers, compulsory health insurance premiums due by employees and employers, local taxes, real estate tax and the duty for use of roads by motor vehicles registered in the Republic of Moldova. The other taxes and duties shall be paid by residents of IT parks in the generally established manner.
- b) financial allocations, obtained through competition within state programs;
- c) possibility to benefit from financial means from risk funds, created with involvement of the Government;
- d) other tax and customs incentives provided for by tax and customs legislation.

(2) The minimum amount of the single tax to be paid by residents of information technology parks will be determined monthly per employee, and will constitute 30% of the average monthly salary in the economy, forecasted for the year of the tax period of the tax concerned.

(3) The single tax charged from the residents of information technology parks is calculated according to this article and paid monthly by the park residents according to the legislation in force.

(4) If new laws are adopted to change the rate and/or composition of the single tax levied on residents of information technology parks as set out in par.(1) let.a) and/or to cancel it, the park residents are entitled, during a period of 5 years from the date of entry into force of this law, which, however, shall not exceed the operational period of the respective park, to operate according to the laws in force until the date of entry into force of the new laws. If certain taxes and/or duties included in the single tax levied on residents of information technology parks as set out in par.(1) let.a) are replaced by other taxes and/or duties, the composition of the single tax will be adjusted accordingly, without changing its rate.

(5) In case of park residents' noncompliance with the conditions of application of the facilities provided by the present law, their obligations towards the national public budget shall be recalculated in the generally established manner starting with the tax period in which the violation was committed, in accordance with the legislation in force.

**Article 16.** Social and medical insurance of the park residents' employees

(1) Employees of park residents benefit from all types of state social security benefits from the state social security budget, in accordance with the legislation in force. The monthly insured income of these employees will be 60% of the average monthly salary in the economy, forecasted for the year concerned.

(2) Employees of park residents obtain the status of insured person in the compulsory health insurance system based on information updated and presented in the report on income tax, the compulsory health insurance premiums and compulsory social security contributions, calculated according to legislation in force.

(3) The park resident shall inform its employees, in written form, about the particularities of the social and medical insurance provided by this article as well as the particularities referred to charging the income tax from the salary until the date of obtaining the title of the resident of the park and in case of new employees – until employment.

## **Chapter VI**

### **EVALUATION AND CONTROL OF PARK ACTIVITY**

**Article 17.** The evaluation of the park and its residents' activity is being performed in accordance with a regulation developed by the Ministry of Economy and Infrastructure and approved by the Government

**Article 18.** Mandatory audit

The economic and financial activity of the park residents is subject annually to an audit by qualified audit firms or auditors, selected and contracted by the Administration of the park in accordance with its criteria. The results of financial audit reports are published on the official website of the Ministry of Economy and Infrastructure, and the audit opinions - on the official website of the park and on the government open data portal.

**Article 19.** Withdrawal of the title of resident of the park

(1) The title of the park resident is withdrawn by terminating the contract signed with the Administration of the park in the following situations:

- a) at the initiative of the park resident, if the Administration of the park fails to observe the terms of the contract on activity in the park and fails not remove the violations within 3 months after receipt of the written notice from the resident;
- b) at the initiative of the Administration of the park, if the park resident fails to observe the terms of the contract on activity in the park and fails to remove the violations within 3 months after receipt of the written notice from the Administration;
- c) violation of provisions of the present law, of the legislation on prevention and combating money laundering, other normative acts, on the basis of an final court decision in this respect;
- d) in other cases provided for by the contract on activity in the park.

(2) In cases provided for in para. (1) let. a) and b), the title of resident of the park shall be withdrawn by decision of the Administration of the park.

(3) Withdrawal of the title of resident of the park entails deprivation of the resident of the incentives granted under this law.

(4) The park residents whose title has been withdrawn may challenge the decision in court.

**Article 20.** Termination of the park activity

(1) The park may be wound-up by a Government Decision as proposed by the Ministry of Economy and Infrastructure when the park does not achieve the objectives stipulated by this law and its own Regulation on organization and functioning. The Government Decision on winding-up of the park comes into force 6 months after its publication.

(2) Winding-up of the park entails loss of the title of the park resident and termination of the regime of incentives granted to residents of park under the present law.

**Chapter VII**  
**FINAL AND TRANSITIONAL PROVISIONS**

**Article 21.**

- (1) This law shall enter into force on 1 January 2017.
- (2) Within 6 months from the date of publication of this law, the Government shall:
  - a) bring its normative acts in conformity with the present law;
  - b) develop and adopt necessary regulations for enforcing this Law and submit to the Parliament proposals on bringing the legislation in line with this law.