

DE MINIMIS AID PROCEDURE

1. Statement to be Included in offer letter

"The assistance for [...] constitutes State aid as defined under Articles 87 and 88 of the Treaty of Rome and is being granted as 'de minimis' aid under Commission Regulation EC 1998/2006 (the "de minimis" aid regulation). European Commission rules prohibit any undertaking from receiving more than €200,000 'de minimis' aid over any period of three fiscal years. Any 'de minimis' aid granted over the €200,000 limit may be subject to repayment with interest. If you have received any 'de minimis' aid over the last three years (from any source) you should inform us immediately with details of the dates and amounts of aid received. Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on 'de minimis' aid for the next three years.

For the purposes of the 'de minimis' regulation, you must retain this letter for 3 years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than 3 years for other purposes.)"

2. Example Letter

A letter might be along the following lines:

INFORMATION ABOUT DE MINIMIS AID PREVIOUSLY RECEIVED

"You are being considered for assistance under the De Minimis Regulation (Regulation 1998/2006). This may allow an enterprise to receive up to €200,000 de minimis aid over any period of three fiscal years

To establish whether you are eligible to receive de minimis aid you must declare the full amount of de minimis aid which you have already been granted during the previous two fiscal years and the current fiscal year.

Potentially any assistance you may have received from a public body might be a de minimis aid. This could be from central, regional, devolved governments or agencies or a local council.

The following is not a comprehensive list of all possible forms of aid. However, it should give you an indication of common forms of aid which you may have been given over the past three years.

You should have received a letter informing you if you were given assistance under the de minimis regulation. If you are not sure whether or not any public assistance you have received is de minimis aid, please contact the body which granted the assistance to clarify this and provide information about all forms of public assistance under €200,000 you have received in the last three years."

Forms of possible aid:

- State grants;
- interest rate relief;
- tax relief;
- tax credits;
- State guarantees or holdings;
- State provision of goods or services on preferential terms;
- direct subsidies;
- tax exemptions;
- preferential interest rates;
- guarantees of loans on especially favourable terms;
- acquisition of land or buildings either gratuitously or on favourable terms;
- provision of goods and services on preferential terms;
- indemnities against operating losses;
- reimbursement of costs in the event of success;
- State guarantees, whether direct or indirect, to credit operations
preferential re-discount rates;
- dividend guarantees;
- preferential public ordering;
- reduction of, or exemption from, charges or taxes, including
accelerated depreciation and the reduction of social
contributions;
- deferred collection of fiscal or social contributions;
- assistance financed by special levies;
- capital transfers;
- certain State holdings in the capital of undertakings.

End

Department for Business, Enterprise and Regulatory Reform (BERR)
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