

Catalogue of non-eligible costs for state aid beneficiaries.

Non-eligible costs include, among others:

- Costs incurred outside the eligibility period specified in the grant agreement;
- Costs that do not meet the eligibility criteria specified in the *Guide* and in the *Guidelines of the Minister of Infrastructure and Development on cost eligibility*;
- Undocumented or inappropriately documented costs;
- Goods and services tax (VAT) that may be recovered pursuant to the Act of March 11, 2004 on the Goods and Services Tax and regulations to the said Act;
- Commissions collected as part of foreign exchange transactions;
- Costs of bank account maintenance;
- Costs incurred in connection with the establishment of security of the proper performance of the obligations resulting from the grant agreement, with the exception of expenditures on the establishment of security if the beneficiary realising the proposed project receives funding in form of an advance payment, which have been foreseen in the aid programme or in the terms and conditions of the call for proposals;
- Costs incurred in connection with the purchase of consulting services, including tax consulting, legal consulting, advertising or promotion, which constitute a part of permanent or temporary operations of the entrepreneur or are connected with ongoing operational expenses of the beneficiary;
- Expenditures incurred pursuant to the *cross-financing* principle that exceed the limit specified for the given project;
- Interest charged on debt;
- Costs of loans or credits incurred for the pre-financing of the grant;
- Fines and penalties;
- Settlement of the purchase of items owned by the beneficiary or rights to which the beneficiary is entitled by means of a debit note;
- Expenditures connected with the functioning of a disputes committee, expenditures related to court proceedings (including expenditures on the preparation and legal servicing of court proceedings) and the costs of realisation of potential decisions issued by court or by a disputes committee;
- Expenditures on the purchase of a second-hand fixed tangible asset that had been financed from EU funds or national subsidies for the preceding 7 years (10 years in case of real property)^{§§§§§§};
- Expenditures incurred on the purchase of developed or undeveloped real property, perpetual usufruct right or the acquisition of other legal titles to real property (e.g. limited property rights: lease, rent, granting use) exceeding 10% of the total eligible costs of the project;
- Expenditures connected with filling out the project application for all projects and the application for the confirmation of financial contribution – for large projects;
- Success fee for the co-author of the application who prepares, for example, the feasibility study, calculated as a percentage of the obtained/applied for amount of co-financing, paid by the beneficiary;

^{§§§§§§} The 7 or 10 year periods are calculated in calendar months, starting from the purchase date (e.g. 7 years from the November 9, 2014 is the period from that date to the November 9, 2007).

Appendix no. 9.2.2 Catalogue of non-eligible costs for state aid beneficiaries

- Cost of external audits of expenditures on science if the audit started before realisation of 50% or after realisation of 80% of the planned project expenditures;
- Expenditures connected with leasing agreements other than the principal amount of the leasing instalment – tax, profit margin of the financing entity, interest on cost refinancing, insurance fees, overall costs, costs of assembly and adaptation of tangible fixed assets for use and costs of the parts replacement connected with the leased equipment;
- Transactions of a value exceeding EUR 15 000 settled in cash (regardless of the number of payments resulting from the given transaction), in connection with the obligation specified in Art. 22 of the Act of July 2, 2004 on freedom of economic activity (Journal of Laws of 2013, item 672 incl. further amendments);
- The following payroll and non-payroll elements of remuneration:
 - anniversary bonus;
 - equivalent for unused holiday leave;
 - group life insurance contribution (treated as taxable income of the employee);
 - additional health subsidy;
 - cash equivalent (e.g.: lowered payment for electric energy);
 - electric energy subsidy (treated as taxable income of the employee);
 - use of company car – commuting to/from work to /from home;
 - deductions for Company Social Benefit Fund;
 - benefits realised from the Company Social Benefit Fund;
 - allowances financed from the state budget (e.g. nursing benefit, family benefit) or from the funds of the Social Insurance Company (e.g. maternity, rehabilitation, paternity, attendance, compensation benefit);
 - benefit for the period of inability to work, pursuant to the binding social security regulations;
 - remuneration for overtime work;
 - costs of periodical and initial medical examinations;
 - glasses subsidy;
 - benefits for foreign languages, for non-smoking, and other benefits of this type introduced by the employer, compensation under non-competition clause, other compensations that the employer is obliged to pay;
 - food vouchers for employees;
 - contributions for the State Fund for Rehabilitation of Disabled Persons (PFRON);
 - redundancy pay for employees of the project;
 - retirement/pension severance pay;
 - holiday leave subsidies;

Costs incurred in a manner non-compliant with the Act – Public Procurement Law or with the principle of competitiveness (specified in Appendix No. 3 – *Manner of incurring expenditures in compliance with the fair competition principle*) may be deemed ineligible in part or in whole.