



REPUBLIC OF SAN MARINO

We the Captains Regent of the Most Serene Republic of San Marino

Having regard to Article 4 of Constitutional Law no. 185/2005 and to Article 6 of Qualified Law no. 186/2005;

Hereby promulgate and order the publication of the following Ordinary Law, approved by the Great and General Council during its sitting of 17 September 2014:

LAW NO. 146 OF 19 SEPTEMBER 2014

AMENDMENTS TO LAW NO. 174 OF 20 DECEMBER 2013 AND ADJUSTMENTS TO THE BUDGET OF THE STATE AND OF THE ENTITIES OF THE OVERALL PUBLIC SECTOR FOR THE FINANCIAL YEAR 2014

Art. 1

(Adjustments to the State Budget)

1. In accordance with Article 25 of Law No. 30 of 18 February 1998, based on the favourable decision of the Congress of State no. 3 of 26 August 2014, the adjustments to the 2014 State Budget (Annex "A") referred to in Article 1, paragraph 1 of Law no. 174 of 20 December 2013 are approved, thus amending the State Budget as follows:

Revenue forecast	
Title 1-Tax revenues	€ 401,149,100.00
Title 2-Non-tax revenues	€ 73,272,719.01
Title 3 - Sale, amortisation of assets and credit repayments	€ 1,401,000.00
Title 4 - Revenues from lending and borrowing operations	€ 14,932,259.50
Title 5-Clearing entries	€ 28,356,000.00
Overall total revenues	€ 519,111,078.51
Expenditure forecast	
Title 1-Current expenditure	€ 444,163,594.48
Title 2-Capital expenditure	€ 33,939,969.10
Title 3-Repayment of loans	€ 12,651,514.93
Title 4-Clearing entries	€ 28,356,000.00
Overall total expenditure	€ 519,111,078.51

Art. 2

(Adjustments to the Budget of the Public Works Autonomous State Corporation)

1. In accordance with Article 25 of Law no. 30 of 18 February 1998, based on the favourable decision of the Board of Directors no. 1 of 22 August 2014, the adjustments to the 2014 Budget of the Public Works Autonomous State Corporation (Annex "B") referred to in Article 2 of Law no. 174 of 20 December 2013, are approved, thus amending the budget as follows:

Revenue forecast	
Title 1-Current revenues	€ 16,006,500.00
Title 2-Property revenues	€ 5,000.00
Title 4-Special accounts	€ 800,000.00
Title 6-Clearing entries	€ 11,998,000.00
Overall total revenues	€ 28,809,500.00

Expenditure forecast	
Title 1-Current expenditure	€ 9,227,500.00
Title 2-Extraordinary expenditure	€ 6,630,000.00
Title 3-Capital expenditure	€ 154,000.00
Title 5-Special accounts	€ 800,000.00
Title 6-Clearing entries	€ 11,998,000.00
Overall total expenditure	€ 28,809,500.00

Art. 3

(Adjustments to the Budget of the Public Utilities Autonomous State Corporation)

1. In accordance with Article 25 of Law No. 30 of 18 February 1998, based on the favourable decision of the Board of Directors no. 98 of 22 July 2014, the adjustments to the 2014 budget of the Public Utilities Autonomous State Corporation (Annex "C") referred to in Article 3 of Law no. 174 of 20 December 2013 are approved, thus amending the budget as follows:

Revenue forecast	
Title 1-Current revenues	€ 63,915,071.00
Title 2-Capital movements	€ 7,239,750.00
Title 3-Special accounts	€175,920,000.00
Title 5-Clearing entries	€ 6,303,000.00
Overall total revenues	€ 253,377,821.00

Expenditure forecast	
Title 1-Current expenditure	€ 53,283,500.00
Title 2-Capital movements-Capital expenditure	€ 10,864,242.00
Title 3-Special Accounts	€ 177,150,215.00
Title 4-Extraordinary expenditure	€ 500,000.00
Title 5-Clearing entries	€6,303,000.00
Overall total expenditure	€ 248,100,957.00

2. The Public Utilities Autonomous State Corporation shall be authorised to establish a capital reserve of € 1,500,000.00 for the development of the optical fibre network referred to in Article 26 of Law no. 71 of 27 June 2013.

Art. 4

(Adjustments to the Budget of the Civil Aviation and Maritime Navigation Authority)

1. In accordance with Article 25 of Law No. 30 of 18 February 1998, based on the favourable decisions of the Executive Committee no. 1 and no. 2 of 16 July 2014, the adjustments to the 2014 budget of the Civil Aviation and Maritime Navigation Authority (Annex "H") referred to in Article 8 of Law no. 174 of 20 December 2013 are approved, thus amending the budget as follows:

Revenue forecast	
Title 1-Ordinary Revenues	€ 300,500.00
Title 2-Extraordinary Revenues	€ //
Title 3-Special accounts	€ 15,000.00
Title 4-Capital movements	€ //
Title 5-Clearing entries	€ 44,350.00
Overall total revenues	€359,850.00

Expenditure forecast	
Title 1-Current expenditure	€ 283,000.00
Title 2-Capital expenditure	€ 8,600.00
Title 3-Capital movements	€ 8,900.00
Title 4-Clearing entries	€ 44,350.00
Title 5-Special accounts	€ 15,000.00
Overall total expenditure	€ 359,850.00

Art. 5

(Adjustments to the Budget of San Marino Posts Entity)

1. In accordance with Article 25 of Law No. 30 of 18 February 1998, based on the favourable decision of the Board of Directors no. 45 of 25 August 2014, the adjustments to the 2014 budget of San Marino Posts Entity (Annex "L") referred to in Article 10 of Law no. 174 of 20 December 2013 are approved, thus amending the budget as follows:

Revenue forecast	
Title 1-Current revenues	€ 5,978,920.00
Title 2 - Sale of property and credit repayment	€ //
Title 3-Capital movements	€//
Title 4-Clearing entries	€ 16,508,000.00
Overall total revenues	€ 22,486,920.00

Expenditure forecast	
Title 1-Current expenditure	€ 5,906,920.00
Title 2-Capital expenditure	€ 72,000.00

Title 3-Capital movements	€ //
Title 4-Clearing entries	€ 16,508,000.00
Overall total expenditure	€ 22,486,920.00

Art. 6

(Conversion of the Philatelic and Numismatic Autonomous State Corporation into the Philatelic and Numismatic Office)

- Paragraph 2 of Article 13 of Law no. 174 of 20 December 2013 shall be amended as follows:
- "2. The term of office of the members of the Board of Directors and of the Board of Auditors of the Philatelic and Numismatic Autonomous State Corporation (A.A.S.F.N.) shall be extended only with respect to closing and approval procedures for the 2013 general financial statement falling within their competence and until approval of the statement itself. Following that approval, the Congress of State, by means of a decision, shall authorise the inclusion of AASFN 2013 budgetary and cash balances in the 2014 State budget, without prejudice to AASFN inventories, duly identified and recorded, which the Congress of State may include, through a decision, already from 1 January 2014. Pending approval by the competent AASFN bodies, the State Accounting Office shall be authorised to record in State General Financial Statement for the financial year 2013 the outcome of the 2013 Budget of the Philatelic and Numismatic Autonomous State Corporation, indicated by the Philatelic and Numismatic Office."

Art. 7

("Strada di Fondovalle" loan)

- The Congress of State shall be authorised to enter into a loan agreement with Banca Agricola Commerciale - IBS for the repayment of a loan taken out by opening a current-account credit facility for the realisation of the road "Strada di Fondovalle", referred to in Law no. 42 of 22 February 2006, for a total amount of € 14,500,000.00.

Art. 8

(Budget-balancing loan)

- Article 20 of Law no. 174 of 20 December 2013 shall be amended as follows:

"Art. 20

(Budget-balancing loan)

- The taking out of a loan up to € 14,932,259.50 shall be authorised to balance the budget deficit for 2014."
- The loan to balance the deficit of the State general financial statement for 2013, authorised under Article 7 of Law no. 153 of 31 October 2013, may be taken out up to the amount of € 17,554,502.95 assessed on an accrual basis of the 2013 State Budget, by opening a current-account credit facility in the financial year 2014. Interest expense of the current financial year shall be recorded in chapter 1-3-2760 "Interest expense on loans, advances and overdrafts.

Art. 9

(Extraordinary interventions designed for improving the energy performance of existing housing stock)

1. Article 24 of Law no. 174 of 20 December 2013 shall be amended as follows:

"Art. 24

(Extraordinary interventions designed for improving the energy performance of existing housing stock)

1. In order to reduce energy consumption for winter and summer air-conditioning of existing buildings and to reduce the resulting emission of pollutants and greenhouse gases into the atmosphere, as well as water consumption and national costs for energy supply, in line with the provisions of the current National Energy Plan and in implementation of the commitments under the UN Convention on Climate Change, € 487,500.00 shall be allocated to chapter 2-5-6438 "Fund for extraordinary interventions designed for improving the energy performance of the housing stock" for the financial year 2014. This allocation shall be aimed at financing interventions for the improvement of the energy performance of the housing stock, as provided for by Law No. 48 of 3 April 2014 and the delegated decrees referred to in said law."

Art. 10

(Amendments to Article 59 of Law no. 174 of 20 December 2013)

1. Article 59 of Law no. 174 of 20 December 2013 shall be amended as follows:

"Art. 59

(Social protection instruments)

1. The financial resources amounting to € 600,000.00 and allocated to chapter 1-3-2409 "Fund for interventions related to incomes policy" for 2014 shall be designed for:
 - a) reimbursement to the Social Security Institute of lower contribution revenues due to the application, to the salaries paid to persons performing home care under Regulation no. 56 of 25 April 2005, of the contribution rates established by Delegated Decree no. 3 of 23 January 2009, the provisions of which shall be extended to the entire year 2013;
 - b) measures in support of those who are economically and socially disadvantaged, to be identified through a special delegated decree in line with the general principles of Delegated Decree no. 125 of 20 December 2007.

Individuals who apply for access to the social protection instruments referred to in this Article shall be required to submit, upon application, information necessary to determine available financial resources for proper income determination and, therefore, eligibility for benefits. In determining the amount of contributions to be paid, the Assessment Committee shall also take account of any other social benefit granted to the same person.

1 bis. Given the continuing economic and employment crisis, in order to address the financial problems of families or of individual citizens or residents who, even temporarily, are economically and socially disadvantaged, an Extraordinary Solidarity Fund shall be established.

The Extraordinary Solidarity Fund shall be a temporary and extraordinary measure integrating the Social Credit Fund. It shall be an early and economic intervention for all those people and families not having any means of subsistence.

A special delegated decree shall govern application procedures and criteria of the Extraordinary Solidarity Fund, as well as the composition and functions of the Management Committee.

The Extraordinary Solidarity Fund shall be temporary and shall run out at the entry into force of the draft revision of the social protection instruments in force, in order to implement a single coordinated intervention, responding to the real needs of the country and in line with criteria of adequacy and equity.

1 ter. For the management of the Extraordinary Solidarity Fund, the special chapter 1-3-2410 "Extraordinary Solidarity Fund" shall be included in the State Budget. The Extraordinary Solidarity Fund shall be financed through the following:

- a) using the amount arising from the sums not specifically allocated at the time of the income tax return and recorded as accounts payable for 2011, 2012 and 2013 in chapter 1-3-2860 "Solidarity contributions under Article 6 of Law no. 9 of 22 January 1993" of the State Budget, to be transferred to chapter 1-3-2410 "Extraordinary Solidarity Fund";
- b) gifts and/or donations to the State or public entities by taxpayers, which may fall under the deductible expenses referred to in Article 14, letter c) of Law no. 166/2013;
- c) gifts and/or donations from companies and economic operators, which they may deduct in their activity in accordance with the terms established by relevant provisions in force;
- d) donations from non-profit organizations, foundations, associations, charities, etc. .;
- e) using the sums arising from 50% of the revenues recorded, on an accrual basis, in chapter 790 "Fines and pecuniary administrative sanctions" of the State Budget. For 2014, the amount to be allocated in Chapter 1 – 3 – 2410 "Extraordinary Solidarity Fund" shall be equal to € 75,000.00;
- f) using the sums arising from the revenues collected during 2014 in chapter 1095 "Refund of interests following the settlement of loans for subsidised housing - Article 3 of Decree no. 56 of 13 May 2003". Under Article 27 of Law no. 30 of 18 February 1998, allocations entered as revenues in chapter 1095 and as expenditure in chapter 1-3-2410 "Extraordinary Solidarity Fund" shall be of the same amount for the purposes of a balanced budget.

The sums arising from the revenues referred to in letters b), c) and d) above shall be collected under chapter 410 "miscellaneous revenues" on the revenue side. Under Article 27 of Law no. 30 of 18 February 1998, allocations entered as revenue in chapter 410 and as expenditure in chapter 1-3-2410 "Extraordinary Solidarity Fund" shall be of the same amount for the purposes of a balanced budget.

1. quater. Article 38 of Law no. 150 of 21 December 2012 shall be repealed.

2. Given the current economic crisis, the difficulties faced by families also affected by personnel reduction, mobility and, in any case, by difficulties in paying regularly the instalments of mortgage loans and subsidized loans for a primary residence, pursuant to Law no. 110/1994 and subsequent amendments and supplements, a special delegated decree shall be adopted by 30 June 2014 in order to establish, after consultation with San Marino Banking Association, Consumer Associations, Professional Associations and the Central Bank, time limits and conditions for a suspension of the principal payments for a fixed period."

Art. 11

(Science and Technology Park)

1. Article 67, paragraph 1 of Law no. 174 of 20 December 2013 shall be amended as follows:

"Art. 67

(Science and Technology Park)

1. For 2014 a sum equal to € 80,695.00 shall be allocated to Chapter 1-4-3705 "Start-up and operating costs of Science and Technology Park of San Marino and Italy". The resources of the above-mentioned chapter may be used to support costs of consultancy and professional services, to implement the communication plan, to produce promotional material and events and to provide services for technological innovation, as well as any other cost relating to the Business Incubator."

Art. 12

(Conversion of the Posts Entity of the Republic of San Marino into a joint stock company)

1. The share capital amounting to € 3,000,000.00 referred to in Article 70, paragraph 10 of Law no. 174 of 20 December 2013 to be transferred to Poste San Marino SpA shall consist of immovable and movable property, as well as cash transfers.

2. Movable and immovable property to be transferred shall be identified by the Congress of State. Immovable property shall be revalued for capital purposes in the State Budget in 2014 on the basis of the revaluation carried out by the Technical Cadastral Office. The Posts Entity shall budget the values of the revalued immovable property as estimated by the Technical Cadastral Office.

3. Movable property shall be valued on the basis of the value recorded as equity. Fully depreciated assets shall be transferred at a value equal to 5% of their depreciated value.

4. For 2014 € 1,800,000.00 shall be allocated to chapter 2-3-6447 "Capital endowment for the establishment of Poste San Marino SpA" as cash transfer to Poste San Marino SpA.

5. The list of assets transferred to the Posts Entity, with a detailed report on their values, shall be submitted to the Great and General Council within 120 days of approval of this Law. Transferred immovable property may be disposed of in accordance with the law procedures envisaged for State-owned assets and shall not be used as a pledge or collateral in financial transactions.

Art. 13

(Amendments to Article 72 of Law no. 174 of 20 December 2013)

1. Article 72 of Law no. 174 of 20 December 2013 shall be amended as follows:

"Art. 72
(Cultural District)

1. In view of the creation of a Cultural District, capable of producing and disseminating culture in a participatory manner, and laying the foundations of a "knowledge economy", chapter 1-7-4843 "Expenses for the initiatives of the Cultural District" shall be established. For 2014, € 45,329.00 shall be allocated to this chapter to finance activities such as conferences, training courses, organization of cultural events, support to new cultural businesses and sector-related scholarships."

Art. 14

(Amendments to Article 76 of Law no. 174 of 20 December 2013)

1. Article 76 of Law no. 174 of 20 December 2013 shall be amended as follows:

"Art. 76
(Incentives for the promotion of rural tourism)

1. In order to promote the activities related to rural tourism and referred to in Article 23 of Law No. 96 of 20 September 1989 (Interventions for the development of agriculture) and in subsequent Regulation No. 24 of 13 February 1990, as well as in Law no. 23 of 27 January 2006 (General rules for the operation of rural tourism) and subsequent Delegated Decree No. 132 of 22 September 2009, a special delegated decree shall be adopted to identify interventions that are eligible for funding. Relevant expenses shall be recorded in chapter 2-5-6735 "Financing under Law no. 96 of 20 September 1989 - Contributions and bonuses", and in chapter 2-5-6890 "Interest subsidies for lending and borrowing (Law no. 96/1989).".

Art. 15

(Appeals against cadastral surveys)

1. Until the entry into force of the Law reforming the cadastre, the Estimate Board shall remain responsible for the examination and subsequent decisions relating to appeals against cadastral surveys, in accordance with Article 48 of Law no. 91 of 13 October 1984 and subsequent amendments.

Art. 16

(Development of the telecommunications system)

1. In order to have the necessary resources for the reform and development of the telecommunication system, chapter 1-4-4249 "Expenses for the Development of the Telecommunications System" shall be established with an allocation of € 60,000.00 for 2014. The resources of the aforesaid chapter may be used to pay fees for consultancy and professional services in respect of analysis and design activities, as well as for communication activities.

Art. 17

(International economic cooperation)

1. In order to have the necessary resources to promote initiatives aimed at boosting "international economic cooperation", which falls within the mandate of the Ministry of Environment and Territory pursuant to Decision no. 41 of 17 April 2014 of the Great and General Council, chapter 1-5-3110 "Expenses for the Development of International Economic Cooperation" shall be established, with an allocation of € 20,000.00 for the 2014 financial year. The resources of the aforesaid chapter may be used to pay fees for consultancy and professional services, communication activities, hospitality and journeys.

Art. 18

(Change in the registration taxes)

1. In order to encourage the buying and selling of immovable property, the registration tax for the transfer, for valuable consideration, of immovable property and rights in rem in immovable property referred to in no. 1, paragraph 1, of Table "A" attached to Law no. 85 of 29 October 1981 and subsequent amendments, as well as for the transfer of undivided shares of an estate and of inheritance rights referred to in no. 3 of the same table, shall be reduced to 2.5% until 31 December 2015. This reduction shall not apply to the transfer of immovable property as a redemption arising from a leasing contract.

Art. 19
(Loan Agreement)

1. Article 1, paragraph 2, of Law no. 85 of 18 July 2012 shall be amended as follows:

"Art. 1

The Congress of State shall be given the mandate to authorise the signing of a contract between the State, the Foundation San Marino Cassa di Risparmio - SUMS and Cassa di Risparmio of the Republic of San Marino, concerning the provision of the loan referred to in the first paragraph above, with the following characteristics:

- a) nominal amount of € 60,000,000.00;
 - b) interest rate:
 - until 31 December 2013: variable interest rate equal to ECB refinancing rate established from time to time;
 - from 1 January 2014 until the end of the loan: simple interest rate of 1.433% per year;
 - c) duration of 10 years;
 - d) full repayment of the principal at maturity with the option for the debtor (call option) to initiate a plan of gradual principal repayment from the first day of the third year of duration of the loan;
 - e) repayment of interest in a lump sum at the end of the seventh year, with the option for the debtor to anticipate in whole or in part the payment of accrued interest. Starting from the eighth year interest shall be paid quarterly in arrears and be computed on the residual principal amount at the end of the seventh year."
2. The loan agreement signed on 27 August 2012 between the State, the Foundation Cassa di Risparmio San Marino - SUMS and Cassa di Risparmio of the Republic of San Marino shall be amended on the basis of the preceding paragraph.

Art. 20
(Tax transition procedure for 2011, 2012 and 2013)

1. Taxpayers, with a view to benefiting from the provisions referred to in this Article, shall submit, by 15 December 2014, an application to the Tax Office to settle their tax position with regard to the General Income Tax (IGR) for the tax periods 2011, 2012 and 2013, without prejudice to paragraph 9 below.
2. The tax position referred to in paragraph 1 shall be settled by paying, for each tax period, an amount equal to:
 - a) € 250 for individuals who produce income other than business income and income from arts or professions;
 - b) the amounts specified hereunder for individuals producing business income, for those carrying out arts and professions, for companies and similar entities:
 - € 300, if the amount of gross profits and remuneration does not exceed € 10,000;
 - € 500, if the amount of gross profits and remuneration does not exceed € 100,000;
 - € 750, if the amount of gross profits and remuneration does not exceed € 200,000;
 - € 1,000, if the amount of gross profits and remuneration does not exceed € 500,000;
 - € 1,500, if the amount of gross profits and remuneration does not exceed € 1,000,000;
 - € 2,250, if the amount of gross profits and remuneration does not exceed € 2,500,000;
 - € 3,000, if the amount of gross profits and remuneration does not exceed € 5,000,000;
 - € 4,500, if the amount of gross profits and remuneration does not exceed € 10,000,000;
 - € 6,000, if the amount of gross profits and remuneration exceeds € 10,000,000;

3. For the purposes of determining the amount to settle their tax position, individuals who, at the same time, produce income included in letters a) and b) of paragraph 2 shall add together the amounts indicated therein.
4. For the purposes of determining the amount to settle their tax positions, individuals who produce business income or self-employment income in an associated form shall indicate in the application referred to in paragraph 1, for each tax period, the payable amount to be determined under paragraph 2, letter b) on the basis of their shareholding. In no event this amount shall be less than € 150.
5. In order to settle the tax position, possible losses resulting from filed tax returns shall not be relevant for any purposes. Therefore, the carrying-forward of the aforesaid losses to future tax periods shall be excluded and, in any case, shall not be effective.
6. With the settlement of the tax position, only in relation to each year, the payment of the taxes resulting from the tax returns, with reference to the amounts of deductions and allowances specified by the taxpayer or to the applicability of exclusions, shall be final. This shall not prejudice the effects of the payment of taxes and of ordinary checks under paragraph 1 of Article 42ter of Law no. 91/1984. The settlement of the tax position shall not modify the amount of possible refunds and credits arising from the tax returns submitted for the purposes of the General Income Tax (IGR). The application referred to in paragraph 1 shall not entitle to any refund of withholding taxes, advance payments and tax credits not previously declared, nor to a recognition of tax exemptions or allowances that were not previously applied for, or tax deductions greater than those originally declared.
7. With the completion of the procedure defined in this Article the declarant shall be excluded from any assessment relating to the General Income Tax (IGR), without prejudice to the obligations of the withholding agent pursuant to Law no. 91/1984.
8. The amounts pursuant to this Article shall be paid by the taxpayer before 15 December 2014. Failure to timely pay these amounts shall render the application referred to in paragraph 1 null and void.
9. The provisions of this Article shall not apply to taxpayers who, on the date of entry into force of this Law, are involved in ongoing tax disputes for the purposes of the General Income Tax (IGR) for the years 2011, 2012 and 2013, before the Assessment Committee, the Estimate Board and the Judicial Authority, as defined in Articles 21 and 22 hereunder and only in relation to the years involved in the dispute, as well as to taxpayers against whom bankruptcy proceedings are underway or who are undergoing voluntary or ex-officio liquidation.
10. The settlement of the tax position shall not be completed if it is based on data that do not correspond to those contained in the tax return originally submitted, or if the tax return is submitted by those who are in the situations referred to in paragraph 9 of this Article. In such cases the amounts paid shall not be refunded but, in any case, they shall be considered as advances of any tax due.
11. A circular of the Tax Office shall set out the enforcement procedures relating to this Article, the types of gross profits and of remuneration to be specified in the application for the purposes referred to in paragraph 2, letter b), as well as the technical and operational procedures for the submission, also by available or ad-hoc computer and telematic tools, of the applications referred to in paragraph 1, and relevant methods of payment.
12. For all taxpayers who do not resort to the provisions set out, the deadlines for the assessment shall be extended by one year.
13. In the event that the taxpayer is indicted for one of the offences provided for in Articles 389 and 389 bis of the Criminal Code, as well as for the offences referred to in Articles 2 and 3 of Law No. 99 of 7 June 2010, the effects referred to in this Article shall fully cease without reimbursing any amounts paid.

Art. 21

(Tax transition procedure for tax disputes before the Assessment Committee)

1. After being notified of the start of a tax hearing pursuant to paragraph 1 of Article 49bis and before the formalisation of the assessment notice and the application of sanctions by competent Committees, the taxpayers who are involved in ongoing tax disputes, except those referring to the non-payment of taxes due on tax returns and not paid, may avoid the sanction by paying a sum equal to 65% of the higher tax claimed by the Tax Office, including interest calculated until the date of payment.
2. In order to benefit from the provisions referred to in this Article, taxpayers shall file, by 15 December 2014, an application to the Tax Office, committing to paying the amount indicated in the relevant file prepared by the Office itself, equal to the percentage referred to in paragraph 1 .
3. The amounts pursuant to this Article shall be paid by the taxpayer by 15 December 2014. Failure to timely pay the above-mentioned amounts shall render the application referred to in paragraph 2 null and void, and proceedings will be carried out pursuant to Law no.91/1984.
4. The proceedings referred to in paragraph 1 shall remain suspended until 15 December 2014. The proceedings defined under paragraph 1 above shall be considered definitively concluded without requiring their transmission to the competent Committee.
5. A circular of the Tax Office shall set out the enforcement procedures relating to this Article, as well as the technical and operational procedures for the submission, also by available or ad-hoc computer and telematic tools, of the applications referred to in paragraph 2 and relevant methods of payment.

Art. 22

(Tax transition procedure for tax disputes before the Estimate Board or the Judicial Authority)

1. Taxpayers who are involved in ongoing tax disputes, except those referring to non-payment of taxes due on tax returns and not paid, which arise from appeals brought before the Estimate Board or the Judicial Authority, in accordance with Article 48 of Law no. 91/1984, and on which a final decision has not yet been made, may settle the disputes by paying an amount equal to 60% of the value of the dispute, corresponding to the amount of the higher tax assessed, of sanctions applied on the basis of the higher assessment and overdue interest envisaged by law and calculated up to the date of payment. Taxes due on returns shall include taxes resulting from income tax returns and declarations of withholding agents, as well as those directly paid by the taxpayer.
2. In order to benefit from the provisions referred to in this Article, taxpayers shall file, by 15 December 2014, an application to the Tax Office, committing to paying the amount referred to in the preceding paragraph, net of any advance already paid on the value of the dispute. In any case, taxes already paid shall not be refunded.
3. The proceedings referred to in paragraph 1 shall remain suspended until 15 December 2014. The proceedings before the Judicial Authority shall be settled by paying in full the costs of the proceedings.
4. The amounts pursuant to this Article shall be paid by the taxpayer by 15 December 2014. Failure to timely pay the above-mentioned amounts shall render the application referred to in paragraph 2 null and void, and proceedings will be carried out pursuant to Law no.91/1984.
5. The provisions of this Article shall also apply to taxpayers who have been notified of the assessment measure for which time limits for appeals before the Estimate Board or the Judicial Authority have not yet expired.
6. A circular of the Tax Office shall set out the enforcement procedures relating to this Article, as well as the technical and operational procedures for the submission, also by available or

ad-hoc computer and telematic tools, of the applications referred to in paragraph 2 and relevant methods of payment.

Art. 23

(Provisions for the Tax Office)

1. Part of the revenues deriving from the tax transition procedures referred to in Articles 20, 21 and 22 above shall be used to finance, under appropriate chapter 1-8-1365 "Fund for vocational training and development", the vocational training of the staff of the Tax Office, as well as the purchase of equipment and software, under appropriate chapter 2-8-6480 "Purchase of IT devices, equipment and procedures", to improve the functioning of the Tax Office.
2. The IT, Technology, Data and Statistics Office shall prepare, by 30 April 2015, the operational tools to ensure extrapolation and processing of data relevant to tax assessments by the Tax Office through access to and use of the databases provided for by Article 151 of Law no. 166 of 16 December 2013.
3. In order to arrange, as a matter of urgency, the procedures and tools necessary for the application of Law no. 166/2013, pending the definition of the staffing needs referred to in Article 65 of Law no. 188 of 5 December 2011, the Congress of State undertakes to adopt, by 31 December 2014, appropriate measures to recruit adequate human resources for the Tax Office, including by assigning positions necessary to fulfil the functions of the Office in accordance with the procedures referred to in Article 4, paragraph 1, letter c) of Law No. 108 of 19 September 1990. The competent Directorate and the Directorate General of Public Function shall be required to make suitable arrangements for employees' training and the operation of the Office.
4. The Minister of Finance and Budget shall be required to report, at least every six months, to the Parliamentary Commission for Finance on the progress of tax assessments and controls referred to in Law no. 166 of 16 December 2013.

Art. 24

(Definition and application of the tax account)

1. The tax account established under Article 40 of Law no. 200/2011 shall be a special current and individual account which governs and regulates credit and debt positions between the Tax Office and individual taxpayers.
2. The tax account shall be held at the Tax Office, which is responsible for the collection of taxes and sanctions falling under its competence, as well as for refunds and compensation thereof.
3. The tax account shall be mandatory. Taxpayers may have access to and manage their credit and debit positions at any time through special Internet computer functions made available by the Tax Office.
4. Taxpayers shall be obliged to disclose the details of their current account in which their credit positions shall be settled through the tax account.
5. Minimum credit and debit positions to be recorded in the tax account shall be equal to € 0.01, rounded up to the third decimal place.
6. The positions referred to in the preceding paragraph shall be payable or reimbursable when an amount of € 20,00 is reached.
7. Interest shall be recorded/calculated on the tax account at the time of payment or at the time of registration on the tax roll for collection.

The amounts paid shall be calculated, as a priority, as a balance or advance payment of the effective amount due by the taxpayer.

8. Before paying a credit to a taxpayer, the Tax Office shall cover any debts of the same taxpayer, if the credit is sufficient, and pay off the difference. If the credit is insufficient, the debt shall decrease by an amount equal to the accrued credit, subject to any interest payments.

9. Debts shall be paid when they are offset against available credits. Credit collections and debt payments shall be recorded on the basis of lists/rolls developed by the IT procedures of the Tax Office.

10. Debt declarations referred to in laws and decrees in force, which are accepted for the purposes of suspending the payment of the import tax, shall be replaced by a provisional refund resulting, during the year, from the application of the coefficient attributed to the applications for refund filed by economic operators against sales for export and/or sales to the State and public entities, as well as against sales of capital goods to San Marino economic operators.

11. By an ad-hoc delegated decree to be issued by 31 December 2014, special accounting provisions may be established to manage the offsetting of debts and credits.

Art. 25

(Amendments to the Criminal Procedure Code)

1. After paragraph 3 of Article 58ter of the Criminal Procedure Code (added by Article 13 of Law no. 100 of 29 July 2013), the following paragraph shall be introduced:

" In the event of dismissal of a case following extinction of the offence, the investigating judge shall order to continue to apply the seizure when clues and evidence of criminal liability have already been acquired and the value of seized assets is disproportionate to the income declared by the defendant for the purposes of income taxation, or to the economic activity carried out at the time of the seizure. In this case, the proceedings shall continue only to ascertain the conditions to impose confiscation. In case of death of the defendant, the proceedings for the enforcement of the confiscation order shall continue against the heirs or legatees."

Art. 26

(Amendments to Article 28 of Law no. 96 of 29 June 2005)

1. Article 28 of Law no. 96 of 29 June 2005 and subsequent amendments shall be amended as follows:

"Art. 28

(Legal Protection)

1. The members of the Governing Council, the inspectors, management and staff of the Central Bank shall not be liable for acts or omissions in the exercise of the powers and functions of the Central Bank or in compliance with the obligations and duties established in this Law, if said acts or omissions are made in good faith, i.e. in the absence of wilful misconduct or gross negligence. Civil actions for damages shall be brought against the Central Bank, which provides legal protection to the persons identified above in any proceedings, whether civil, criminal or administrative, with the right to pursue remedies against them, in the event of a final judgement establishing their wilful misconduct or gross negligence. This paragraph shall also apply to the staff allocated to the Financial Intelligence Agency.

2. Special administrators and members of the Oversight Committee appointed by the Central Bank pursuant to Articles 79, 84 and 86 of Law no. 165 of 17 November 2005 and subsequent

amendments, may be subject, after authorization of the Supervision Committee, to a civil action for damages caused while performing their duties.

3. A judicial appeal may be lodged against a reasoned refusal of authorisation to bring the civil action referred to in the preceding paragraph, on grounds of both legitimacy and content, before the Administrative Judge, in the manner and according to the terms referred to in Title II of Law no. 68 of 28 June 1989, without prejudice to the possibility for the judge to derogate, in the context of such appeal, from the provisions of Article 18, paragraph 4, of the same law. If the appeal is definitively upheld, the damaged person shall be entitled to bring an action for damages against the Central Bank under paragraph 1 above. "

Art. 27

(Amendment to Decree No. 76 of 30 May 2006)

1. Article 23, paragraph 5 of Decree no. 76 of 30 May 2006 and subsequent amendments shall be replaced by the following:

"5. The alleged violations shall be notified in accordance with Article 17, paragraphs 1 and 2, of Law no. 100 of 29 July 2013. For individuals residing abroad, notification shall be deemed validly made at the address for service that the non-resident person is obliged to designate in the Republic of San Marino upon taking up the position, by giving timely notice to the Supervisory Authority."

2. Article 74, paragraph 6 of Law no. 92 of 17 June 2008 and subsequent amendments shall be replaced by the following:

"6. The alleged violations shall be notified in accordance with Article 17, paragraphs 1 and 2, of Law no. 100 of 29 July 2013. For individuals residing abroad, notification shall be deemed validly made at the address for service that the non-resident person is obliged to designate in the Republic of San Marino upon taking up the position, by giving timely notice to the Agency."

Art. 28

(Amendments to Law No. 165 of 17 November 2005)

1. Article 79, paragraph 6, of Law no. 165 of 17 November 2005 and subsequent amendments shall be amended as follows:

"6. The Supervisory Authority shall define the requirements to hold the position of special administrator or member of the Oversight Committee. Without prejudice to the sentence hereunder, the Supervisory Authority shall appoint as special administrator or member of the Oversight Committee professionals registered with the Association of Lawyers and Notaries Public of the Republic of San Marino and/or with the Association of Accountants of the Republic of San Marino. Where there are specific needs and duly justified circumstances and subject to the authorisation of the Credit and Savings Committee, the Supervisory Authority may autonomously appoint independent professionals who do not reside in the Republic of San Marino."

2. Article 86, paragraph 5, of Law no. 165/2005 and subsequent amendments shall be amended as follows:

"5. Without prejudice to the sentence hereunder, the Supervisory Authority shall appoint as liquidator or member of the Oversight Committee professionals registered with the Association of Lawyers and Notaries Public of the Republic of San Marino and/or with the Association of Accountants of the Republic of San Marino. Where there are specific needs and duly justified circumstances and subject to the authorisation of the Credit and Savings Committee, the

Supervisory Authority may autonomously appoint independent professionals who do not reside in the Republic of San Marino."

Art. 29

(Amendments to Delegated Decree no. 77 of 19 May 2014)

1. The following paragraph shall be added to Article 23 of Delegated Decree no. 77 of 19 May 2014:

"3. The parties which have lodged the judicial appeals referred to in paragraph 1 shall pay, under penalty of revocation of the appeals, the judicial tax before the hearing."

Art. 30

(Extension of time-limits)

1. The time-limits referred to in Article 31, paragraph 2, of Decree - Law no. 98 of 25 July 2013 shall be extended to 31 October 2014.

Art. 31

(Provisions for admission to the qualifying exam at the Vocational Training Centre for external candidates)

1. The qualifying exam which takes place, for the activated courses, at the Vocational Training Centre at the end of the three-year course of basic vocational training, under Decree-Law No. 78 of 10 May 2011 and subsequent amendments, may be taken by external candidates who meet the following conditions:

- a) - they hold a lower secondary school certificate and have completed their compulsory schooling;
- b) - they prove they have undergone work or vocational training experiences or courses that are consistent, in terms of duration and content, with those envisaged by the education programme of the qualifying course for which the exam application is submitted.

2. Vocational training or work experiences shall be consistent with the specific training course: in particular, work experience shall consist in an activity which shall not exclusively be practical and evidence thereof shall be given by an ad-hoc declaration of the employer.

3. The application shall be addressed to the Vocational Training Centre, accompanied by all required documents, by 31 January of the year in which the external candidate requests to take the exam. The candidate shall be required to pay a registration fee at the time of application and, in case of being admitted to the exam, a sum as flat-rate reimbursement of costs, the amounts of which shall be determined by a decision of the Congress of State.

4. The Class Council shall examine the documents submitted, referred to in letter b) of the first paragraph, at its first meeting and decide on admission to the qualifying exam, with the possibility of establishing additional exams in subjects provided for by the education programme of the qualifying course for which the exam application is submitted, but not envisaged in the third year of the course.

5. Those who are in possession of diplomas that provide for courses of three or five years duration or vocational competency certificates, shall be exempt from taking an exam in the common subjects referred to in Regulation no. 6 of 25 May 2011.

Art. 32

(Entry into force)

1. This Law shall enter into force on the 5th day following that of its legal publication.

Done at Our Residence, on 19 September 2014/1714 since the Foundation of the Republic

THE CAPTAINS REGENT
(Valeria Ciavatta – Luca Beccari)

The Minister
of Internal Affairs
Gian Carlo Capicchioni