

## Learning Module 4 - Registration, taxes and other legal requirements

### Module introduction

In this module, you will gain insight into the legal requirements of the various types of business, as well as their fiscal and financial implications. The information provided is generic overall and will not be detailed to specific country requirements. However, links to further information are provided for the DIFME partners' countries that include Malta, Italy, Greece, Ireland, Bulgaria, The Netherlands and Germany. \*

### The objective of this module is to enable you to:

1. Evaluate and decide the best legal form for your business, based on your business needs and aspirations.
2. Deal timely with legal requirements related to opening and operating your business.
3. Communicate confidently with your advisors.

### Expected learning outcomes:

#### Knowledge

Upon completion of this module, you will be able to:

1. Describe general business types and their legal, fiscal and financial implications.
2. Understand the legal requirements related to opening and owning a business (including licences, insurances, trademarks, patents, tax matters, financial statements).
3. Evaluate the potential advantages, constraints and implications of registering the business formally or turning an informal business into a formal one.
4. Understand liability for the business debts.
5. Interpret due diligence requirements.
6. Recognise different taxes that may apply to the business (such as income tax, corporation tax and sales tax) and the business responsibility to pay/remit taxes.
7. Implement appropriate administrative and legal procedures related to hiring employees or apprentices (payroll, pensions, health care, safety, etc.).
8. Abide by legal and fiscal requirements related to different exit strategies and the legal implications and requirements of bankruptcy.
9. Understand patents and trademarks and protecting your business.

## Competences and Skills

Upon completion of this module, you will be able to:

1. Understand taxation issues on generic aspects as they apply to businesses in the EU.
2. Select what legal format you want to operate under. This is one of the most important decisions you need to take at an early stage as this will determine how you will operate your business in the future.
3. Understand that when running a business in whatever legal form, one must comply with tax obligations – on time, and in the spirit and letter of the law.
4. Understand the importance of tax implications of proposed activities or plans, referring to up-to-date legislation and that timely interventions are required such as preparing financial statements, dealing with licenses, tax filing and remitting.
5. Demonstrate knowledge of a very generic level as how tax law may apply wide variety of different business types a such as companies, trusts, partnerships and sole proprietors and evaluate and synthesise information and existing knowledge from a number of sources.
6. Being able to comply with due diligence requirements if necessary.
7. Know where to look for and find the required updated information.

## Syllabus

Module 4 is divided into 5 units:

Unit 1 - Business Formation

Unit 2 - Taxes

Unit 3 - Licences, Standards, Intellectual Property Rights

Unit 4 - Staff Employment

Unit 5 - Company Registration and Winding up

Furthermore, there are Multiple Choice Questions related to each Unit

Duration of reading through and basic understanding the module is approx. 300 minutes.

Various additional external links have been provided within the module to ensure updated version dependent on EU regulation. The length of the external information varies.

The SME HUB Doing Business section is relevant for additional information.

Malta <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=mla>

Germany <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=ger>

Greece <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=gre>

Bulgaria <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=bul>

Italy <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=bul>

Ireland <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=ire>

Netherlands <http://difme.eu/en-GB/SMEHub/DoingBusiness?info=nl>



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**\*Disclaimer**

The objective of Module 4 is for entrepreneurs to understand the application of general aspects of business types available and understand their legal, fiscal and financial implications. DIFME Module 4 underlines general legal requirements, and information is not detailed to specific country requirements. General links are provided for EU countries including the DIFME partner countries (Malta, Italy, Greece, Ireland, Bulgaria, The Netherlands and Germany). Before acting on any information provided, you should consider the appropriateness of the information for your situation in consultation with a professional advisor of your choosing. The information and content provided DIFME modules does not constitute legal, tax or financial advice and does not take into account particular circumstances, objectives, legal and financial situation or needs. Links to case studies and further information are provided for informational purposes only; they do not constitute an endorsement or an approval by the DIFME consortium of any of the products, services or opinions and bear no responsibility for the accuracy, legality or content of the external site or for that of subsequent links. Contact the external site for answers to questions regarding its content.

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