

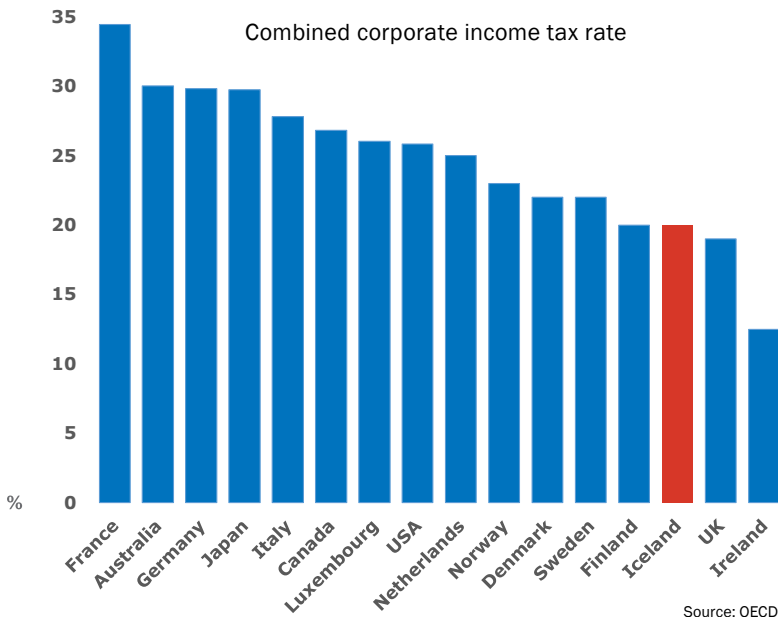
COME AND BE  
**INSPIRED BY ICELAND**



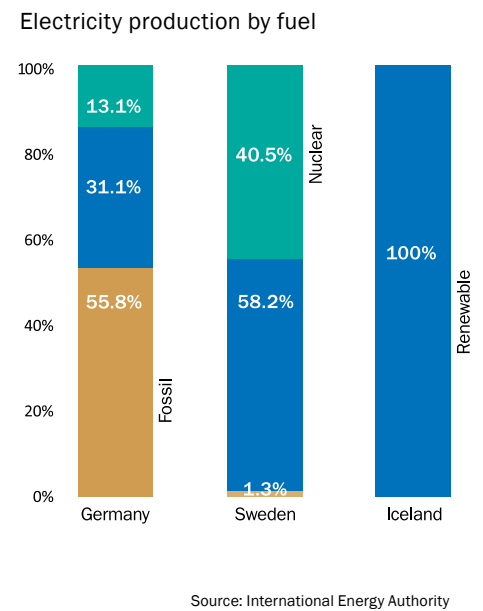
# LOCATE IN ICELAND

[www.invest.is](http://www.invest.is)

## Low Corporate Income Tax



## 100% Renewable Energy



# Favourable business environment and infrastructure

Iceland focuses on a favourable business environment. A transparent and efficient tax regime with only 20% corporate income tax rate. Political stability with transparent rule of law. As part of the European

Economic Area Iceland has implemented the bulk of EU business legislation. State of the art infrastructure with one of the world's most reliable electricity transmission grid and redundant fiber optic connections.

## Educated workforce

Icelanders are a relatively young nation with a highly educated workforce. Young people have traditionally sought higher education abroad, both in Europe and North America. English is universally spoken. Iceland is also part of the European inner market with a total workforce of over 250 million people. Foreign Experts outside the European Economic Area can enjoy fast track for work and residence permits as well as tax incentives.

## Incentives for Direct Investments

New direct investment projects can apply for an investment agreement, ensuring regional incentives that apply outside the capital area. They can include a fixed income tax rate ceiling of only 15% for 10 years, full depreciation of assets, reduced property tax rate and social security charge, exemptions from customs and duties for capital goods and site lease at reduced rates. EU regulation also allows general incentives for SMEs, R&D and environmental protection.

## Tax Incentives for Foreign Experts

Foreign experts, hired to work in Iceland, do enjoy personal tax incentives. A special tax deduction allows that only 75% of the income is considered taxable for the first three years of employment. Foreign experts from outside the European Economic Area (EU+EFTA) can also enjoy fast track applications for work and residence permits in Iceland.

## R&D Support

Iceland offers incentives for research and development in the form of tax credits for innovation companies. The aid is granted as a reimbursement of the paid income tax. The tax credit is 20% of the actual R&D cost with a current annual ceiling of a total actual cost of ISK 300 million for internal R&D or ISK 450 million for R&D cooperation between two independent innovation companies. The government has announced increased support and the removal of the annual ceiling.



## Key sectors

### Life Science

Life science is a growing sector in Iceland. Skilled and educated people, a thriving science and technology sector, access to unique raw materials, and competitive R&D incentives create new opportunities. Access to rich population-based data for utility in clinical trials, big data, machine learning and drug development has in recent years been leveraged by multinational conglomerates, as well as notable researchers and research groups. Icelandic scientists have extensive international academic network and significant knowledge in generics and biosimilar pharmaceuticals.

### Geothermal value proposition

Geothermal power plants do supply 27% of Iceland's electricity and space heating for 90% of all houses. In addition the abundance of hot water, steam, fresh cold water and carbon dioxide from sustainable sources, make geothermal areas attractive for a number of businesses, including controlled algae production, greenhouse cultivation and aquaculture. Most geothermal power plants in Iceland have scalable industrial sites adjacent, often zoned. All necessary infrastructure, such as state of the art electric transmission, is nearby.

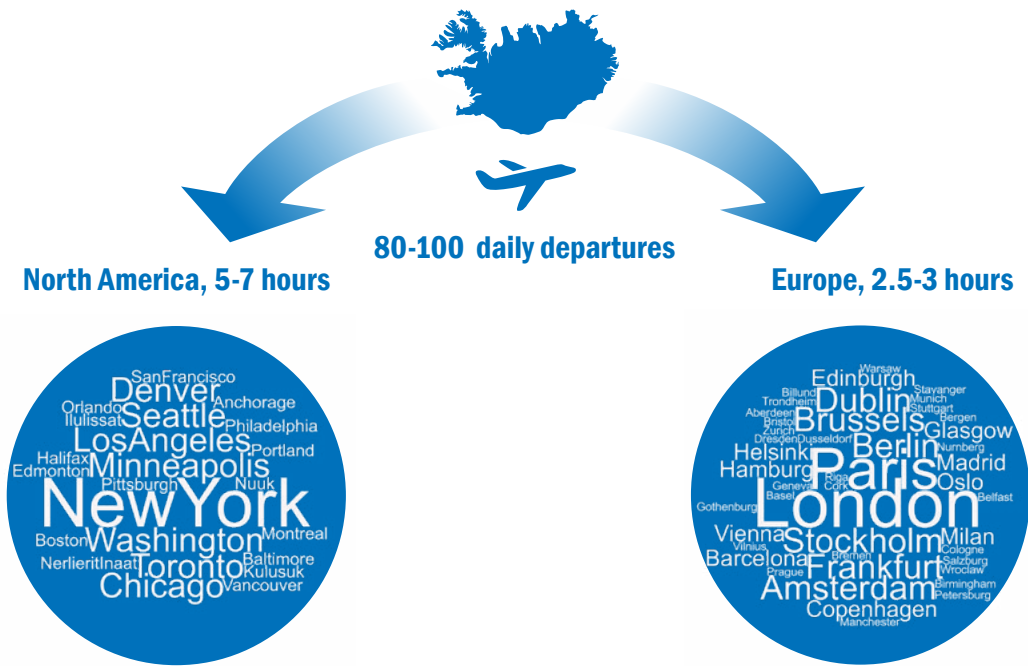
### Data Centers

Proven expertise and skilled labour, 100% green energy, available via long term fixed priced contracts, reliable infrastructure, fully redundant high bandwidth submarine fiber connections and ideal climate for free year round ambient cooling, are attracting a growing number of international companies. High Performance Computing is fast growing due to Iceland's unique value proposition. Iceland is ranked the safest location for data centers according to Cushman and Wakefield's Data Centre Risk Index.

### Tourism

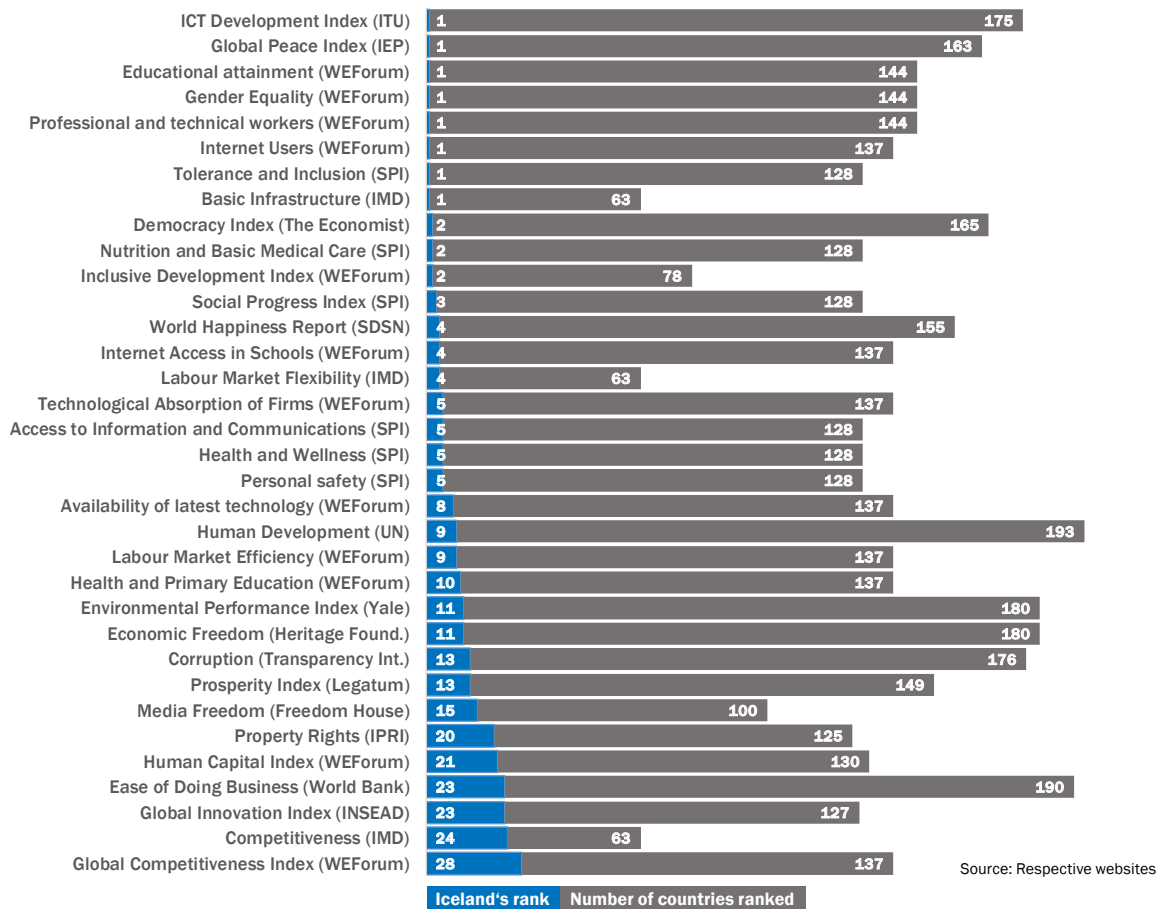
Iceland has enjoyed a fast growth in number of international visitors and is now a well known and desired destination, offering easy access from both North America and Europe, dramatic and pristine nature, rich heritage and lively culture scene. Investment has not kept up with the number of visitors creating an interesting opportunity for both investors and operators in the hospitality industry, services and adventures. A number of ambitious projects, including quality accommodation, resorts and spas around Iceland, are being planned and seeking investors.

# Iceland is closer than you think ...



## ... and far more advanced

Iceland's ranking in international comparative studies



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Invest in Iceland is a one stop information centre for foreign investors and provides information on investment opportunities in Iceland and the business environment. Invest in Iceland is a part of Promote Iceland.

Invest in Iceland's team provides free of charge information and expert confidential service on all aspects of investments, arranges site visits and plans contacts with local authorities as well as local business partners and professional consultants.



**PROMOTE ICELAND**

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