



The Euro Start Entreprises Guide On How To Open A Business In Ireland



Contents

Reasons to start a business in Ireland	3
Writing a business plan	4
Choosing your location	4
Picking a company structure	5
The importance of bylaws	6
Registering a business address	6

Opening a business account	7
Share capital	7
Incorporation process	8
Non-EU investors & visas	8
The best cities in Ireland	9
Contact	12

Reasons to Start A Business In Ireland

Opening a company is a big leap forward for many would-be entrepreneurs, but the jump doesn't need to be so daunting if you're armed with the right information. For those that want to start a business in Ireland, we've compiled a helpful list of steps you'll need to take to put you on the Irish business map.



Currency

Ireland is one of the 19 member states in the Eurozone, and uses the Euro as its sole legal tender. This means businesses and entrepreneurs looking to expand to Ireland from Europe do not need to worry about currency conversion, and will have a better idea of their expenses.



Location

With some of the largest deepwater ports in Europe, strong rail and road links, several international airports, high-speed internet and leading universities, Ireland is connected to the world. That's not to mention the beautiful scenery and affordable office space, making it a wonderful place to live as well as work.



Brexit

Brexit is proving to be a difficult and tumultuous process, but the UK remains a key European market. Businesses currently based in the UK – or those looking to establish a European presence – may find Ireland is the best choice to trade in both markets, while retaining all the advantages of residing in the EU.



Business Friendly

Ireland has an extremely favourable business climate, only rivalled by the UK. The rate of corporate tax is among the lowest in Europe at 12.5% (trading income), while the country has become famous as a European hub for both international businesses and high-tech startups.



Writing A Business Plan



A business plan isn't mandatory for Irish formation, but it's the first thing any prospective investors will ask for. Compiling a detailed plan is vital to give yourself a clear picture of your business's mission and vision. And if anything goes wrong at any point, your business plan will be the thing you fall back to for reassurance and guidance.

As well as describing your products, services and objectives, you will need to consider:

- Who your market and customers will be
- How much money you or your partners will be investing
- What business experience you have
- How much money you are likely to make and spend during the next few years.
- Your added value (the skills and experience that sets you apart)
- Your preferred suppliers, offices and employees

It is important for you to outline your business plan first, as it will show you the strengths and weaknesses of your business and what you need to correct, change and develop.

It's so much easier to tackle any difficulties at this stage than leaving it until later, when you may have spent precious funds and gone too far down the wrong path. It's also a good idea to check out your rivals - you might be the only person in your country who is offering your particular product or services, but in an extremely competitive and pro business Irish economy, your business idea may not be as unique as you thought.

Make sure you check up on your potential rivals first, and see how you can tweak your business to stay one step ahead of your competitors. And if you're moving to Ireland from a non English speaking nation, you will need your business plan translated into English.

Choosing Your Location

Do your research about which cities or regions you want to invest in (more information on location can be found on pages 9-11). It can be tempting to just assume the capital, Dublin, is the best place for you. But like other major European capitals, you should consider whether you would be paying the higher price of office or warehouse space just to get a prestigious address.

Find out all about the cultures of the regions you're interested in and the people who live there. If you have some idea of the trending products or popular pastimes of the residents, then you can do a better job of catering to their tastes. Also consider the local amenities - if you're basing yourself in rural Ireland, things like broadband coverage and logistics may become an issue.

Choosing Your Company Name

Choose the name of your company wisely - it may mean something in your home country, but does it say the same thing in Ireland?

Double check with a native English speaker that your brand name and advertising slogans won't offend or turn off potential clients.

Although with Ireland becoming a favourite home for businesses, it's more common that your name may have been taken!



Picking A Company Structure

Ireland has an extremely well organised regulatory system, but is open and responsive when it comes to licenses and laws. There are hardly any restrictions on setting up companies except in certain areas such as banking and insurance, and there are very few restrictions on imports or capital from abroad.

Thanks to a business-friendly government and a substantial economic upturn, Ireland is now one of Europe's leading lights and the ease of opening a new business reflects this. There are three main kinds of business entity in Ireland:



1

PRIVATE LIMITED COMPANY (LTD)

The private limited company structure is ideal for small businesses, and is the most popular format among both domestic and foreign investors.

Unlike many other nations, there is no minimum threshold for share capital, although securing a bank account may require a small deposit. Another advantage of the LTD type is that you can have shareholders without the obligation to hold an annual general meeting (AGM).

Private limited companies can be run by a single director alongside a company secretary, as long as the director is a resident of a country within the European Economic Area.

2

PUBLIC LIMITED COMPANY (PLC)

The public limited company structure is best suited to large businesses that are looking to expand further, and those who desire to be listed on the stock exchange. All of your shareholders can be from overseas, with equal treatment to domestic shareholders. Unlike a Private Limited Company, a PLC has no maximum number of shareholders, but does require a minimum of seven. It must also have at least two directors, and is required to hold an AGM. The minimum share capital is €25,000, with at least 25% of the authorized share capital being paid up front.

3

DESIGNATED ACTIVITY COMPANY (DAC)

A new company structure introduced in 2015, a DAC has many of the benefits of an LTD.

The two key differences are that it requires that you specify:

- A single type of business you will enter into
- A maximum amount of authorised share capital

DACs can be limited by guarantee or by their share capital, and are eligible to file and obtain audit exemptions. This makes them useful for companies that want to be limited by guarantee while also having share capital, or companies with a specific purpose that can benefit from the legal restrictions of a DAC. DACs must have at least two directors, and are required to hold an AGM, unless they only have one shareholder.

4

PARTNERSHIP

For individuals looking to form a company with a business partner, the Partnership structure offers considerable flexibility.

Companies can be formed as part of a general partnership (unlimited liability), limited partnership (limited liability) or investment limited partnership (limited with tax relief). Just make sure you pick the right partner - starting a business in a new country is hard enough without the occasional squabble!

Importance Of By-Laws

Once you've chosen your structure you have to register your by-laws, either with a registered company formation agent or with a lawyer (A word of advice - company formation agents are always much less expensive than lawyers!)

These will consist of your Memorandum of Association and Articles of Association, relating to your business information and business structure, respectively. Unless your company structure is a DAC, you don't need to be hyper-specific about your business type and objective, but you should illustrate it in some detail.



Registering A Business Address

When opening a company in Ireland, you will need to establish a registered address. This can mean opening an office, warehouse, shop or premises if you intend to trade in the country. Consider whether your desired location is the best fit for your business - does it have good transport links? Is it near a port or airport, for fast international shipping? Is it desirable and accessible for staff and clients, if they come to visit? If you are targeting the luxury market, does it have that 'prestige factor'?

If you're going to be trading online or doing most of your business from a distance, you might choose to just obtain a registered address in Ireland, signifying your physical presence in the country. Most company formation agents will offer this at a reasonable price - registered address services can include a mail forwarding service, as well as a personalised phone number that can be redirected to your phone wherever you are in the world.





Opening A Business Account

Ireland allows both residents and non-residents to open business bank accounts for local businesses. The process is relatively straightforward, but regulations have tightened somewhat since the financial crash, and the EU requires that Ireland implements due diligence in assessing account applications.

If you're in a partnership, you will need to provide documents relating to all beneficial owners. If your business has limited liability, you will have to present a signed mandate from each director. All business structures are then required to present a signed Certificate of Incorporation in person, along with signed copies of your bylaws and your A1 (social security) form.

Each director must also provide resolute proof of identity, including your passport, a utility bill and a bank statement.

The bank may also require further proof of character from your solicitors and/or previous bank. If the owner of the business is a limited company or other entity, you will also require a legal opinion, entailing the submission of several more certified documents. Finally, you will have to prove your economic ties to Ireland. This will require a few key details about your business, and potentially information on your employees, directors, and trading presence and partners.



Share Capital

Share capital in Ireland takes two forms. All companies are required to have issued share capital, which is the total value of capital issued to shareholders. The business's directors are personally liable for this, leading many new companies to set a low figure.

All businesses except Private Limited Companies must also designate authorised share capital. This is a nominal amount of share capital specified in your company's bylaws, with zero liability. As such, most businesses tend to designate a large amount of capital with very small shares, in order to secure larger investments in the future.



The Incorporation Process

Now that everything's in order, you're ready to formally start your new business. This consists of three key steps:

File with the Companies Registration Office (CRO).

Your filing should include:

- ✓ Your bylaws
- ✓ A list of directors and employees
- ✓ Details on your share capital
- ✓ Your registered office
- ✓ A description of your business activities

Your company name can be reserved in advance of the filing for a refundable 25 euro fee, ensuring that your application is not rejected. Online filings can take as little as three days to clear.



Obtain A Company Seal

A sealmaker can provide you with an official company seal. You will also be required to keep the statutory registers for both your directors and shareholders.



Register for taxes with the Revenue Commissioners

Your business is required to register for each of the following:

- ✓ Corporation tax
- ✓ Social insurance
- ✓ VAT

Once your business is listed on the Revenue Commissioners' database, you will be auto-enrolled for Pay As You Earn (PAYE) and Pay Related Social Insurance (PRSI) contributions. You will also receive a Tax Identification Number for end-of-year taxes.



Non-EU Investors & Visas

Individuals from outside the EU looking to start a business in Ireland are required to apply for a specialist visa. Until 2016 it was possible to apply for written 'business permission', but this scheme has been temporarily halted pending revisions. Contact us for the latest information!

As of writing, outside investors have two options: the Immigrant Investor Programme and the Start-up Entrepreneur Programme.

1. The Immigrant Investor Programme (IIP) requires a single investment ranging from 400,000 to 2 million euros, depending on the nature of the project.

2. Start-up Entrepreneur Programme (STEP) is a scheme for innovative startups with big ideas and even bigger goals.

There are no initial job creation targets, but there is a long term expectation to create 10 jobs and make 1 million euros in sales after four years.



Best Cities In Ireland



DUBLIN

Ireland's ancient capital is the country's largest urban area, but one that still manages to retain its Celtic charm. More importantly, it holds a superb geographical position: linked by land and sea to Northern Ireland and the UK mainland, with comprehensive flights to the United States and the rest of Europe.



As well as its excellent transport links, the city is also extremely friendly to businesses, and has its own Commissioner for Startups. As a student city and the capital of the nation with the lowest mean age in Europe, it also boasts an enormous pool of talent.



LIMERICK

Ireland's third largest city is fast becoming a favourite for international startups. The city's proximity to Shannon International Airport (with full US customs pre-clearance) is clearly a factor, as is the nearby Foynes Deep Sea Port. But so is the timing: Limerick is right in the middle of a 1 billion euro regeneration plan, meaning it's cheap to buy into but has massive potential.

Many large businesses have already taken advantage, with Uber and Johnson & Johnson establishing a significant local presence. The area has long been an IT stronghold too, and boasts Dell and Intel among its tenants. Three high quality educational facilities meanwhile ensure a steady supply of skilled graduates.

CORK

Ireland's second largest city in many ways similar to Dublin - of course, locals will tell you it's the superior city! It is also situated on a major river, has over a thousand years of history, and is home to a major international university.

All of these factors make it an excellent place to live, work and recruit. Cork is to the south of Ireland as Dublin is to the north, and Cork Airport and Cork Harbour both offer superb links to the UK, Europe and the rest of the world.





GALWAY

The European Capital of Culture for 2020 has plenty to offer visitors, but what about businesses? Galway has risen and fallen alongside the country's prospects, but is currently experiencing a major boom, with a particularly strong hi-tech manufacturing base. Apple, Cisco and EA Games have a major presence in the city, while 47% of the population work in either the commerce or professional sector.



Sitting on the west coast of Ireland, the city is well-served by its rail links, the nearby Galway Airport and the historic Port of Galway.

WATERFORD

As Ireland's oldest city and its eighth most populous, Waterford is not the obvious choice for starting a business. But it probably wasn't the obvious choice hundreds of years ago, when Waterford was a world authority in glass-making, and the source of Times

Square's famous crystal ball. Its position hasn't stopped tech companies like FeedHenry and nearForm from taking root, and turning it into a European hub for software developers.



The Port of Waterford, Ireland's closest deepwater port to Europe, may also be a factor. The pharmaceutical industry is particularly strong here, with multinational companies including GSK, Sanofi and West Pharmaceuticals.





So call our friendly bi-lingual team on
0033 (0) 1 53 57 49 10 (France) or 0044 (0) 203 445 0916 5 (UK)
or email us on info@eurostartentreprises.com
or consult our website at www.eurostartentreprises.com
and we'll be happy to help you start your business in Ireland



0033 (0) 1 53 57 49 10 (France) or 0044 (0) 203 445 0916 5 (UK)



info@eurostartentreprises.com



<http://www.eurostartentreprises.com/>