

DECEMBER TAX NEWS

DECEMBER 2024: UPDATES	2
1. Fringe Benefits - Mixed Use of Company Vehicles - Approval of ACI Tables for 2025.....	2
2. Land Income - Update Based on Cultivation Declarations Submitted to AGEA in 2024	2
3. Innovative Startups and Innovative SMEs - Updates.....	3
4. Tax Credit for Investments in Simplified Logistic Zones (ZLS) - Communication to the Revenue Agency	5
5. Tax Credit for Investments in the Single SEZ for the South - Full Utilization	6
6. Tax Credit for 4.0 Investments - Communications for Use - Failure to Submit Preemptive Communication	7
7. "Building" Deductions - Tax Credits from Transfer/Discount Options - Professional Ceasing Activity	7
8. Tax Credit for Investments in the Single SEZ for the South - Purchase of Property in a "Rent to Buy" Contract	8
9. Winter Sports Courses - Exemption from Invoice Issuance.....	8
10. Application of Withholding Tax on Commissions Received by Insurers - Irrelevance of RUI Registration	8
11. Controlled Foreign Companies (CFC) - Optional Substitute Tax Regime - Tax Payment - Tax Codes	9
12. Fiscal Representative for Non-Resident Subjects - Appointment Conditions - Guarantee Obligations - Conditions for VIES Registration	10
13. Data on Insurance Compensation - Communication to the Tax Registry - New Procedures and Deadlines	12
14. Pre-filled Income Tax Returns - Data on Public Transport Subscriptions - Optional Indication of the Payer's Tax Code.....	14
15. Tax Credit for Transition 5.0 Investments - Offset Utilization - Institution of Tax Code.....	15
16. Tax Credit for Donations to Third Sector Entities (so-called "social bonus") - Offset Utilization - Institution of Tax Code.....	16
17. Introduction of Synthetic Indices of Contribution Reliability (ISAC).....	16
18. Temporary Grouping of Companies - Invoicing - Subjective Autonomy of Associated Companies	16
19. Sale of Prefabricated Houses - Sale of Individual Parts - 22% VAT Rate	17
20. Holding Companies - Passive Subjectivity - VAT Deduction	18
21. VAT Refunds - Guarantee Obligations - Direct Assumption by the Parent Company.....	18
22. Supplies on Board - VAT Treatment	19
23. Cooperative Compliance Regime - Certification of Tax Risk Control System and New Adhesion Model	19
JANUARY 2025: MAIN OBLIGATIONS.....	21

1 FRINGE BENEFIT - MIXED USE OF COMPANY VEHICLES - APPROVAL OF ACI TABLES FOR 2025

The national tables of operating costs per kilometer for cars and motorcycles, prepared by ACI, have been published in Supplement No. 42 of the Official Gazette on December 30, 2024, No. 304. These tables are necessary to determine the fringe benefit for 2025 for employees and coordinated and continuous collaborators in cases of mixed use of company vehicles.

The tables take into account the changes introduced by Law No. 207 of December 30, 2024 (2025 Budget Law).

1.1 CONTRACTS SIGNED FROM JANUARY 1, 2025

For new vehicles, motorcycles, and mopeds registered from January 1, 2025, granted for mixed use under contracts signed from that date, 50% of the amount corresponding to a standard mileage of 15,000 kilometers, calculated based on the operating cost per kilometer as indicated in the national tables prepared by ACI, is assumed, net of any amounts withheld from the employee.

This percentage is reduced to:

- 10% for battery-powered, fully electric vehicles;
- 20% for plug-in hybrid electric vehicles.

1.2 CONTRACTS SIGNED BY DECEMBER 31, 2024

For new vehicles registered from July 1, 2020 (see Revenue Agency Resolution No. 46 of August 14, 2020), granted for mixed use under contracts signed between July 1, 2020, and December 31, 2024, the percentage for determining the fringe benefit varies depending on the carbon dioxide (CO₂) emission level. Specifically:

- For vehicles with CO₂ emission values not exceeding 60 g/km, 25% of the amount corresponding to a standard mileage of 15,000 kilometers, calculated based on the operating cost per kilometer as indicated in the ACI national tables, net of any amounts withheld from the employee, is assumed;
- For vehicles with CO₂ emission values exceeding 60 g/km but not exceeding 160 g/km, the percentage is 30%;
- For vehicles with CO₂ emission values exceeding 160 g/km but not exceeding 190 g/km, the percentage is 50% (from 2021);
- For vehicles with CO₂ emission values exceeding 190 g/km, the percentage is 60% (from 2021).

1.3 ACI TABLES

The ACI tables with the amounts valid for 2025 therefore identify, for all models, the fringe benefit amounts in specific columns, distinguished based on the aforementioned percentages.

The tables are also available on the ACI website (www.aci.it), in the online services/fringe benefit section.

2 INCOME FROM LAND - UPDATE BASED ON CULTIVATION DECLARATIONS SUBMITTED TO AGEA IN 2024

With the notice published in the Official Gazette on 31.12.2024 No. 305, the Revenue Agency announced that it has completed the operations for updating the cadastral income of land in relation to the cultivation changes resulting from the declarations:

- related to land use for the provision of agricultural subsidies;
- submitted in 2024 to the Agency for Agricultural Payments (AGEA).
The update concerns 6,950 municipalities.

2.1 PUBLICATION OF THE NEW INCOME VALUES

The lists of the plots affected by the update, or of each portion of a plot with a different crop, indicating the cadastral quality, class, area, dominical and agricultural income, as well as any deduction symbol, can be consulted:

- At each relevant Municipality, or at the offices of the competent Provincial Directorates and Provincial Offices - Territory of the Revenue Agency, as well as on the related website (www.agenziaentrate.gov.it);
- Until 1.3.2025.

2.2 EFFECTIVENESS OF THE NEW ASSESSMENTS

The new land incomes, derived from the declarations regarding land use submitted to AGEA in 2024, produce tax effects starting from 1.1.2024.

2.3 APPEAL AGAINST THE NEW ASSESSMENTS

Taxpayers can appeal against the new land incomes:

- Before the Tax Justice Court of First Instance (formerly the Provincial Tax Commission) with territorial jurisdiction;
- By 29.4.2025 (the 120th day from the date of publication of the relevant notice in the Official Gazette).

2.4 SELF-DEFENSE REQUEST

Taxpayers who identify errors and discrepancies in the attribution of the new assessments can also submit a self-defense request to the Revenue Agency using the form available on the related website.

In the request, they must indicate:

- The cadastral quality deemed correct;
- The related reasoning, considering the type of cultivation practiced on the land in 2024.

Additionally, they may provide any other information deemed useful for the correct identification of the cadastral quality.

3 INNOVATIVE STARTUPS AND INNOVATIVE SMES - UPDATES

Law No. 193 of 16.12.2024 (annual law for the market and competition 2023), published in the Official Gazette on 17.12.2024 No. 295 and effective from 18.12.2024, contains provisions relating to innovative startups and innovative SMEs.

3.1 DEFINITION OF INNOVATIVE STARTUP

Article 28, paragraph 1 of Law 193/2024 amends Article 25, paragraph 2 of Decree-Law 179/2012, which contains the definition of an innovative startup.

In particular, the qualification of an innovative startup is limited to micro, small, and medium-sized enterprises—as defined by the European Commission Recommendation 2003/361/EC of May 6, 2003—thereby excluding large enterprises, which will no longer fall under this category.

Furthermore, capital companies (including cooperatives) primarily engaged in agency and consultancy activities are excluded from the scope of innovative startups.

3.2 DURATION OF INNOVATIVE STARTUP REGISTRATION IN THE SPECIAL SECTION OF THE BUSINESS REGISTER

Article 28, paragraph 2 of Law 193/2024 introduces new paragraph 2-bis to Article 25 of Decree-Law 179/2012, which governs the duration of the registration of innovative startups in the special section of the Business Register. Specifically, the registration period in the special section is reduced from 5 to 3 years.

Extension of the registration period in the special section

However, at the end of the three-year period, continued registration in the special section is allowed for up to a total of 5 years from the date of registration, provided at least one of the following conditions is met:

- An increase to 25% in the percentage of research and development expenses, as defined in paragraph 2, letter h), number 1 of Article 25 of Decree-Law 179/2012;
- Conclusion of at least one experimentation contract with a public administration pursuant to Article 158, paragraph 2, letter b) of Legislative Decree 36/2023 (Public Contracts Code).
- Registration of an increase in revenues from the core business activities of the company, or otherwise identified under item A1) of the income statement, as per Article 2425 of the Civil Code, or in employment, exceeding 50% from the second to the third year;
- Establishment of a capital reserve exceeding €50,000, through obtaining a convertible loan or a capital increase with a premium that results in a minority stake held by a professional third-party investor, a certified incubator or accelerator, a regulated investor, a business angel, or through equity crowdfunding conducted via an authorized platform, and an increase in research and development expenses to 20%, as defined in Article 25, paragraph 2, letter h), number 1 of Decree-Law 179/2012;
- Obtaining at least one patent.

The new paragraph 2-ter of Article 25 of Decree-Law 179/2012, introduced by Article 28, paragraph 2 of Law 193/2024, stipulates that the five-year registration period of an innovative startup in the special section can be extended for additional periods of two years, up to a total maximum of four years, if one of the following occurs:

- A capital increase with a premium by a collective investment undertaking amounting to more than one million euros for each extension period;
- An annual increase in revenues from the core business activities of the company, or otherwise identified under item A1) of the income statement, as per Article 2425 of the Civil Code, exceeding 100%.

Transitional Regime

Article 29 of Law 193/2024 introduces a transitional regime for innovative startups that were already registered in the special section of the Business Register as of December 18, 2024. It provides that these startups have the right to remain in this section beyond the third year, provided that the requirements set out in Article 25, paragraph 2-bis of Decree-Law 179/2012 are met:

- Within 12 months from the expiration of the third year if the startup has been registered for more than 18 months;
- Within 6 months from the expiration of the third year if the startup has been registered for less than 18 months.

Furthermore, startups that lose the requirements for registration in the special section of the Business Register may still register, if applicable, in the special section of the Register reserved for innovative SMEs, as per Article 4, paragraph 2 of Decree-Law 3/2015.

3.3 IRPEF Deduction for Investments in Startups and Innovative SMEs

Article 31 of Law 193/2024 has established the deadline of December 31, 2024, for the 50% IRPEF deduction provided by Article 4, paragraph 9-ter of Decree-Law 3/2015 for investments in innovative SMEs under the "de minimis" regime.

Additionally, with specific reference to incentives for investments in innovative startups, it has been established that:

- The "ordinary" 30% IRPEF deduction (up to a maximum investment of one million euros) and the 30% IRES deduction (up to a maximum investment of 1.8 million euros), pursuant to Article 29 of Decree-Law 179/2012, are granted for a maximum duration of 5 years from the date of registration in the special section of the Companies Register;
- The deduction under the "de minimis" regime pursuant to Article 29-bis of Decree-Law 179/2012 is increased from 50% to 65% starting from January 1, 2025, applying exclusively to innovative startups up to the third year of registration in the special section of the Companies Register.

The aforementioned incentives do not apply if:

- the investment results in a qualified participation exceeding 25% of the share capital or governance rights;
- the taxpayer is also a service provider to the startup, either directly or through a controlled or affiliated company, generating revenue exceeding 25% of the eligible investment.

4. TAX CREDIT FOR INVESTMENTS IN SIMPLIFIED LOGISTIC ZONES (ZLS) - COMMUNICATION TO THE REVENUE AGENCY

With provision no. 445771 issued by the Revenue Agency on 12.12.2024, the form and the related instructions for communicating the tax credit for investments in Simplified Logistic Zones (ZLS) were approved, pursuant to Article 13 of Decree Law 60/2024 and Ministerial Decree 30.8.2024.

4.1 ELIGIBLE BENEFICIARIES

All companies can access the tax credit:

- Regardless of their legal form and the accounting system adopted;
- Already operational or establishing themselves in the Simplified Logistic Zones identified pursuant to Article 1, paragraphs 61 - 65-bis of Law no. 205 of 27.12.2017.

However, the benefit does not apply to:

- Entities operating in the sectors of the steel industry, coal and lignite, transportation (excluding warehousing and transport support sectors), and related infrastructure, energy production, storage, transmission, and distribution, energy infrastructure, broadband, and in the credit, financial, and insurance sectors;
- Companies in liquidation or dissolution;
- Companies in difficulty.

4.2 ELIGIBLE INVESTMENTS

Eligible investments are those:

- Made from 8.5.2024 (the date of entry into force of Decree Law 60/2024) to 15.11.2024;
- Part of an initial investment project as defined in Article 2, points 49, 50, and 51, of Commission Regulation (EU) No. 651/2014 of 17.6.2014;
- Related to the purchase, also through financial leasing contracts, of new machinery, plants, and various equipment intended for existing or newly established production facilities in the ZLS, as well as the purchase of land and the acquisition, construction, or expansion of instrumental buildings used for the activity within the production facility.

The value of the land and buildings eligible for the incentive cannot exceed 50% of the total value of the eligible investment.

Exclusions

The following are excluded:

- Goods independently intended for sale, as well as those transformed or assembled to produce goods for sale;
- Consumables.

Quantitative Limits

It is also provided that:

- The tax credit is calculated based on the proportion of the total cost of the assets, with a maximum limit of 100 million euros for each investment project;
- Investment projects with a total cost of less than 200,000.00 euros are not eligible for the benefit.

Certification of Expenses

For the purpose of recognizing the tax credit, the actual incurrence of eligible expenses and their correspondence to the accounting documentation prepared by the company must be certified by the entity responsible for statutory auditing.

For companies not legally required to undergo statutory auditing, the certification is issued by a statutory auditor or an auditing firm registered in Section A of the register referred to in Article 8 of Legislative Decree No. 39/2010.

4.3 COMMUNICATION OF ELIGIBLE INVESTMENTS

To access the tax credit, interested parties must communicate to the Revenue Agency the amount of eligible expenses incurred from May 8, 2024, to November 15, 2024.

This communication to the Revenue Agency must be made:

- using the specific form approved by the provision no. 445771 dated December 12, 2024;
- from December 12, 2024, to January 30, 2025;
- electronically, either directly by the beneficiary or through a party authorized to submit declarations under Article 3, paragraphs 2-bis and 3 of DPR 322/98;
- exclusively using the software named "ZLS2024," available for free on the Agency's website.

Following the submission of the communication, a receipt is issued within five days, confirming its acceptance or rejection, with the relevant reasons provided.

New Communication or Withdrawal

During the same period and using the same procedures, it is possible to:

- submit a new communication, which fully replaces the previously submitted one;
- fully withdraw the tax credit indicated in the latest validly submitted communication.

4.4 TAX CREDIT ACTUALLY DUE

To comply with the spending limit (set at 80 million euros), the maximum amount of tax credit available is equal to the requested tax credit multiplied by the percentage announced in a provision by the Revenue Agency, to be issued within ten days of the deadline for submitting the aforementioned communications (therefore by February 9, 2025). This percentage is calculated by comparing the overall spending limit with the total amount of tax credits requested.

If the total amount of tax credits requested is less than the spending limit, the percentage is set at 100%.

5. TAX CREDIT FOR INVESTMENTS IN THE SINGLE ZES FOR SOUTHERN ITALY

- **FULL UTILIZATION**

With the provision No. 446421 of 12.12.2024, the Italian Revenue Agency determined that 100% of the tax credit is effectively usable for companies that made investments from 1.1.2024 to 15.11.2024, related to the acquisition of capital goods intended for production facilities located in the single ZES (Special Economic Zone) for Southern Italy, as per Article 16 of DL 124/2023.

To access this tax credit, companies that had submitted the "ordinary" communication between 12.6.2024 and 12.7.2024 were required to submit a specific supplementary communication electronically to the Italian Revenue Agency:

- during the period from 18.11.2024 to 2.12.2024;
- certifying the completion of the investments by 15.11.2024. Additional investments or investments of a higher amount than those reported in the previously submitted communication could also be indicated, resulting in a higher accrued tax credit.

Since the total amount of tax credits requested based on the duly submitted supplementary communications is lower than the allocated financial resources, the tax credit available to each beneficiary is equal to 100% of the amounts requested in the application, unless waived, rounded down to the nearest euro.

Consultation of the eligible tax credit

Each beneficiary can view the eligible tax credit, which can only be used for offsetting in the F24 form, through their tax account accessible from the reserved area of the Italian Revenue Agency's website.

6. TAX CREDIT FOR 4.0 INVESTMENTS - COMMUNICATIONS FOR USE - FAILURE TO SUBMIT THE PRIOR NOTICE

In response to inquiry no. 260 dated December 16, 2024, the Italian Revenue Agency provided guidelines regarding the failure to submit the prior notice required under Article 6 of Decree-Law 39/2024 for the utilization of the tax credit for investments in 4.0 capital goods, pursuant to Articles 1051-1063 of Law 178/2020.

6.1 ABSENCE OF A PEREMPTORY DEADLINE

Article 6 of Decree-Law 39/2024 does not stipulate that the communications must be submitted within a peremptory deadline under penalty of forfeiture, meaning that the accrual of the credit, which arises upon the realization of the investments, is not conditional on these communications, but only its actual utilization for compensation. Therefore,

the submission of the prior notice is a preliminary requirement for the submission of a further updated communication upon completion of the investments, both of which are necessary for the utilization of the credits in compensation.

6.2 NO NEED FOR "REMISSION IN BONIS"

To benefit from the tax credit, it is necessary to submit the prior notice without resorting to the "remission in bonis" procedure under Article 2, paragraph 1 of Decree-Law 16/2012, and subsequently transmit the updated final communication.

7. BUILDING DEDUCTIONS - TAX CREDITS FROM TRANSFER/ DISCOUNT OPTION - PROFESSIONAL TERMINATING ACTIVITY

In response to inquiry no. 255 dated December 13, 2024, the Italian Revenue Agency provided clarifications regarding the utilization in compensation of tax credits arising from the option of transferring the credit or applying a discount on the consideration for "building" bonuses under Article 121 of Decree-Law 34/2020, by a professional who has ceased their activity.

7.1 UTILIZATION IN COMPENSATION

The tax credits from the "building" bonuses subject to the option under Article 121 of Decree-Law 34/2020 must be used in compensation through the F24 form, pursuant to Article 17 of Legislative Decree 241/97.

The portion of the tax credit not used in the reference year:

- cannot be utilized in subsequent years;
- cannot be claimed for a refund.

7.2 PROFESSIONAL CEASING ACTIVITY

The response to inquiry 255/2024 clarifies that the tax credits present in the tax drawer of a professional, derived from the invoice discount applied for services rendered within the scope of subsidized interventions or acquired as a transferee, can still be used even after the cessation of professional activity, resulting in the closure of the VAT number. The taxpayer can continue to use these credits to offset taxes related to their personal sphere, even if the credits were accrued during their (ceased) professional activity or were acquired within that context.

This is because the reference regulations for tax credits derived from the discount/transfer option for "building" bonuses do not include any impediment to the use of such credits in the event of the cessation of professional activity.

8 TAX CREDIT FOR INVESTMENTS IN THE SINGLE SEZ FOR THE SOUTH

• PURCHASE OF A PROPERTY THROUGH A "RENT TO BUY" CONTRACT

With response to ruling no. 240 dated December 3, 2024, the Italian Revenue Agency stated that, for the purposes of the tax credit for investments in the Single Special Economic Zone (SEZ) for the South under Article 16 of Legislative Decree 124/2023, the purchase of a property through a "rent to buy" contract is eligible for the benefit under certain conditions.

In the specific case, the company acquired the property by executing the purchase deed in April 2024, following the exercise of the redemption option for the property, which was initially subject to a "rent to buy" contract concluded in 2016.

The Italian Revenue Agency considered the real estate investment:

- made at the time of the execution of the property purchase contract, in compliance with Article 109, paragraph 2, letter a) of the Italian Income Tax Code (TUIR);
- eligible for the tax credit in question, provided that the provisions and conditions of Articles 2, points 49, 50, and 51, and Article 14 of EU Regulation No. 651 of June 17, 2014, are met, as the "newness" requirement for properties is not required by the Single SEZ South tax credit regulation (within the terms and limits indicated).

9 WINTER SPORTS COURSES - EXEMPTION FROM INVOICING REQUIREMENT

With Ministerial Decree of November 22, 2024, published in the Official Gazette No. 284 of December 4, 2024, the obligation to issue an invoice was exempted for service provisions consisting of the delivery of winter sports courses identified under item 1-septies of Table A, Part II-bis, attached to Presidential Decree 633/72.

Effective Date

The Ministerial Decree of November 22, 2024, is effective from December 4, 2024, meaning that the exemption applies to services provided from that date onward.

9.1 EXEMPT COURSES FROM INVOICING

Item 1-septies of the Table attached to Presidential Decree 633/72 refers to the provision of winter sports courses identified by recognized winter sports federations (e.g., skiing, snowboarding) and conducted, even in an organized manner, by individuals registered in specific regional or national registers.

For such courses, the cited regulation provides for a 5% VAT rate, unless they are already benefiting from VAT exemption (as is the case for sports courses exempt from VAT under Article 36-bis of Legislative Decree 75/2023 when provided by non-profit organizations to individuals engaged in sports or physical education).

9.2 ISSUANCE OF INVOICE OR COMMERCIAL DOCUMENT

Issuance of an invoice remains mandatory if requested by the client no later than the time of the transaction. Additionally, as clarified by the explanatory note accompanying the Ministerial Decree of November 22, 2024, for services not documented by an invoice, the obligation of electronic recording and telematic transmission of receipts remains in place under Article 2 of Legislative Decree 127/2015.

10. APPLICATION OF WITHHOLDING TAX ON COMMISSIONS RECEIVED BY INSURANCE AGENTS - IRRELEVANCE OF REGISTRATION WITH THE RUI

With the response to the inquiry dated December 23, 2024, no. 269, the Italian Revenue Agency provided further clarifications (following those in Circular no. 7 of March 21, 2024) regarding the application scope of Article 1, paragraphs 89-90 of Law no. 213/2023 (2024 Budget Law), which removed the exclusion from the application of withholding tax on commissions received:

- by insurance agents for services rendered directly to insurance companies;
- From insurance brokers for their relationships with insurance companies and with the general agents of public insurance companies or their subsidiaries that provide services directly to insurance companies under a mutual exclusivity agreement.

10.1 COMMISSIONS RECEIVED AS AN ACCESSORY

In order to ensure equal treatment among operators, withholding tax is applied to all commissions, regardless of their designation, owed for insurance intermediation activities, even if carried out as an accessory to the main activity, received by individuals registered in sections e) and f) of the Insurance Intermediaries Register (RUI), in connection with services rendered directly to insurance companies. For such individuals, the withholding tax is applied exclusively to commissions related to insurance activities (see Italian Revenue Agency circular 21.3.2024 no. 7).

In the response to the ruling in question, the Italian Revenue Agency clarified that withholding tax also applies even if, by virtue of art. 107 para. 4 of Legislative Decree 209/2005 (Private Insurance Code), the intermediary is exempt from the obligation to register with the RUI, as this circumstance does not substantially change the nature of the service provided and the commission received.

Therefore, withholding tax also applies, for example, to commissions paid to intermediaries (not registered with the RUI) who operate in the placement of insurance policies:

- So-called "travel" policies, which can also be marketed through travel agencies;
- So-called "home" policies, which can be marketed through companies operating in the provision of electricity or gas (so-called "utilities").

10.2 VAT COMPLIANCE

The Italian Revenue Agency reminds that art. 36-bis of Presidential Decree 633/72, while allowing an exemption "from invoicing and recording obligations for exempt transactions" (with some exceptions), stipulates that the taxable person is still required to "record purchases" (see also the Italian Revenue Agency legal advice 18.5.2021 no. 7).

According to art. 25 of Presidential Decree 633/72, as amended by Decree Law 50/2017, the entry must be made "before the periodic settlement in which the right to deduct the related tax is exercised, and in any case by the deadline for submitting the annual return for the year in which the invoice is received, with reference to the same year." According to the Italian Revenue Agency, "unlike in the past, where the regulation required the entry to be made at the latest in the 'annual return in which the right to deduct the related tax is exercised' – so that registration was only preparatory to the exercise of deduction – currently, this obligation arises in any case and within well-defined deadlines."

11 FOREIGN CONTROLLED COMPANIES (CFC) - OPTIONAL SUBSTITUTE TAX REGIME - TAX PAYMENT - TAX CODES

Paragraphs 4-ter and 4-quater of Article 167 of the TUIR, introduced by Legislative Decree No. 209 of December 27, 2023, regulate an optional tax regime which, through the payment of a substitute tax equal to 15% of the net accounting profit of the controlled company, allows the resident entity to avoid the attribution of the income of the foreign controlled company under the CFC regime.

The Revenue Agency's Provision No. 213637 of April 30, 2024, defined the application procedures for exercising the aforementioned option.

With Resolution No. 64 of December 18, 2024, the Revenue Agency established the procedures for the payment of the substitute tax in question.

11.1 EXERCISE OF THE OPTION

The option for the substitute tax in question can be applied by the controlling entity to all controlled entities that jointly meet the following conditions:

- They derive more than one-third of their income from sources classified as "passive income," according to the categories provided by letter b) of paragraph 4 of Article 167 of the Italian Tax Code (TUIR);
- They prepare financial statements that are subject to audit and certification by professional operators authorized in the foreign state where they are located, the results of which are used by the auditor of the resident controlling entity for the purpose of evaluating the annual or consolidated financial statements.

11.2 DURATION OF THE OPTION

As long as the control requirement is maintained, the option for the substitute tax lasts for three fiscal years of the controlling entity and is irrevocable.

At the end of the three-year period, the option is tacitly renewed for the following three-year period unless it is revoked, in accordance with the procedures and terms provided for the communication of the option.

Revocation is possible at the end of each three-year period.

11.3 TAX CODES FOR THE PAYMENT OF THE SUBSTITUTE TAX

The Italian Revenue Agency Resolution No. 64 of December 18, 2024, established the following tax codes for the payment, via the F24 form, of the substitute tax in question:

- "4077", "4078", and "4079", referring respectively to the first installment of the advance payment, the second installment of the advance payment (or the advance payment in a single installment), and the balance of the IRPEF substitute tax with reference to controlled foreign companies (CFC);
- "4080", "4081", and "4082", referring respectively to the first installment of the advance payment, the second installment of the advance payment (or the advance payment in a single installment), and the balance of the IRES substitute tax with reference to controlled foreign companies (CFC).

11.4 COMPLETION OF FORM F24

When completing Form F24:

- The aforementioned tax codes must be indicated in the "Treasury" section, corresponding to the amounts shown in the "amounts owed paid" column;
- The "Year of reference" field must specify the tax year for which the payment is made, in the "AAAA" format;
- In case of a single payment, related to tax codes "4077," "4080," "4079," and "4082" (first installment of the advance payment and balance of the substitute tax), the "installment/Region/Prov./reference month" field must be filled in with "0101."

Installment of the first advance payment and balance

Regarding the payment of the first advance installment and the balance of the substitute tax, referring to tax codes "4077," "4080," "4079," and "4082," if opting for installment payments, the "installment/Region/Prov./reference month" field of Form F24 must be filled in the "NNRR" format, where:

- "NN" represents the installment number being paid;
- "RR" indicates the total number of installments.

Offsetting the credit balance

Concerning the credit balance of the substitute tax, tax codes "4079" and "4082" can also be used for offsetting, by indicating them in the "amounts credited offset" column of Form F24.

12 TAX REPRESENTATIVE OF NON-RESIDENT ENTITIES - CONDITIONS OF APPOINTMENT - GUARANTEE OBLIGATIONS - CONDITIONS FOR REGISTRATION WITH VIES

In implementation of Art. 4 of Legislative Decree No. 13 of 12 February 2024, with the Ministerial Decree of 4 December 2024 (published in Official Gazette No. 292 of 13 December 2024) and the Ministerial Decree of 9 December 2024 (published in Official Gazette No. 297 of 19 December 2024), the new obligations for tax representatives of non-resident entities have been defined.

12.1 GUARANTEE OBLIGATIONS AND REQUIREMENTS OF REPUTATION

Art. 4 of Legislative Decree 13/2024 amended Art. 17, paragraph 3, of Presidential Decree 633/72, establishing that the tax representative appointed under the same provision:

- Must possess the requirements of good standing as outlined in Art. 8, para. 1, letters a), b), c), and d) of Ministerial Decree 31.5.99 No. 164;
- In the case of the appointment of a legal entity, the aforementioned requirements must be met by the legal representative of the appointed entity.

In implementation of the aforementioned regulations, the criteria under which the tax representative may assume this role, subject to the issuance of appropriate guarantees proportional to the number of represented entities, were identified by Ministerial Decree 9.12.2024. This decree has been in force since 3.1.2025, but the operational aspects of the regulation will be defined by a subsequent implementing measure issued by the Revenue Agency.

Certification of Good Standing Requirements According to Ministerial Decree 9.12.2024, the good standing requirements for tax representatives must be certified by a substitute declaration of affidavit, made pursuant to Articles 46 and 47 of Presidential Decree 445/2000, to be submitted to the Provincial Directorate of the Revenue Agency responsible for the tax domicile of the individual intending to assume the role of representative (Art. 1, para. 2 of Ministerial Decree 9.12.2024).

Guarantee Characteristics The guarantee is provided in the form of a security deposit in government bonds or government-backed securities, a bank guarantee, or a surety insurance policy, issued pursuant to Art. 1 of Law 348/82, in favor of the director of the Provincial Directorate of the Revenue Agency responsible for the tax domicile of the individual intending to assume the role of tax representative. This guarantee must be submitted in person at the same Provincial Directorate and must have a minimum duration of 48 months from the date of submission.

Ministerial Decree 9.12.2024 also established the following minimum guarantee amounts:

- €30,000 for those representing 2 to 9 entities;
- €100,000 for those representing 10 to 50 entities;
- €300,000 for those representing 51 to 100 entities;
- €1,000,000 for those representing 101 to 1,000 entities;
- €2,000,000 for those representing more than 1,000 entities.

In case of an increase in the number of represented entities, the tax representative must provide a new guarantee with the updated minimum value. Once the 48-month period has expired, the guarantee does not need to be resubmitted unless the number of represented entities increases.

Entities Assuming a Single Representation For entities assuming a single representation, only the certification of good standing is required to acquire the role of tax representative.

Transitional Regime Entities already operating as tax representatives as of the date of publication of the implementing measure by the Revenue Agency must, within 60 days from the same date:

- Certify the possession of the aforementioned subjective requirements;
- Provide an appropriate guarantee in the manner described above for a minimum period of 48 months from the date of submission of the guarantee to the competent Provincial Directorate based on the tax domicile of the tax representative.

If there is a failure to certify the subjective requirements or provide the guarantee, the Revenue Agency will notify the tax representative via certified email or registered mail with return receipt, initiating the procedure for the official cessation of VAT numbers for the represented entities.

Sixty days after the date of receipt of the communication from the tax representative, the Revenue Agency proceeds with the automatic cancellation of the VAT number of the represented parties.

12.2 OBLIGATION OF GUARANTEE FOR INCLUSION IN THE VIES

Article 4 of Legislative Decree 13/2024 also amended Article 35 paragraph 7-quater of Presidential Decree 633/72, providing that non-resident entities in the European Union or in countries adhering to the European Economic Area (EEA, i.e., Norway, Iceland, and Liechtenstein), intending to carry out intra-community transactions and fulfilling their VAT obligations through a tax representative pursuant to Article 17 paragraph 3 of Presidential Decree 633/72, must provide a suitable guarantee for inclusion in the VIES database.

The obligations related to this requirement have been defined by Ministerial Decree of December 4, 2024. The decree has been in force since December 28, 2024, but the definition of the operational aspects of the regulation is left to a subsequent implementing measure by the Revenue Agency.

Characteristics of the Guarantee

For inclusion in the VIES database, the guarantee is provided (Article 1 of Ministerial Decree of December 4, 2024):

- In the form of a deposit in government securities or state-guaranteed securities, or a bank guarantee or insurance bond, issued in accordance with Article 1 of Law 348/82;
- With a minimum maximum value of €50,000.00.

The guarantee is personally delivered, or through the tax representative, to the provincial office of the Revenue Agency responsible for the tax domicile of the representative. The minimum duration of the guarantee is 36 months from the date of delivery. After this period, it does not need to be renewed.

Transitional Regime

Entities required to provide the guarantee who are already included in the VIES database as of the date of publication of the aforementioned implementing measure by the Revenue Agency must fulfill the requirements within 60 days from the same date, under penalty of exclusion from the database.

In this case, the guarantee is also provided for a minimum period of 36 months from the date of delivery. If the guarantee is not provided, the Revenue Agency will notify the non-resident entity's tax representative via certified email (PEC) or registered letter with acknowledgment of receipt (A/R) about the initiation of the exclusion procedure from the VIES.

After 60 days from the receipt of this notification, the Agency will proceed with the automatic exclusion.

13 DATA RELATING TO INSURANCE COMPENSATIONS - COMMUNICATION TO THE TAX REGISTRY - NEW MODALITIES AND DEADLINES

With the provision of the Revenue Agency dated 17.12.2024, no. 450686, the new rules for the electronic submission of data related to insurance compensations to the Tax Registry have been established, replacing the previous provision of 19.1.2007, no. 9649.

13.1 SUBJECTS OBLIGED TO MAKE THE COMMUNICATION

The following are obliged to make the electronic communications to the Tax Registry, even in derogation of contrary legislative provisions:

- businesses, intermediaries, and all other operators in the insurance sector;
- who pay out, under insurance contracts of any type, sums of money for any reason to the injured parties.

Among the obliged subjects are also included businesses, intermediaries, and all other operators in the insurance sector that are permanent establishments in Italy of insurance companies resident abroad, or that operate in Italy under the free provision of services.

Exempt Subjects

Intermediaries and other operators in the sector who disburse sums of money on behalf of or in the name of the following are exempt from the communication obligation:

- insurance companies resident in Italy;
- or permanent establishments in Italy of insurance companies resident abroad;
- or insurance companies resident abroad that operate in Italy under the freedom to provide services.

13.2 DATA SUBJECT TO COMMUNICATION

The following are subject to communication to the Tax Registry:

- Information regarding the amount of the sums paid out;
- The claim identifier;
- The tax code or VAT number of the beneficiary;
- The tax code or VAT number of the individuals whose services have been evaluated for the purpose of determining the paid-out amount (service providers such as body shops, mechanics, doctors, experts, etc.).

Obligated parties must also communicate data related to payments made by others on their behalf or for their account.

13.3 COMMUNICATION METHODS

The communications in question must be made electronically:

- Using the Data Exchange System (SID), as the new transmission channel;
- Based on the technical specifications provided in the annex to this provision;

- Using the control and file preparation software provided free of charge by the Revenue Agency.

Receipts

Transmission is considered completed following a successful processing result, communicated by the Revenue Agency through a specific receipt, unless the communication is rejected.

Partial or Total Rejection of Communication

If the receipt indicates partial or total rejection of the communication, the obligated parties must resend the data for the claims that were not processed.

Corrective communications submitted within 5 working days from the due deadline are not considered late.

13.4 COMMUNICATION DEADLINE

The communications in question must be made by June 30th of the year following the one to which the data refers. Previously, the deadline was set to April 30th of the year following the reference year.

13.5 ENTRY INTO FORCE OF THE NEW PROVISIONS

The Revenue Agency provision no. 450686 of December 17, 2024, enters into force on January 1, 2025, and from that date fully replaces the provisions contained in the previous provision no. 9649 of January 19, 2007.

The new provisions must therefore be considered applicable starting from the data related to the year 2024, which must be communicated by June 30, 2025, based on the new procedures.

Communications regarding years prior to 2024

The Revenue Agency provision no. 450686 of December 17, 2024, establishes that, starting from January 1, 2026, communications referring to years prior to 2024 and prepared in accordance with the provisions of provision no. 9649 of January 19, 2007, may no longer be subject to cancellation, replacement, or integration.

14. PRECOMPILATION OF INCOME TAX RETURNS - DATA RELATING TO PUBLIC TRANSPORTATION SERVICE SUBSCRIPTIONS - OPTIONAL INDICATION OF THE PAYEE'S TAX CODE

In implementation of the Ministerial Decree of March 29, 2023 (published in the Official Gazette on April 7, 2023, no. 83), with the provision of the Revenue Agency dated October 4, 2023, no. 354629, the procedures for the telematic transmission to the Tax Register of data related to expenses for public transportation service subscriptions, and related reimbursements, to be used for the precompilation of income tax returns (models 730 and REDDITI PF) were established.

With the provision of December 10, 2024, no. 443574, the Revenue Agency made some amendments to the aforementioned provision, in order to make the indication of the tax code of the payer optional in the long term.

14.1. SUBJECTS CONCERNED

The subjects involved in the telematic communication to the Revenue Agency of data related to public transportation service subscriptions are:

- Public entities;
- Private entities entrusted with the public transportation service.

Reimbursements

In addition to the aforementioned subjects, the communication also applies to other entities that provide reimbursements related to public transportation service subscriptions.

14.2. COMMENCEMENT

Communications regarding public transportation service subscriptions and related reimbursements are made:

- On an optional basis, for the tax years 2023 and 2024;
- Mandatorily, starting from the tax year 2025.

14.3 RELEVANT EXPENSES

The electronic communication to the Revenue Agency concerns the data of deductible expenses, pursuant to Article 15, paragraph 1, letter i-decies) of the TUIR (Consolidated Income Tax Law):

- For the purchase of subscriptions to local, regional, and interregional public transport services, incurred in the previous year by individuals;
- With the indication of the identifying data of the subscription holders and the subjects who incurred the expenses.

Expenses related to subscriptions sold in a manner where the identification data of the holders is not required are excluded from the communication.

Indication of the taxpayer's tax code

For the purposes of transmitting data for the pre-filling of income tax returns, the Revenue Agency provision no. 443574 dated 10.12.2024 has eliminated the requirement to indicate the tax code of the person who made the payment for the purchase of subscriptions to local, regional, and interregional public transport services, although it remains possible to indicate it if the data is available. According to the previous provision no. 354629 dated 4.10.2023, this obligation was supposed to apply starting from the 2024 tax year.

In practice, starting with expenses incurred in the 2024 tax year, the indication of the tax code becomes optional, as already foreseen for expenses incurred in 2023, the first year of applying the communication of the data in question.

From consultations with transport companies, it has emerged that the archiving systems of these companies do not always allow, for personal data protection reasons, the collection and retention of the data of the person who made the payment. However, the obligation to indicate the name of the subscription holder remains.

Traceability Requirement

Only data related to expenses made through a bank or post office, or by other payment systems provided for in Article 23 of Legislative Decree 241/97, should be included in the communications.

According to Article 1, paragraph 679, of Law 160/2019, the 19% IRPEF tax deduction on the expenses in question applies provided the payment is made using traceable methods.

Reimbursements

The online communication to the Revenue Agency also involves data regarding reimbursements for the purchase of subscriptions, made in the previous year, with the indication of:

- The person who received the reimbursement;
- The year in which the reimbursed expense was incurred.

Reimbursements made in the previous tax year do not need to be communicated if the expense amount was reported net of the reimbursement.

Reimbursements included in the Single Certification (typically reimbursements made by the employer to employees) do not need to be communicated.

14.4 UPDATE OF TECHNICAL SPECIFICATIONS

With Provision no. 443574 from the Revenue Agency dated 10.12.2024, the technical specifications for the telematic transmission of data, approved by the aforementioned provision dated 4.10.2023, have been updated in order to ensure that the data related to the tax code of the person who made the subscription payment is transmitted only if the information is available.

14.5 COMMUNICATION DEADLINE

Pursuant to Article 16-bis, paragraph 4, of Decree-Law no. 124/2019, converted into Law no. 157/2019, the telematic submission of data concerning public transport service subscriptions and related reimbursements must be made by March 16 of the year following the reference year.

The new provisions and technical specifications are therefore applicable to data regarding subscriptions paid in 2024, which must be communicated to the Revenue Agency by 16.3.2025 (a deadline that, falling on a Sunday, is extended to Monday, March 17).

15 TAX CREDIT FOR 5.0 TRANSITION INVESTMENTS - USE IN OFFSETTING - CREATION OF THE TAX CODE

With Resolution no. 63 dated 18.12.2024, the Revenue Agency established the tax code "7072" for use in offsetting through the F24 form, pursuant to Article 17 of Legislative Decree 241/97, for the tax credit on 5.0 transition investments, as per Article 38 of Decree-Law 19/2024.

Each beneficiary can view the amount of the benefit available for offsetting, as communicated by the Energy Services Manager (GSE), through their tax drawer, accessible from the reserved area of the Revenue Agency website.

15.1 F24 FORM COMPLETION

When completing the F24 form:

- The aforementioned tax code must be reported in the "Erario" section, in the column "amounts offset as credit," or, in cases where the taxpayer must proceed with the refund of the allowance, in the "amounts paid as debt" column;
- The "reference year" field must be filled in with the year of investment completion, in the "AAAA" format, as indicated in the fiscal drawer.

15.2 SUBMISSION OF THE F24 FORM

The F24 form containing the offset of the tax credit in question must be submitted exclusively through the online services provided by the Revenue Agency.

15.3 VERIFICATION OF THE AMOUNT GRANTED

The Revenue Agency, during the processing of the F24 forms submitted by taxpayers, verifies that the taxpayers are listed in the beneficiary list transmitted by the GSE and that the amount of the tax credit used for offsetting does not exceed the amount indicated in this list, under penalty of rejection of the F24 form, also considering any subsequent variations transmitted by the GSE.

16 TAX CREDIT FOR DONATIONS TO THIRD-SECTOR ORGANIZATIONS (SO-CALLED "SOCIAL BONUS") - USE FOR OFFSETTING - ESTABLISHMENT OF THE TAX CODE

With resolution No. 65 of 18.12.2024, the Revenue Agency established the tax code "7037" for the use of the tax credit for donations in money to third-sector entities, under Article 81 of Legislative Decree No. 117/2017 (the so-called "social bonus"), through the F24 form, pursuant to Article 17 of Legislative Decree No. 241/97, by subjects holding business income.

16.1 F24 FORM FILLING

When filling out the F24 form:

- The above-mentioned tax code must be indicated in the "Erario" section, in the column "credit amounts offset," or, in cases where the taxpayer needs to repay the benefit, in the "debt amounts paid" column;
- In the "reference year" field, the tax year in which the donations were made must be indicated in the format "AAAA."

16.2 SUBMISSION OF THE F24 FORM

The F24 form containing the offsetting of the tax credit in question must be submitted exclusively through the telematic services provided by the Revenue Agency.

17 INTRODUCTION OF SYNTHETIC CONTRIBUTORY RELIABILITY INDICES (ISAC)

By Articles 1, paragraphs 5 - 10 of Legislative Decree 28.10.2024 No. 160, converted into Law 20.12.2024 No. 199, the

introduction of Synthetic Contributory Reliability Indices (ISAC) was foreseen, in order to promote compliance with contributory obligations.

17.1 INTERESTED PARTIES

The ISAC are aimed at business owners, self-employed professionals, and those engaged in arts and professions, with the purpose of identifying and preventing the evasion of taxable bases from contributory taxation.

17.2 DEVELOPMENT AND APPROVAL OF ISAC

The ISAC will be developed by first selecting two economic sectors for initial application, particularly those at high risk of contributory evasion and avoidance.

The ISAC for the first two sectors will be approved by a decree from the Minister of Labour, in agreement with the Minister of Economy and Finance, after consulting INPS (National Social Security Institute) and the National Labour Inspectorate (INL), by 31.12.2025.

This decree will also define:

- the rewards to be applied;
- the criteria and procedures for the periodic update of ISAC;
- the cases in which the indices will not apply to certain categories of taxpayers.

17.3 IMPLEMENTATION

The ISAC will become operational starting in 2026.

By 31.8.2026, the gradual extension of ISAC to at least six additional sectors at risk of contributory evasion and avoidance is foreseen.

18 TEMPORARY ASSOCIATION OF COMPANIES - INVOICING - SUBJECTIVE AUTONOMY OF THE ASSOCIATED COMPANIES

With response to the inquiry dated December 16, 2024, no. 259, the Italian Revenue Agency confirmed that the formation of a temporary association of companies (RTI) does not create a separate legal entity. Therefore, each member of the association retains its own obligations, including the duty to issue invoices, pursuant to Article 21 of Presidential Decree 633/72, to the contracting authority.

18.1 INDEPENDENT INVOICING FOR MEMBERS OF A TEMPORARY ASSOCIATION OF COMPANIES (RTI)

In the context of the relationship between the members and the lead company of a temporary association of companies (which falls under the concept of a collective mandate with representation), each of the members "retains its autonomy for the purposes of management, tax compliance, and social security obligations" (Legal Principle of the Revenue Agency, 17.12.2018, no. 17, and response to the tax ruling by the Revenue Agency, 21.2.2024, no. 47). Different conclusions could be reached only if the companies forming the temporary association acted "in a unified and indistinct manner in the execution of the contract, both within the association itself and towards third parties" (response from the Revenue Agency, 13.7.2007, no. 172). In the absence of such "external relevance," individual members are required to issue invoices independently for the work within their responsibility.

The lead company may, if necessary, proceed with invoicing "on behalf of and for the account of" the other members pursuant to Article 21, paragraphs 1 and 2, letter n) of Presidential Decree 633/72.

18.2 FUND FOR PRICE ADJUSTMENT IN PUBLIC CONTRACTS

This conclusion does not contradict the provisions of Article 5 of Ministerial Decree 6.12.2022, no. 381, according to which the resources of the Fund for the price adjustment of materials in public contracts, referred to in Article 1-septies of Law Decree 73/2021, are allocated to the lead company, which is responsible for distributing them to the members of the association based on agreements made between them.

The rule in question regulates only the financial aspect and does not address certification obligations, which remain the responsibility of the entities participating in the temporary association of companies.

19 TRANSFER OF PREFABRICATED HOUSES - SALE OF SINGLE PARTS - VAT RATE OF 22%

The Revenue Agency, in its response to the request for clarification on 5.12.2024, No. 246, confirming the explanations provided in R.M. 12.3.74 No. 503351, has clarified that the purchase of parts of a prefabricated house, assembled by the same company that produces them or by third parties, is subject to the standard VAT rate.

The possibility of benefiting from the reduced VAT rates applicable to residential buildings (4% or 10% rates) is limited to the case where the customer commissions the construction company to build the property.

19.1 SPECIFIC CASE

The issue under review by the Revenue Agency concerned a taxable person established in a European Union member state, operating in the prefabricated housing sector, who had joined the "One Stop Shop" (OSS) scheme and operates in the Italian market, addressing "private" clients.

The requester sought clarification on the correct VAT treatment to apply regarding the sale of these goods.

19.2 TAX RELIEFS ONLY IN CASE OF CONTRACT FOR THE CONSTRUCTION OF A HOUSE

The standard VAT rate is applicable when the contract concerns "the simple purchase of individual pieces"; since these pieces constitute the object of production by the company that manufactures them, it should be considered that the legal transaction is to be classified as a sale. The related payment, therefore, should be subject to tax at the standard rate (response to ruling 246/2024 and R.M. 503351/74).

The VAT rates of 4% or 10%, on the other hand, apply when "the client entrusts a company with the construction of a house, to be carried out with pieces manufactured by the company itself." In this case, the company "undertakes the obligation to deliver the constructed and completed house, even if using the pieces it produced." Considering that the transaction would involve a dwelling, VAT reliefs could be applied if the relevant requirements are met (response to ruling 246/2024 and R.M. 503351/74).

20 HOLDING - PASSIVE SUBJECTIVITY - VAT DEDUCTION

The Italian Revenue Agency, with its response to the inquiry on 9th December 2024, no. 250, clarified that holding companies (or "sub-holdings") with a "light" structure, as they are equipped with only a sole director, can be considered taxable persons to the extent that they raise financial resources for their subsidiaries and provide them with loans or guarantees.

Consequently, the VAT on purchases of goods and services incurred is deductible, subject to the pro-rata limit, in the presence of taxable and exempt active operations.

20.1 CASE AT HAND

The case examined by the Italian Revenue Agency concerned, in summary, the reorganization plan for the shareholding chain of a group, which involved the creation of two "sub-holdings" with no assets or personnel (Beta and Gamma), with the aim of raising financial resources and providing financing to a subsidiary (Alfa) for the acquisition of a company (Zeta).

The operation specifically involved the recharging by Beta of costs and interest incurred within the scope of its activities.

20.2 PASSIVE SUBJECTIVITY

The mere "possession, not instrumental or accessory to other activities carried out", of shares or equity interests solely for the purpose of receiving "dividends, interest, or other fruits, without structures aimed at carrying out financial activities, or activities of direction, coordination, or other interventions in the management of the invested companies" is not considered commercial activity (Article 4 of Presidential Decree 633/72).

However, the interest that a holding company earns on loans granted to subsidiaries falls within the scope of VAT, since, unlike dividends on shares, they constitute the consideration obtained in exchange for providing capital to a third party and cannot, therefore, be considered "the fruit of the mere availability of an asset" (European Court of Justice, case C-77/01).

Therefore, a holding company (or a "sub-holding") that grants loans to subsidiaries for consideration "acts as a taxable

person", regardless of the purpose that led to the granting of the loans in question (European Court of Justice, case C-77/01).

20.3 COST RECHARGING AND VAT DEDUCTION

The recharging of costs to a party for expenses incurred on its behalf is relevant for VAT purposes when a mandate relationship without representation can be identified between the parties.

A holding company that purchases goods and services subsequently invoiced to subsidiaries is authorized to deduct the VAT paid on those purchases, provided that these transactions "have a direct and immediate connection" with those carried out downstream that give rise to the right to deduct (European Court of Justice, case C-496/11).

In a situation like the one under examination, where taxable and exempt transactions are simultaneously present downstream, the deduction is allowed but is subject to the pro-rata limit of deductibility (Articles 19 and 19-bis of Presidential Decree 633/72).

In this regard, the Revenue Agency emphasizes that in the specific case, the exception, according to which exempt transactions under items 1 to 9 of Article 10 of Presidential Decree 633/72 are not taken into account for the calculation of the deduction percentage if they are not part of the business activity or are accessory to taxable transactions, cannot be applied. Since financial activities towards companies belonging to the group are among those that characterize holding companies, the exempt transactions carried out cannot be considered "occasional or accessory for the purposes of the pro-rata calculation in relation to their main activity".

21 VAT REFUNDS – GUARANTEE OBLIGATIONS – DIRECT ASSUMPTION BY THE PARENT COMPANY

With the response to the ruling dated 16.12.2024, No. 257, the Italian Revenue Agency confirmed that the simplification provided by Article 38-bis, paragraph 5 of Presidential Decree 633/72 for corporate groups, which allows the direct assumption of the guarantee by the parent company for VAT refunds under certain conditions, does not apply to groups whose net assets are not shown in a consolidated financial statement prepared in accordance with Legislative Decree 127/91.

For the purposes in question, it is not sufficient to merely prepare a consolidated financial statement; it must be drawn up in compliance with the obligations set out in Articles 25 and following of Legislative Decree 127/91 (Circular No. 164, 22.06.98).

In the specific case, it was excluded that the simplification could apply to a group that, with the sole exception of the company requesting the refund, consisted exclusively of entities not resident in the territory of the State, including the US parent company, as in this case, Legislative Decree 127/91 could not be applied.

22. SHIP'S SUPPLIES - VAT TREATMENT

With the response to ruling 5.12.2024 No. 244, the Italian Revenue Agency examined the VAT treatment of ship's supplies and provisions, sold to foreign shipowners, with delivery of goods at a port located either within or outside the European Union.

22.1 SALES WITHIN THE EU

The sale of ship's supplies and provisions to a foreign shipowner, with goods shipped from Italy and delivered to a port within the European Union, benefits from the VAT exemption regime, provided the conditions for intra-community sales are met.

In particular, as required by Article 41, paragraph 2-ter of Legislative Decree 331/93, the VAT exemption applies on the condition that the buyer has communicated their VIES identification number issued by another EU Member State.

22.2 SALES OUTSIDE THE EU

For the sale of ship's supplies and provisions to a foreign shipowner, with goods shipped from Italy and delivered to a non-EU country, the VAT exemption regime provided for export sales under Article 8 of Presidential Decree No. 633/72 applies.

The delivery of goods to a third country, according to Article 269, paragraph 1 of EU Regulation 9.10.2013 No. 952 (Union Customs Code), excludes these goods from being classified as ship's supplies or provisions for customs purposes. The transaction constitutes an actual export for customs purposes, and thus benefits from the VAT exemption if the requirements set forth in Article 8 of Presidential Decree No. 633/72 are met.

22.3 TRIANGULAR TRANSACTIONS

The Revenue Agency reaffirms that the non-taxable regime, as provided for onboard supplies and provisions under Article 8-bis, paragraph 1, letter d) of Presidential Decree 633/72, is applicable even if the goods are transferred as part of a triangular transaction.

The non-taxable status applies provided that the first purchaser (the initiator of the triangulation) never takes possession of the goods (in this case, the goods are delivered directly to the shipowner in an area under surveillance by the Customs Authority).

23. COLLABORATIVE COMPLIANCE REGIME - CERTIFICATION OF THE TAX RISK CONTROL SYSTEM AND NEW ADHESION MODEL

With regard to the collaborative compliance regime under Legislative Decree 128/2015 (of 5.8.2015):

- With Ministerial Decree 21.11.2024, published in Official Gazette No. 284 of 4.12.2024, the modalities for certifying the operational effectiveness of the system for detecting, measuring, managing, and controlling fiscal risk have been established;
- With Revenue Agency Provision No. 450193 of 17.12.2024, the new adhesion model to the regime has been approved.

23.1 CERTIFICATION OF THE OPERATIONAL EFFECTIVENESS OF THE TAX RISK CONTROL SYSTEM

With the aforementioned Ministerial Decree (DM) 21.11.2024, the procedures for certifying the operational effectiveness of the integrated system for detecting, measuring, managing, and controlling tax risk adopted by the taxpayer (tax control framework - TCF) have been established, in accordance with Article 4, paragraph 1 of Legislative Decree 128/2015.

Interested Parties

This requirement applies to subjects who are admitted or have submitted an application for participation in the collaborative compliance regime prior to the date of entry into force of Legislative Decree 221/2023 (which took effect on 18.1.2024).

Certification Procedures and Deadlines

By the end of the second tax year following the entry into force of DM 21.11.2024, and thereafter at least every three years, the interested parties must obtain a certification confirming the completion of testing procedures aimed at verifying that the controls implemented have operated continuously and have been performed correctly.

The certification is issued by authorized professionals as per Article 4, paragraph 1-bis of Legislative Decree 128/2015:

- In compliance with the requirements of integrity, professionalism, and independence, the duties, obligations, and content of the certification, as set out by Ministerial Decree 12.11.2024, No. 212;
- Based on the guidelines provided by the Revenue Agency in accordance with paragraph 1-quater of the aforementioned Article 4.

In the event that the certification is deemed inaccurate by the Revenue Agency, the conduct of the appointed professional will be communicated by the Agency to the National Councils of the relevant Professional Orders for the necessary actions.

The verification of the operational effectiveness of the integrated system for detecting, measuring, managing, and controlling tax risk is one of the commitments outlined in Article 5, paragraph 2 of Legislative Decree 128/2015.

23.2 SUBMISSION OF THE APPLICATION FOR ENROLLMENT IN THE SCHEME

With the provision of the Revenue Agency dated 17.12.2024, no. 450193, the new model for enrollment in the collaborative compliance scheme was approved, in accordance with the Ministerial Decree of 6.12.2024.

Interested parties

The new model must be used:

- by taxpayers wishing to enroll in the collaborative compliance scheme;
- by those wishing to communicate their intention to not remain in the scheme, thereby renouncing the tacit renewal under Article 7, paragraph 2, of Legislative Decree 128/2015.

Submission procedures

The model must be submitted to the Collaborative Compliance Office of the Central Directorate for Large Taxpayers and International Affairs of the Revenue Agency:

- to the certified email address indicated in the instructions for completing the model;
- for non-resident subjects without a certified email address, to the ordinary email box specified in the instructions for completing the model.

Web service dedicated to documentation

After the online submission of the application, the Revenue Agency will make available to taxpayers, in the reserved area of its institutional website, a web service called "COLLABORATIVE COMPLIANCE."

This service will serve as a true interface between the Revenue Agency and the enrolled subjects, as it will host the functionalities for entering, managing, and consulting the documents related to the scheme.

DEADLINE – COMPLIANCE - COMMENT

12.1.2025 - Delivery of Certifications for Adjustment

Employees and individuals with income similar to employment income may report the income received in 2024 from previous employment relationships to the withholding agent, by delivering the relevant Certificazioni Uniche, in order for them to be considered in the overall year-end adjustment for 2024.

15.1.2025 - Tax Assistance for 2025

Withholding agents intending to provide tax assistance for the submission of the 730/2025 forms (related to the year 2024) must inform their employees, pensioners, coordinated and continuous collaborators, and holders of other types of income similar to employment income.

In the absence of communication, the withholding agent is only responsible for making adjustments regarding the 730/2025 forms submitted to a tax assistance center (CAF), to a professional, or directly by the taxpayer.

15.1.2025 - Regularization of IMU Balance for 2024

Individuals who have omitted, insufficiently, or late made the payments for the balance of the municipal property tax (IMU) due for 2024, with a deadline of December 16, 2024, may regularize the violations by applying:

- A reduced penalty of 1.25%;
- Legal interest of 2.5% up to December 31, 2024, and 2% starting January 1, 2025.

15.1.2025 - Transmission of Data for Foreign Purchases

VAT taxpayers, resident or established in Italy, must electronically transmit to the Italian Revenue Agency, in XML format via the Exchange System:

- Data regarding purchases of goods and services from entities not established in Italy;
- In relation to documents proving the transaction received in December 2024 or transactions carried out in December 2024.
The communication does not cover:
 - Transactions for which a customs bill or an electronic invoice has been received;
 - Purchases of goods and services not relevant for VAT purposes in Italy under Articles 7 - 7-octies of Presidential Decree 633/72, provided they do not exceed 5,000.00 euros per individual transaction.

16.1.2025 - Payment of Income Tax Prepayments from REDDITI PF 2024

Individuals holding VAT numbers who declared revenues or fees of no more than 170,000.00 euros in the 2023 tax period must make the payment of the second or only prepayment due for 2024 based on the income tax return:

- In a single payment;
- Or the first of five equal monthly installments;
Interest is due on subsequent installments at an annual rate of 4%.

16.1.2025 - Monthly VAT Payment

Taxpayers holding a VAT number under the monthly regime must:

- Settle the VAT for the month of December 2024;
- Pay the VAT liability.

Subjects who delegate the management of their accounting to third parties and have notified the Revenue Office can refer to the VAT that became due in the second month prior when settling and paying VAT. The monthly VAT payment in question must be made even if the amount does not exceed 100.00 euros. It is possible to make a quarterly payment, without the application of interest, for VAT related to transactions arising from subcontracting agreements, if the payment terms were agreed for a date later than the delivery of the goods or the communication of the completion of the service provision.

January 16, 2025 - Payment of Withholdings and Additional Taxes

The tax withholding agents must make the payment of:

- the withholdings made in December 2024;
- the additional IRPEF taxes withheld in December 2024 on employee and similar income.

The payment of the withholdings referred to in Articles 25 and 25-bis of Presidential Decree 600/73 (for self-employment income and commissions), made in December 2024, must also be made, even if the amount does not exceed 100.00 euros.

The condominium that pays fees for contracts involving works or services must make the payment of withholdings as per Article 25-ter of Presidential Decree 600/73, made in December 2024, even if the amount is less than 500.00 euros.

January 16, 2025 - Payment of Withholdings on Dividends

Tax withholding agents must make the payment of withholdings:

- made on cash profits distributed during the October-December 2024 quarter;
- made by the shareholders for distribution of profits in kind during the October-December 2024 quarter.

January 16, 2025 - Taxes on Amusement Devices

Operators of mechanical or electromechanical amusement devices must pay the entertainment tax and VAT due:

- based on the average annual lump-sum taxable amounts set for each category of devices;
- concerning the devices and equipment installed in December 2024.

January 17, 2025 - Communication for Investment Tax Credit for Agricultural and Fishing Enterprises in the Single ZES for the South

Agricultural, fishing, and aquaculture enterprises that intend to benefit from the tax credit for investments made between May 16, 2024, and November 15, 2024, in the Single ZES (Special Economic Zone) for the South (pursuant to Article 16-bis of Decree-Law 124/2023) must submit a specific communication to the Revenue Agency:

- certifying the completion of the investments;

- exclusively online, using the model approved by the Agency and the software “ZESUNICAAGRICOLA” available on the official website;
- directly or through an authorized representative.

January 17, 2025 - Presentation of Requests for Contributions and Investments by Road Hauliers

Road transport companies engaged in the transportation of goods for third parties must submit their requests for the reservation of contributions to the managing entity "RAM spa" by 4:00 PM, as follows:

- For the renewal of the vehicle fleet with more eco-sustainable vehicles, pursuant to DM 6.8.2024 no. 208 and DM 20.11.2024 no. 537.
- Exclusively via certified email (PEC) from the requesting company to the address ram.investimenti2025@legalmail.it.

The chronological order of submission is determined by the date and time of the request sent via PEC.

January 20, 2025 - Requests for Training Contributions by Road Hauliers

Road transport companies engaged in the transportation of goods for third parties must submit their requests for the grant of contributions for training initiatives aimed at enhancing the skills and professional capabilities of entrepreneurs and operators in the road transport sector, as per DM 6.8.2024 no. 209:

- To the managing entity "RAM spa."
- Using the designated form.
- By certified email (PEC) to the address ram.formazione2025@pec.it.

The chronological order of submission is not relevant for these requests.

January 20, 2025 - Communication of Fiscal Measuring Devices Inspections

Manufacturers of fiscal measuring devices (cash registers) and accredited periodic verification laboratories must communicate to the Revenue Agency the data concerning the verification operations carried out during the October-December 2024 quarter.

The communication must occur:

- Electronically.
- Either directly or through authorized intermediaries.

January 27, 2025 - Submission of INTRASTAT Forms

Entities that have conducted intra-community transactions must submit the INTRASTAT forms to the Revenue Agency electronically:

- For the month of December 2024, either mandatory or optional.
- Or for the October-December 2024 quarter, either mandatory or optional.

Entities that exceeded the threshold for quarterly submission of INTRASTAT forms in December 2024 must submit:

- The forms for the months of October, November, and December 2024, specifically marked, either mandatory or optional.
- Via electronic transmission.

With the Customs and Monopolies Agency determination no. 493869 of December 23, 2021, the new INTRASTAT forms were approved, and further simplifications for their submission were introduced, applicable from the 2022 lists.

January 27, 2025 - Regularization of VAT Advance Payment 2024

VAT taxpayers, whether monthly or quarterly, who have omitted or insufficiently or tardily paid the VAT advance for 2024, which was due by December 27, 2024, may regularize the violation by applying:

- A reduced penalty of 1.25%;
- Legal interest of 2.5% up to December 31, 2024, and 2% starting from January 1, 2025.

January 29, 2025 - Regularization of Omitted or Incorrect Tax Returns: REDDITI, IRAP, and CNM 2024

Individuals, partnerships, and equivalent entities, as well as IRES taxpayers with a fiscal year coinciding with the calendar year, can regularize the omitted submission of the following tax returns through self-amnesty (ravvedimento operoso):

- REDDITI 2024;
- IRAP 2024 (if subject to tax);
- CMN 2024 (in case of adherence to the consolidated tax regime).

The regularization is completed by:

- Submitting the omitted returns electronically, directly or through an authorized intermediary;
- Paying the applicable penalties for each return (REDDITI, IRAP, and consolidated), reduced to one-tenth of the minimum.

By this deadline, it is also possible to regularize incorrect returns submitted by October 31, 2024:

- By submitting the amended returns electronically, directly or through an authorized intermediary;
- Paying the applicable penalties for each return, reduced to one-ninth of the minimum.

In any case, any violations related to payments must be separately regularized.

January 29, 2025 - Regularization of Omitted or Incorrect 770/2024 Forms

Withholding agents may regularize the omitted submission of the 770/2024 form (which may be divided into three parts) through self-amnesty (ravvedimento operoso).

The regularization is completed by:

- Submitting the omitted form electronically, directly or through an authorized intermediary;
- Paying the applicable penalties, reduced to one-tenth of the minimum.

By this deadline, it is also possible to regularize incorrect 770/2024 forms submitted by October 31, 2024:

- By submitting the amended form electronically, directly or through an authorized intermediary;
- Paying the applicable penalties, reduced to one-ninth of the minimum.

In any case, any violations related to the payments must be subject to separate regularization.

January 30, 2025 - Communication for Tax Credit for Investments in Simplified Logistics Zones (ZLS)

Companies intending to apply for the tax credit for investments in Simplified Logistics Zones (ZLS), pursuant to Article 13 of Decree Law 60/2024, must submit a specific communication to the Revenue Agency:

- Containing the amount of eligible expenses incurred from May 8, 2024, to November 15, 2024;
- Using the specific form approved by provision no. 445771 dated December 12, 2024;
- Via telematics, directly by the beneficiary or through an authorized representative;

- Using exclusively the software named "ZLS2024", available on the relevant website. The chronological order of submission does not affect the application.

January 31, 2025 - Preparation of Inventory

Individual entrepreneurs, companies, and commercial entities with a fiscal year coinciding with the calendar year must prepare and sign the inventory for the fiscal year 2023.

For "non-calendar year" entities, the inventory must be prepared and signed within 3 months from the deadline for filing the income tax return.

January 31, 2025 - Printing of Accounting Records

Taxpayers with a fiscal year coinciding with the calendar year, who maintain accounting records through mechanical or computerized systems, must print the accounting records for the fiscal year 2023 on paper.

For "non-calendar year" entities, the printing of accounting records maintained through mechanical systems must occur within 3 months from the deadline for filing the income tax return.

The maintenance and preservation of accounting registers with electronic systems, on any medium, is considered regular even if not transcribed on paper within the legal terms or digitally preserved, provided that during inspection, audit, or verification, they appear updated on the aforementioned electronic systems and can be printed upon request by the authorities, in their presence.

January 31, 2025 - Electronic Preservation of Documents

Taxpayers with a fiscal year coinciding with the calendar year, who preserve documents or registers in electronic form, must complete the process of electronic preservation of documents:

- For the year 2023;
- By applying a temporal reference to the storage package, which is opposable to third parties. For "non-calendar year" entities, the completion of the process of electronic preservation of documents must occur within 3 months from the deadline for filing the income tax return.

31.1.2025 Registration of Lease Agreements

The contracting parties must:

- Register new lease agreements for properties with effect from the beginning of January 2025 and pay the relevant registration tax;
- Pay the registration tax for renewals and annual terms of lease agreements with effect from the beginning of January 2025. The "RLI form," approved by the Revenue Agency on 19.3.2019 (No. 64442), is mandatory for registration. For the payment of the related taxes, it is mandatory to use the "F24 form with identifying elements" (F24 ELIDE), indicating the specific tax codes established by the Revenue Agency.

31.1.2025 Payment of Residual Amounts for the 730/2024 Form

Employees, pensioners, coordinated and continuous collaborators, and holders of some other income assimilated to employee income must pay:

- The amounts resulting from the settlement of the 730/2024 form, which the withholding agent could not withhold due to insufficient wages, pensions, or payments made;
- By applying a 0.4% monthly interest rate.

31.1.2025 Reporting of Changes in Agricultural Income

Taxpayers holding dominical and agricultural income must report to the competent provincial office – Territory of the Revenue Agency any changes in the agricultural income for the year 2024.

This reporting obligation does not apply if the crop changes are evident from the land use declarations submitted in 2024 to AGEA for receiving EU agricultural subsidies.

31.1.2025 Communication of Health Expenses

Doctors and other healthcare professionals, pharmacies, and other healthcare facilities, or individuals delegated by

them, must electronically transmit the data regarding health expenses incurred in the July-December 2024 semester, as well as reimbursements made in the same period for services not provided or partially provided:

- To the Health Card System of the Ministry of Economy and Finance;
- For the pre-filling of the 730/2025 and REDDITI PF 2025 forms.

31.1.2025 Payment of Contribution for Auditors

Individuals who, as of 1.1.2025, are registered in the Register of Auditors, including those in the section of inactive auditors, must pay the annual contribution for the maintenance of the register for 2025, amounting to €57.00.

31.1.2025 Payment of Contribution for Crisis Management Professionals

Individuals registered in the Register of Crisis Management Professionals must pay the annual contribution for the maintenance of the Register, amounting to €50.00.

31.1.2025 Payment of Judicial Administrator Contribution

Individuals registered in the Register of Judicial Administrators of seized or confiscated assets must pay the annual contribution for maintaining the Register:

- Amounting to 100.00 euros;
- Via bank transfer. Proof of payment must be sent to the Ministry of Justice by 30.4.2025.

31.1.2025 Communication of Donations Made

Individuals who made donations for cultural programs in 2024 must communicate to the Revenue Agency, electronically:

- Their full details, including tax data;
- The amount of donations made;
- The beneficiaries of the donations.

31.1.2025 Communication of Donations Received

Individuals who received donations for cultural projects in 2024 must communicate to the Ministry of Culture:

- The amount of donations received;
- The full details of the donor;
- The “purpose” or “activities” for which the donations were given, or the relevance of the donations to institutional tasks.

31.1.2025 Excise Tax Credit for Diesel for Road Transport

Those engaged in road transport of goods for their own account or on behalf of third parties must submit a request to the competent Customs and Monopolies Agency to obtain the excise tax credit:

- Relating to excise duties on diesel for road transport;
- For the period October-December 2024. The excise tax credit may be:
- Requested as a refund;
- Or used for compensation in the F24 form.

31.1.2025 VAT Return and Payment under the "OSS" Scheme

Taxpayers who have adhered to the special "OSS" (One Stop Shop) scheme must submit to the Revenue Agency, electronically, the return for the quarter October-December 2024 concerning:

- Services provided to non-VAT registered clients in European Union Member States other than the Member State of the service provider;
- Distance sales of goods within the EU subject to tax in the destination Member State;
- Certain domestic sales made by digital platforms as presumed suppliers. The return must be filed even in the absence of transactions under the scheme. The VAT due based on the aforementioned return must also be paid by the specified deadline, according to the rates of the Member States where the transaction is considered to have been carried out.

31.1.2025 VAT Declaration and Payment - "IOSS" Scheme

Taxpayers who have adhered to the "IOSS" special scheme must submit the declaration for December 2024, regarding distance sales of imported goods, to the Revenue Agency via electronic means:

- goods not subject to excise duty;
- goods shipped in consignments with intrinsic value not exceeding 150.00 euros;
- goods intended for a consumer in a European Union member state.

The declaration must be submitted even if there are no transactions falling under the scheme.

The VAT due based on the aforementioned declaration must also be paid by the deadline, according to the rates of the member states where the sale is considered to have taken place.

31.1.2025 Invoice for Packaging

VAT holders must issue a global invoice for all deliveries of packaging and containers made in 2024 that are subject to a return obligation but were not returned.

31.1.2025 Virtual Stamp Duty Declaration

Entities authorized to pay stamp duty virtually, excluding banks, postal services, SIMs, SGRs, insurance companies, and other financial intermediaries, must submit a declaration to the Revenue Agency containing data and information related to acts and documents issued in 2024, in order to:

- settle the stamp duty due for the balance of 2024;
- proceed with the provisional settlement of stamp duty due for 2025.

The declaration must be submitted:

- using the model approved by the Revenue Agency;
- exclusively via electronic transmission, either directly or through an intermediary.

31.1.2025 Stamp Duty Declaration for Acts Transmitted to the Business Register

Entities registered in the Business Register, other than sole proprietors and those registered only in the REA, must submit a declaration to the Revenue Agency:

- containing the number of acts submitted to the Business Register in 2024 via electronic media or electronic transmission;
- in order to settle the stamp duty due for the balance of 2024 and the advance for 2025.

Entities authorized to pay stamp duty virtually must include the aforementioned acts in the specific declaration mentioned above.

31.1.2025 Self-Certification for Exclusion from RAI Fee for 2025

Individuals holding utility accounts for residential domestic electricity supply must submit a specific self-certification in order to be excluded from the RAI fee in the bill, in the event of:

- No possession of a television set by any member of the household in any of the residences for which the declarant is the holder of the electricity supply contract;
- No possession, by any member of the household in any of the residences for which the declarant is the holder of the electricity supply contract, of an additional television set beyond the one for which a declaration of cessation of the radio-television subscription has been submitted for “sealing”.

The self-certification must be submitted by:

- Completing the appropriate form approved by the Revenue Agency;
- Sending it by registered mail without an envelope to the Revenue Agency, Turin 1 office, S.A.T. - TV Subscription Desk - P.O. Box 22, 10121, Turin;
- Or submitting it electronically, either directly or through an authorized intermediary, or by certified email (PEC).

Submitting the self-certification:

- By the deadline in question, is valid for the entire year 2025, but it may require a refund request for the charge on the first installment of the TV fee on the bill;
- From 1.2.2025 until 30.6.2025, is valid only for the second half of 2025.

31.1.2025 RAI License Fee Payment for the Year 2025 Not Charged on Bill

Individuals must pay the RAI license fee for 2025 using the F24 form in the following cases:

- None of the members of the household required to pay the license fee is the holder of an electricity supply contract with types that charge the fee on the bill;
- Or if the users are those for whom electricity is supplied through networks not interconnected with the national transmission grid.

The payment can be made in a single installment or split as follows:

- In two semi-annual installments, due on 31.1.2025 and 31.7.2025;
- Or in four quarterly installments, due on 31.1.2025, 30.4.2025, 31.7.2025, and 31.10.2025.