DECEMBER TAX NEWS

Law No. 203 of December 13, 2024
(so-called "Labor-Related Law" or "Collegato Lavoro")
Main Updates

1. INTRODUCTION
With Law No. 203 of 13.12.2024, published in the Official Gazette No. 303 of 28.12.2024, several provisions on tax, labor, and social security matters have been issued (the so-called "Labor Connected Law").
Law No. 203/2024 entered into force on 12.1.2025.
Below are the main changes contained in Law No. 203/2024.

2. MIXED CONTRACTS FOR TAXPAYER IN SIMPLIFIED REGIME
Article 17 of Law No. 203/2024 introduces an exception to the exclusion from the simplified regime, as per Law No. 190/2014, which occurs when the self-employment activity is predominantly carried out for one's own employers. Under the new provision, this condition does not apply when individuals registered in professional registers or lists, in addition to carrying out professional activities, also have a part-time, indefinite employment relationship with an employer who has more than 250 employees.

2.1 CONCLUSION OF CONTRACTS
The employment contract and the self-employment contract for professional services are concluded simultaneously.

2.2 REQUIREMENTS FOR THE EMPLOYMENT CONTRACT
The employment contract:

- is signed with employers who have more than 250 employees as of January 1st of the year in which the contracts are concluded;
- provides for working hours between 40% and 50% of the full-time hours foreseen by the applicable national collective labor agreement.

2.3 REQUIREMENTS FOR THE SELF-EMPLOYMENT CONTRACT
The self-employment contract:

- is certified by the commissions referred to in Article 76 of Legislative Decree No. 276 of 10.9.2003;
- must not cause any overlap with the employment contract in terms of the object, working conditions, working hours, or working days.

Professional Residence
Self-employed workers must designate a professional residence separate from that of their employer.

2.4 POSSIBILITY TO INCLUDE ADDITIONAL EXCLUSIONS
In the absence of registration in professional registers or lists, the exclusion may not apply in cases and under conditions provided by agreements incorporated into collective labor contracts under Article 8 of Decree-Law No. 138/2011 (so-called "proximity agreements").

2.5 ENTRY INTO FORCE
The exception to the exclusion from the simplified regime came into effect on 12.1.2025.

3. DECLARATION OF MEDIATION EXPENSES IN CASE OF PROPERTY TRANSFER
Article 22 of Law No. 203/2024 amends Article 35, paragraph 22 of Decree-Law No. 223 of 4.7.2006, which, within the framework of measures to combat tax evasion and avoidance, regulates the declaratory obligations of the parties involved in a property transfer deed.

3.1 PREVIOUS REGULATIONS

It is recalled that Article 35, paragraph 22 of Decree-Law No. 223/2006 imposes on the parties of a property transfer deed, even if subject to VAT, the obligation to make a specific substitute declaration as per the Presidential Decree No. 445/2000, indicating the payment methods of the consideration in detail.
This requirement, which remains unchanged, is accompanied by a list of additional information that must be included in the substitute declaration. The list is partially modified by Article 22 of Law No. 203/2024.
The original formulation of Article 35, paragraph 22 required the parties to declare:

- Whether or not a mediator was involved in the transfer, and if so, the identification data of the owner (if a natural person), or the name, company name, and identification details of the legal representative (if a legal entity), or the non-legal representative mediator acting for the same company (letter a);
- The tax code or VAT number (letter b);
- The registration number in the role of real estate agents and the relevant Chamber of Commerce for the owner or legal representative or mediator acting for the same company (letter c);
- The amount of the expense incurred for this activity and the detailed payment methods (letter d).

3.2 NEW PROCEDURES FOR FULFILLING DECLARATORY OBLIGATIONS ABOUT MEDIATION EXPENSES

Article 22 of Law No. 203/2024 modifies letter d) mentioned above, providing that the parties to the property transfer deed may indicate in the substitute declaration of notoriety, as an alternative to the amount of the mediation expense incurred, the invoice number issued by the mediator and the correspondence between the invoiced amount and the actual expense incurred.
However, the obligation to declare the detailed payment methods for these expenses remains unchanged.

4. TAX COMPLIANCE OBLIGATIONS FOR INDEPENDENT PROFESSIONALS - SUSPENSION OF DEADLINES FOR CHILDBIRTH, PREGNANCY INTERRUPTION, OR ASSISTANCE TO A MINOR CHILD

Article 7 of Law No. 203/2024 reforms Article 1, paragraph 937 of Law No. 234/2021, expanding the regulations on the suspension of deadlines for tax obligations of independent professionals, applying it from the eighth month of pregnancy until the thirtieth day after childbirth or the thirtieth day after pregnancy interruption (if it occurs after the third month of pregnancy).
In such cases, the female professional must submit or send by registered mail with acknowledgment of receipt or certified email (PEC) a medical certificate within 15 days of childbirth or pregnancy interruption, issued by the healthcare facility or the attending physician, certifying the pregnancy status, the expected start date of the pregnancy, the date of childbirth or pregnancy interruption, and a copy of the professional mandates from her clients.

Assistance to a Minor Child

With the new paragraph 937-bis of Article 1 of Law No. 234/2021, the possibility of suspending the aforementioned tax obligations is extended to independent professionals who must assist their minor child in case of emergency hospitalization due to injury or serious illness or surgery.
In this case, the interested parties must submit or send, following the aforementioned procedures, within 15 days from the discharge of their child from the hospital, a certificate issued by the healthcare facility certifying the hospitalization, as well as a copy of the professional mandates from their clients.

5. INSTALLMENT PAYMENT OF INPS AND INAIL DEBTS

Article 23 of Law No. 203/2024 introduces paragraph 11-bis to Article 2 of Decree-Law No. 338 of 9.10.1989, providing the possibility of granting installment payments up to a maximum of 60 monthly installments for debts related to contributions, premiums, and legal accessories due to:

- INPS (National Social Security Institute);
- INAIL (National Institute for Insurance against Accidents at Work).

With this change, granting more than 24 monthly installments, up to 60, for INPS and INAIL debts, as specified in a special implementing ministerial decree, will no longer require ministerial authorization.

5.1 ENTRY INTO FORCE

The new regulations take effect on 1.1.2025.

5.2 SCOPE OF APPLICATION
INPS and INAIL may allow the installment payment of debts related to contributions, premiums, and legal accessories due to them, up to a maximum of 60 monthly installments:

- in cases defined by a decree of the Minister of Labor and Social Policies, in agreement with the Minister of Economy and Finance, to be issued after consulting INPS and INAIL;
- according to the requirements, criteria, and methods, including payment methods, regulated by an act of their respective Boards of Directors.
  To access this installment option, the debt must not have been assigned for recovery to collection agents.

5.3 COORDINATING PROVISIONS
To coordinate the changes introduced by Article 23, paragraph 1 of Law No. 203/2024, the subsequent paragraph 2 provides that, starting from 1.1.2025, Article 116, paragraph 17 of Law No. 388/2000 (of 23.12.2000) will no longer apply to INPS and INAIL. Essentially, for INPS and INAIL, the possibility of granting installment payments up to 60 monthly installments, with ministerial authorization, will no longer apply in cases of:

- objective uncertainties due to conflicting or newly emerging jurisprudential interpretations or administrative determinations regarding the recurrence of the contribution obligation later recognized in judicial or administrative proceedings, due to the significant interpretative uncertainties that led to non-compliance;
- non-payment or delayed payment of contributions or premiums resulting from fraudulent actions by a third party, reported within the deadline set in Article 124, paragraph 1 of the Penal Code to the judicial authority.

6. MEASURES ON WORKPLACE SAFETY AND HEALTH MONITORING
Article 1 of Law No. 203/2024 extensively addresses workplace safety by introducing:

- specific obligations for the Ministries of Labor and Health;
- measures related to health surveillance;
- provisions regarding work in underground spaces.

6.1 PROVISIONS FOR THE MINISTRIES
First, some obligations are introduced for the Ministries of Labor and Health. Specifically:

- It is established that at least four members of the Commission for Consultations must have a legal professional profile;
- The Ministry of Labor is required, by April 30 of each year, to report to the Chambers on the state of safety in workplaces, referencing the previous year, as well as improvement interventions and any guidelines to be adopted for the current year;
- The Ministry of Health is required to periodically verify the maintenance of the requirement for participation in the continuous medical education program for professionals to remain on the list of qualified doctors.

6.2 MEASURES RELATED TO HEALTH MONITORING
The provision establishes that:

- The pre-employment medical check-up is considered one of the ways to fulfill the obligation of preventive medical visits. It also removes the possibility for the employer to choose whether the visit can be performed by the ASL (local health authority) prevention department instead of the competent doctor;
- The competent doctor is required, when prescribing clinical and biological exams and diagnostic tests deemed necessary during the preventive visit, to consider the results of tests and investigations already carried out by the worker and found in the worker's health and risk file to avoid unnecessary repetition;
- A medical visit before resuming work is required after an absence due to health reasons lasting more than 60 continuous days, but only if the competent doctor deems it necessary;
- The deadline for redefining the conditions and methods of testing for drug addiction and alcohol dependence is extended from December 31, 2009, to December 31, 2024;
- The ASL (local health authority) is identified as the competent administration for reviewing appeals against the judgments of the competent doctor, replacing the reference to the supervisory authority.

6.3 PROVISIONS FOR WORK IN UNDERGROUND SPACES

Provisions are made regarding Article 65, paragraphs 2 and 3 of Legislative Decree No. 81/2008, where some exceptions to the general prohibition of working in underground or semi-underground confined spaces are defined. Specifically, the condition of having particular technical needs is eliminated, and the use of underground or semi-underground confined spaces is permitted when the work does not lead to the emission of harmful agents, provided that the legally required conditions, where applicable, and appropriate ventilation, lighting, and microclimate conditions are met.

7. NOVELTIES REGARDING LABOR SUPPLY

Article 10 of Law No. 203/2024 introduces important changes regarding labor supply. Specifically:

- It removes the "emergency" regime for indefinite-term labor supply;
- It broadens the scope of individuals exempt from the numerical limits for the use of fixed-term labor supply contracts;
- It introduces a specific case that allows the employment agency to hire on a fixed-term basis without the need for a causal explanation in the contract.

7.1 ABOLITION OF THE TRANSITIONAL REGIME

With the repeal of the fifth and sixth sentences of paragraph 1 of Article 31 of Legislative Decree No. 81/2015, the transitional regulation introduced by Decree-Law No. 104/2020 is eliminated. This regulation allowed, until June 30, 2025, workers hired indefinitely by the employment agency and assigned on a fixed-term basis to the user to be employed by the user for periods exceeding 24 months, even non-continuously, without it resulting in the establishment of an indefinite-term employment relationship.

7.2 FIXED-TERM LABOR SUPPLY

The following scenarios are excluded from the calculation of the quantitative limits referred to in Article 31, paragraph 2 of Legislative Decree No. 81/2015:

- Labor supply involves workers hired by the agency on an indefinite-term contract;
- The work concerns workers whose fixed-term contract is stipulated:
    - During the startup phase of new activities, for periods defined by National Collective Labor Agreements (CCNL);
    - By innovative start-up companies, for a period of 4 years from the establishment of the company or for the shorter period defined in Article 25, paragraph 3 of Decree-Law No. 179/2012 for already established companies;
    - For seasonal activities as per Article 21 of Legislative Decree No. 81/2015;
    - For specific performances or particular radio or television programs;
    - To replace absent workers;
    - For workers over the age of 50.

7.3 EXCLUSION OF CAUSAL REASONS

It is stipulated that, for certain individuals, the application of the causal reasons outlined in Article 19 of Legislative Decree No. 81/2015 is excluded.
Specifically, it is foreseen that in fixed-term labor supply contracts, no causal reason is required when hiring unemployed workers who are:

- Unemployed individuals receiving unemployment benefits (non-agricultural) or social welfare for at least 6 months;
- Disadvantaged or very disadvantaged workers according to Article 2, point 4 and 99 of the European Commission Regulation No. 651/2014, as identified by a decree of the Minister of Labor and Social Policies referred to in Article 31, paragraph 2 of Legislative Decree No. 81/2015.
  Therefore, when the employment agency intends to hire fixed-term workers at risk of labor exclusion as mentioned above, it may do so for periods exceeding 12 months, even in the absence of causal reasons.

8. NEW INTERPRETATION OF THE CONCEPT OF SEASONALITY

Regarding seasonal work, Article 11 of Law No. 203/2024 clarifies that Article 21, paragraph 2, second sentence of Legislative Decree No. 81/2015, concerning the so-called "stop and go" mechanism, should be interpreted to include, in addition to the activities listed in Presidential Decree No. 1525/63, also activities organized to address intensifications of production activity during specific times of the year, as well as technical or production-related needs or those linked to the seasonal cycles of the productive sectors or the markets served by the company, according to what is established by collective labor agreements negotiated by the most representative employers' and workers' organizations in the category.

9. DURATION OF THE PROBATION PERIOD IN FIXED-TERM EMPLOYMENT

Article 13 of Law No. 203/2024 amends Article 7, paragraph 2 of Legislative Decree No. 104/2022 regarding the duration of the probation period in fixed-term employment.
It is stipulated that the duration of the probation period is one day of actual work for every 15 calendar days from the start of the employment relationship. Collective bargaining provisions that are more favorable are, however, preserved.
Furthermore, it is established that the probation period cannot be shorter than 2 days or longer than:

- 15 days for employment relationships lasting no more than 6 months;
- 30 days for employment relationships lasting more than 6 months but less than 12 months.

10. DEADLINE FOR MANDATORY TELECOMMUTING COMMUNICATIONS

Article 14 of Law No. 203/2024 amends Article 23, paragraph 1, first sentence of Law No. 81/2017 regarding the telematic communication to the Ministry of Labor of the names of workers and the start and end dates of remote work periods.
In addition to the removal of the phrase "Effective from September 1, 2022," it is specified that the telematic communication to the Ministry of Labor must occur:

- within 5 days from the start date of the remote work period;
- or within 5 days following the date of an event that modifies the duration or terminates the remote work period.

11. UNPAID LEAVE FOR MEMBERS OF THE HEALTH PROFESSIONS

Article 34 of Law No. 203/2024 states that elected leaders of health professional orders and national federations, where they are employees of the companies and organizations of the National Health Service, can take unpaid leave to participate in institutional activities.
Such leave must not exceed 8 working hours per month.
The employees concerned must submit a request at least 3 days in advance, except in cases of urgent necessity.

12. SINGLE DUAL APPRENTICESHIP CONTRACT

Article 18 of Law No. 203/2024 amends the provisions of Article 43 of Legislative Decree No. 81/2015, which pertains to apprenticeship for qualification and professional diploma, secondary school diploma, and higher technical specialization certificate (so-called "first-level apprenticeship").
It is established that, upon updating the individual training plan, this apprenticeship contract can be transformed not only into a professionalizing apprenticeship (as before), but also into an apprenticeship for advanced training and research or for regional vocational training, provided the necessary academic qualifications for access to the courses are met.

13. MEASURES REGARDING VOCATIONAL TRAINING POLICIES IN APPRENTICESHIP

Article 15 of Law No. 203/2024 establishes that, starting from 2024, the resources referred to in Article 1, paragraph 110, letter c) of Law No. 205/2017 (15 million euros annually from the Social Fund for Employment and Training) will be allocated to training activities promoted by the Regions and Autonomous Provinces under the apprenticeship scheme, as per Chapter V of Legislative Decree No. 81/2015.

14. TRAINING IN THE FIELD OF WORKFORCE SUPPLY – USE OF BILATERAL FUND RESOURCES

Article 9 of Law No. 203/2024 intervenes in the area of bilateral funds for training and income integration within the

field of workforce supply. It introduces paragraph 3-bis to Article 12 of Legislative Decree No. 276/2003, allowing the use of resources from contributions paid by entities authorized for workforce supply for:

- Professional training and retraining interventions;
- Pension-related measures and income support.

This provision overrides the stipulations of paragraph 3 of the same Article 12 of Legislative Decree No. 276/2003, which required these interventions to be carried out within the framework of policies and measures established by sectoral collective bargaining or, in the absence of such, by the funds referred to in paragraph 4.

15. WAGE SUPPLEMENTATION TREATMENT – SUSPENSION AND INCOMPATIBILITY SCENARIOS
Article 6 of Law No. 203/2024 addresses the compatibility of wage supplementation treatment with the potential performance of work activities.
In particular, the provision:

- States that if the worker performs subordinate or self-employed work during the wage supplementation period, the right to the corresponding treatment is forfeited for the days worked;
- Confirms the forfeiture of the wage supplementation treatment if the worker has not notified the relevant territorial INPS office in advance regarding the performance of work activities;
- Specifies that employer notifications of hires, as per Article 4-bis of Legislative Decree No. 181/2000, are valid for fulfilling the aforementioned notification obligation.

16. NEW DEVELOPMENTS IN THE TERMINATION OF THE EMPLOYMENT RELATIONSHIP
Article 19 of Law No. 203/2024 establishes that in the event of unjustified absenteeism by the worker exceeding the period specified by the applicable collective labor agreement (or, in the absence of such a period in the CCNL, more than 15 days), the employer is obliged to notify the territorial office of the National Labor Inspectorate, which can verify the authenticity of the notification.
In this case, the employment relationship is considered terminated by the worker's will, and the rules regarding electronic resignations outlined in Article 26 of Legislative Decree No. 151/2015 do not apply.

Exclusions

The employment relationship is not considered terminated by the employee's will, with the application of Article 26 of Legislative Decree No. 151/2015, when the employee demonstrates the impossibility of communicating the reasons justifying their absence from work, due to force majeure or actions attributable to the employer.

17. Provisions on Conciliation Procedures

Article 20 of Law No. 203/2024 provides that, notwithstanding the provisions of Article 12-bis of Legislative Decree No. 76 of 16.7.2020, the conciliation procedures in labor matters referred to in Articles 410, 411, and 412-ter of the Civil Procedure Code may take place remotely through audiovisual connections. The technical rules for the adoption of the related information and communication technologies must be established by a decree from the Minister of Labor, in agreement with the Minister of Justice, to be adopted within 12 months from January 12, 2025 (the effective date of Law No. 203/2024). Until the enactment of the aforementioned decree, these procedures will proceed according to the existing rules.

18. APE Social and Early "Precoci" Retirement - Standardization of Application Deadlines

Article 29 of Law No. 203/2024 provides for the standardization of the deadlines for submitting applications for:

- Access to APE Social under Article 1, paragraphs 179-186 of Law No. 232/2016;
- Early retirement with reduced contribution requirements under Article 1, paragraphs 199-205 of the same Law No. 232/2016.

It is established that these applications:

- Must be submitted by March 31, July 15, and in any case, by November 30 of each year;
- Will only be accepted if, after conducting the required monitoring activities, the necessary financial resources are still available.

19. Provisions on Notification of Social Security Disputes

Article 25 of Law No. 203/2024 amends Legislative Decree No. 46/99 regarding the identification of the territorial office responsible for making notifications in social security matters.

In particular, the amendments concern:

- Article 24, paragraph 5, which governs the registration of social security debts; in this case, the appeal must be notified to the territorial office where the private individuals concerned reside;
- Article 29, paragraph 2, which relates to the judicial guarantees for revenues not assigned to the tax commissions; in this case, the appeal must be notified to the enforcing body at the territorial office where the private individuals concerned reside.

20. Simplification of INAIL Appeals

Articles 2 and 4 of Law No. 203/2024 introduce simplifications to the procedures related to appeals regarding:

- The application of insurance premiums for workplace accidents and occupational diseases;
- Benefits from the insurance against domestic accidents.

20.1 Application of Insurance Premium Rates and Classification of Employers

Article 2 of Law No. 203/2024 amends Presidential Decree No. 314/2001 and Legislative Decree No. 38/2000, specifying the entities to which one may appeal against INAIL decisions concerning insurance premiums and employer classification (made by the same Insurance Institute).

20.1.1 Appeals Regarding Insurance Premium Rates

Amending Articles 1, 2, and 4 of Presidential Decree No. 314/2001, it is provided that the employer may appeal:

- To the Regional Directorate, the Regional Office in Aosta, or the Provincial Directorates in Trento or Bolzano of INAIL, based on territorial jurisdiction, against decisions issued by INAIL's territorial offices concerning the application of insurance premium rates for workplace accidents and occupational diseases, including:
    - Classification of activities;
    - Variation of the average premium rate for accident prevention and workplace hygiene;
    - Start date of tariff classification;
    - Classification directly carried out by INAIL for employers not subject to classification by INPS.
- To the INAIL Territorial Office against decisions concerning the variation of the average premium rate based on accident statistics.

Such appeals must be submitted electronically within 30 days from receipt of the decisions and will be decided by the responsible authorities.

20.1.2 Appeals Regarding Employer Classification by INAIL

Amending Article 2, paragraph 3 of Legislative Decree No. 38/2000, the rule provides that the employer may appeal to the Regional Directorate, the Regional Office in Aosta, or the Provincial Directorates in Trento or Bolzano of INAIL against decisions concerning employer classification directly carried out by INAIL. The competent office will make the final decision.

Submitting an appeal entails the application of benefits under Article 45 of Presidential Decree No. 1124/65. This provision stipulates that the employer initiating the appeal must pay insurance premiums, based on the average premium rate in the case of initial application, or based on the rate in force at the time of the decision that triggered the appeal, subject to adjustment for any difference between the amount paid and the amount owed.

20.1.3 Transitional Provisions

A transitional rule provides that appeals pending on January 12, 2025 (the effective date of Law No. 203/2024) will be decided by the competent bodies according to the rules in effect at the time of their submission.

20.2 Insurance Against Domestic Accidents

Article 4 of Law No. 203/2024 amends the rules for administrative appeals related to INAIL insurance for domestic accidents (under Law No. 493/99), concerning jurisdiction and the deadline for filing an appeal.

In particular:

- Appeals concerning domestic accident insurance benefits will be decided by the INAIL Territorial Office that issued the decision, under Article 104 of Presidential Decree No. 1124/65 (the provisions establishing the competence of the Autonomous Special Fund's administrative committee are repealed);
- The deadline for submitting an appeal is 60 days from the date of receipt of the contested decision. If the 60 days pass without action, interested parties can approach the judicial authority. Filing the appeal does not suspend the effect of the decision.

Transitional Provisions

Appeals pending on January 12, 2025 (the effective date of Law No. 203/2024) will be decided by the Committee of the Autonomous Special Fund, according to the rules in effect at the time of their submission.

21. Refund of Amounts Paid by INAIL After the Death of Beneficiaries

Article 3 of Law No. 203/2024, amending Article 1, paragraph 304 of Law No. 190/2014, allows INAIL (as well as INPS) to recover payments made to beneficiaries after their death.

In particular, it is provided that:

- Payments made by INPS and INAIL, directly or through agreements and conventions, after the death of the beneficiary, to a bank or postal account are made with reserve;
- The bank or Poste Italiane S.p.A. must return the funds to INPS or INAIL if they were paid to the beneficiary who no longer had the right to them;
- Individuals who directly received cash payments by proxy or had access to funds in a bank or postal account, or who authorized payment transactions, must reimburse INPS or INAIL;
- The bank or Poste Italiane S.p.A. refusing the reimbursement due to inability or any other reason must notify INPS or INAIL of the details of the new account holder.