

International Assignment Services Taxation of International Assignees

Italy



Country: Italy

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Introduction: International assignees working in Italy

The Italian tax system is complex. An international assignee that comes to work in Italy is likely to face some difficulties in dealing with their fiscal position, the social security system, and other formalities connected with their stay in Italy.

The purpose of this brochure is to provide international assignees with basic information with regard to the Italian tax and social security systems as well as more general information about working in Italy. It does not claim to be a comprehensive guide. Further professional advice should be sought before decisions are taken.

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This document was not intended or written to be used, and it cannot be used, for the purpose of avoiding tax penalties that may be imposed on the taxpayer.

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Step 1: Understanding basic principles

The scope of taxation in Italy

1 An international assignee working in Italy is, in general, liable to Italian tax either as a “resident” or as a “nonresident” in Italy (please see the below paragraph “Residence”) according to the following general rules:

- “Resident individuals” are subject to personal income tax (IRPEF) on worldwide income; and
- “Nonresident individuals” are subject to personal income tax (IRPEF) on income produced in Italy.

"Residency" concept

2 An individual is considered resident for tax purposes if, for a period of at least 183 days in the calendar year:

- Is registered with the Registry of the Italian Resident Population (*called “Anagrafe”*); or
- Has his/her residence or his/her domicile (principal place of business and of economic and social interests, i.e. the family) in the territory of the Italian State; or

It is enough that also one of the above conditions is met in order to determine the tax residency in Italy of an individual.

An anti-avoidance rule is in force providing that Italian citizens, who relocate to countries considered to be "tax havens", are deemed to be resident in Italy even if they cancelled from the Registry of the Resident Population, unless otherwise proven by the individuals.

3 An international assignee who moves to Italy should apply for registration with the Registry of the Resident Population in the "Comune" (Municipality) where he/she intends to reside. At the end of his/her stay in Italy, the international assignee is required to apply for the cancellation of his/her name from the Registry of the Resident Population.

4 An international assignee who is registered with the Registry of the Resident Population for less than 183 days in a calendar year is generally considered “nonresident” (although other factors must also be taken into account) and thus subject to taxation only on Italian source income.

5 Obviously, any provisions foreseen by Double Tax Treaties signed by Italy with other countries shall apply.

The tax year

6 The Italian tax year runs from 1 January to 31 December.

Method of calculating tax

7 IRPEF is calculated as follows:

- a) Calculation of the “Gross taxable income” (please refer paragraphs 9);
- b) Deduct the “deductible expenses” (please refer paragraphs 14);

- c) Determine the "Net taxable income";
- d) Calculation of the "Gross income tax" (please refer paragraphs 11, 12) ;
- e) Apply the tax credit (please refer paragraphs 15);
- f) Calculate the "Net income tax".

Husband and wife

8 Each individual is considered as a separate taxpayer. Husband and wife cannot file their tax return jointly, unless in limited cases (Form 730).

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Step 2: Understanding the Italian tax system

Categorization of income

9 The Italian tax system provides the six following categories of income:

- Real estate income;
- Investment income;
- Employment income;
- Self-employment income;
- Business income; and
- Other income.

10 The gross taxable income is determined by the sum of the above categories, while a separate rule is applied to determine the taxable amount of each category of income (please refer to related paragraphs below).

The total taxable amount is generally subject to progressive tax rates. Certain categories of income, and upon certain conditions, may qualify for “Separate taxation”.

The type of annual return that an individual needs to file depends on the sources of income and profits.

Principal taxes

11 Italy has the following main taxes:

- National income tax (“IRPEF”);
- Additional Regional Income Tax (“Addizionale Regionale all’IRPEF”);
- Additional Municipal Income Tax (“Addizionale Comunale all’IRPEF”); and
- Regional tax on productive activity (“IRAP”).

12 “National income tax” is levied at progressive tax rates on all income. Tax rates are set out in Appendix A. Tax on certain types of income, however, is limited to tax withheld at source. An example is interest on specific types of bank accounts and capital gains (please refer to related paragraphs below).

“Additional Regional income tax” depends on the Region of residence; the Regional Tax rate has a range from 0.9 to 1.4% (depending on the level of income and on the region of residence).

“Additional Municipal Income Tax” depends on the municipality of residence; the Municipal income Tax rate has a range from 0 to 0.8% (depending on the Municipality of residence).

13 "Regional tax on productive activity" (IRAP) is a regional tax and is applied at a flat rate equal to 4.25%. This flat rate is applicable on productive activity exercised. The taxable base is the difference between the compensation received and the direct business expenses, excluding any cost of personnel and interest. The liable taxpayers are mostly self-employed individuals with a structured organization and nonresident taxpayers exercising business activity in Italy throughout either a permanent establishment or a partnership. According to a recent Judge decision IRAP is not due for a self employed individual.

An expatriate working in Italy will not be subject to IRAP.

Deductible items

14 Individuals resident in Italy can deduct from the Italian gross income the following items, provided that they are properly documented:

- Compulsory social security and welfare contributions: fully deductible;
- Contributions to certain religious entities: up to € 1,033 each;
- Medical expenses (supported by duly documentation) for disabled individuals: fully deductible;
- Alimony paid to a separate or divorced spouse resulting from the Court Sentence: only the portion that is related to the separate spouse is deductible. Note that children's maintenance is not deductible;
- Main residence (figurative income): a total deduction is available (only for resident individuals).

Tax credits

15 The Italian tax law provides the following kinds of tax credits:

- Employment tax credit;
- Family tax credit;
- Other tax credit for expenses.

Employment tax credit

Taxable income in Euro Over	Up to	Theoretical tax credit in Euro
0	8,000.00	1,840.00 (Note 1)
8,000.01	15,000.00	1,338.00 (Note 2)
15,000.01	23,000.00	1,338.00 (Note 3)
23,000.01	24,000.00	1,348.00 (Note 3)
24,000.01	25,000.00	1,358.00 (Note 3)
25,000.01	26,000.00	1,368.00 (Note 3)
26,000.01	27,700.00	1,378.00 (Note 3)
27,700.01	28,000.00	1,363.00 (Note 3)
28,000.01	55,000.00	1,338.00 (Note 3)
55,000.01	-	0

Note 1

Tax credit available cannot be lower than:

- € 690 for “Permanent” employment,
- € 1,380 for “Temporary” employment.

Note 2

The tax credit is equal to the “base amount” increased of Euro 502 multiplied by the ratio [(15,000 less Total income) / 7,000].

$$C = (\text{€ } 15,000 \text{ less income}) / \text{€ } 7,000$$

$$A = 502 * C$$

$$\text{Tax credit} = 1,338.00 + A$$

Note 3

The tax credit is equal the base amount multiplied by the ratio [(55,000 - total income) / 40,000]

$$C = (55,000 \text{ less income}) / 40,000$$

$$\text{Tax credit} = 1,338.00 * C$$

If the result from the calculation is over 0, the rate is considered within the fourth decimal.

Family tax credit

16 Family tax credits are allowed for resident taxpayers with a dependant spouse, children and other relatives living with the taxpayer under the condition that each dependant’s annual income does not exceed € 2,840.51.

Family tax credits are rated monthly and are applied starting from the month in which the conditions verify and up to the month in which conditions stop.

Family tax credit varies according to:

- Dependent spouse;
- Family dependents.

Dependent spouse tax credit

Total Income in Euro Over	Up to	Annual Tax credit in Euro
0	15,000.00	800.00 (Note 1)
15,000.01	29,000.00	690.00
29,000.01	29,200.00	700.00
29,200.01	34,700.00	710.00
34,700.01	35,000.00	720.00
35,000.01	35,100.00	710.00

35,100.01	35,200.00	700.00
35,200.01	40,000.00	690.00
40,000.01	80,000.00	690.00 (Note 2)

Note 1

Tax credit (€ 800) is reduced by an amount (A) equal to € 110 multiplied by the result (C) of the ratio between the Total income and € 15,000, provided that the total income is not higher than € 15,000.

$$C = \text{Total income} / € 15,000$$

$$A = € 110 * C$$

Tax credit due: € 800 less A

If the ratio (C) is zero no tax credit is applicable.

Note 2

Tax credit is equal to the base amount (€ 690) multiplied by the ratio (C) between the result of € 80,000 less the Total income, and € 40,000.

$$C = (\text{€ 80,000 less Total income}) / € 40,000$$

Tax credit due: € 690.00 * C

If the ratio (C) is zero no tax credit is applicable.

If the result from the above ratios is over 0, the rate is considered within the fourth decimal.

Family dependents tax credit

(In addition to spouse's tax credit if applicable)

Child, included natural recognized child, adoptive child, reliable and affiliate child	Theoretical annual tax credit
Each child	€ 800.00 (Note 1)
Each child with less than 3 years old	€ 900.00 (Note 1)
Each handicap child according to art. 3 law February 5th 1992, n. 104	Previous Base amount of tax credit increased of € 220.00 (Note 1)
More than 3 children at charge	Previous Base amount of tax credit increased of € 200 for each child (Note 1)
For each other member of the family (article 433 of Italian Civil Code)	€ 750.00 (Note 2)
In absence of spouse and for other particular cases established by tax law, for the first child	Spouse's tax credit is applicable if more convenient

Note 1

The tax credit "due":

a) For the first child is equal to the base amount multiplied by (C), resulting of the ratio of € 95,000 less the Total income, and € 95,000.

$$C = (\text{€ } 95,000 \text{ less total income}) / \text{€ } 95,000$$

$$\text{Tax credit} = \text{base amount} * C$$

b) For each child after the first one, the amount of € 95,000 is increased of € 15,000. Therefore:

$$C = [\text{€ } 95,000 + (\text{€ } 15,000 * (\text{total number of children} - 1)) \text{ less total income}] / \text{€ } 95,000 + (\text{€ } 15,000 * (\text{total number of children} - 1))$$

$$\text{Tax credit} = \text{base amount} * C$$

Note 2

Tax credit is equal to the base amount multiplied by the ratio (C) results of € 80,000 less the Total income, and € 80,000.

$$C = (\text{€ } 80,000 \text{ less Total income}) / \text{€ } 80,000$$

$$\text{Tax credit} = \text{€ } 750.00 * C$$

If the result of the above ratio (C) is equal to zero, less than zero or higher than 1, tax credit does not compete.

Other tax credit for expenses

17 Some expenses entitle the taxpayer for a tax credit equal to 19% of the total amount paid. The taxpayer's level of income is not relevant. The most common tax credit items are:

- a) Mortgage interests: Interest expenses on real estate mortgage loans from banks of the European Union, financial institutions or other European Union entities are deductible if they are related to the house considered as a "habitual abode" in Italy. Other requirements (e.g., year when the contract was signed) must be satisfied for the eligibility. The maximum amount deductible is of € 4,000.00.
- b) Medical expenses, supported by duly receipts, are deductible for the amount exceeding € 129.11;
- c) Educational expenses for secondary school and university up to an amount equal to the cost charged by public educational institutions;
- d) Life and accident insurance is deductible, only if related to the case of death, invalidity or non self-sufficiency, for the maximum amount of € 1,291.14;
- e) Sporting association's fees for children of an age between 5 and 18 years old are deductible on the above percentage of the maximum amount of expenses of € 210;
- f) Fees for subscription of local, regional or interregional transport charges are deductible on the above percentage of the maximum amount of expenses of € 250 per annum;
- g) School fees for registration of the children up to three years old are deductible on the above percentage of the maximum amount of expenses of € 632 per annum;

- h) Annual rental fees for the principal abode (tax credit fixed on specific amount depending on the total income of taxpayer) are deductible under certain conditions.

Receipts of any of the above expenses must be kept for at least five years.

18 Individuals who qualify as not resident of Italy are only entitled to the tax credit related to the interest expenses on real estate mortgage loans (please refer to paragraph 17, letter a).

Foreign tax credits (on employment income)

19 In case of double taxation (in Italy and in foreign country) of the same employment income, the resident can claim a "Foreign tax credit" (called FTC) for the taxes paid abroad.

The FTC can be claimed only when the foreign taxes have been paid in a "final" way, through the filing of the Italian tax return.

Employment "gross" income

20 General principle: "employment gross income" includes all compensation (cash and benefit in kind) received by the employee in relation to his employment services, including cost-of-living, housing, tax reimbursement, car, profit sharing, bonuses, etc.

The employment income has to be included in the taxable income of the individual.

As a general rule:

- Compensation paid in cash are taxed at 100% of their amount (part of the exceptions of this rule are reported below),
- Compensation paid as fringe benefits are taxed on the base of the "normal value" or on a lump-sum basis (such as housing, loans, company car granted for personal and business use). Normal value is defined in Article 9 of the Italian Tax Code, as the price generally applied for similar goods and services on the market. In particular, for shares, bonds and other securities listed on stock exchange or traded over-the-counter, the normal value shall be determined on the basis of the average closing price during the preceding month (30-31 days); for other shares, it is determined in proportion of the net equity value of the company.

A particular rule is also applied for the following items.

Travel allowances paid in case of transfer/business trip (i.e. if an individual is assigned to Milan, Italy, and works for a period of time in Rome he is entitled to a transfer allowance), are included in the taxable income on the amounts exceeding Euro 46.48 per day (transfer within Italy), or Euro 77.47 per day (transfer out of Italy); the above amounts are reduced by:

- 1/3 in case the employer reimburses the meal or accommodation;
- 2/3 in case the employer reimburses both the meal and accommodation.

In case the employee does not receive any Travel Allowances, any expenses supported by receipt related to food, travel and accommodation is not taxable in Italy.

Relocation allowances are included in the taxable income for the amount equal to 50% of the total, with the annual limit of Euro 1,549.37 for transfers within the Italian Territory and Euro 4,648.11 for foreign transfers. It should be noted however that such beneficial treatment is recognized only for first year of transfer.

Moving expenses reimbursements (transportation of household goods, travelling expenses for the employee and his family) are fully-free, if reimbursed by the employer upon submission of related receipts.

Employer contributions to insured medical benefits are also considered, in certain cases, taxable income.

Housing benefit in principle, accommodation provided to an employee by an employer is a taxable benefit in Italy.

If the rental contract is in the name of the employer, the taxable amount is the difference between a "figurative value" called "cadastral value" (approximately equal to about 1/10 - 1/15 of the annual rental amount increased with the utilities eventually reimbursed to the employee, and reduced of any contributions paid by the employee (if any).

If the rental contract is not in the name of the company, the taxable amount will be equal to the difference between the rental amount and the contributions paid by the employee (if any).

Personal use of company car: The company car benefit (provided by the employer to the employee for private and professional use) constitutes taxable income to the employee for an amount equal to the 30% of the imputable value determined in accordance with tables provided by the Italian Automobile Club (based on car model, engine power, fuel and considering an average annual mileage of 15,000 km/annum).

Interests on loans: The taxable income deriving from loans granted by the employer, directly or through third parties, is equal to 50% of the difference between interest calculated at the official interest rate (in force at the end of each tax year concerned) and interest calculated at the rate applied by the employer or the third party.

Employment income produced abroad (i.e. out of Italy)

21 Regarding the taxation of the "employment income" deriving from a work activity performed out of Italy by a tax "resident" individual, the Italian tax law provides a specific rule which allows the individual to be subject to taxation on the "notional remuneration" (*retribuzione convenzionale*). This particular tax regime is applicable when the following conditions are met:

- Employee is resident for tax purposes in Italy; and
- The employment activity is rendered wholly and continuously abroad for more than 183 days in a 12-month period; and
- The employee's assignment abroad is regulated by a written agreement signed by the parties (the employee and the employer).

The "notional remuneration" depends on the employee's position (i.e. employee, manager) and the National Labour Contract applicable to the company (industrial/commercial activity).

The "employment income" deriving from work activity performed abroad (out of Italy) by a "non tax resident" individual is not subject to taxation in Italy.

Stock options: The possibility to benefit of exemption from employment income taxation has been abolished by the Law Decree n. 112/2008 which entered in force on June 25, 2008. The taxation of stock options has been subject to different law changes in the last few years and this latest Law Decree has established that, starting from the above date, income deriving from a stock option exercise (the difference between the "normal value" of the shares at exercise date and the exercise price paid by the employee) will be considered as taxable employment income and subject to ordinary progressive income tax rates. This income is, however, exempted from social security contributions.

The following items are not considered as taxable income:

- Social security contributions paid by the employer or by the employee in accordance with the provisions of law;
- Medical assistance contributions paid by the employer or by the employee to entities or funds whose unique purpose is social welfare in accordance with the provisions of law, contracts or agreements (limit of € 3,615.20);
- Contributions paid by the employer or by the employee to Italian qualified pension funds, if certain conditions are met;
- Rewards in connection with holidays given to all employees or to categories of employees, not exceeding € 258.23 in the fiscal year, as well as occasional subsidies, at certain conditions;
- Supply of ticket restaurants up to the daily limit of € 5.29;
- For stock purchase plans: the difference between the "normal value" of the shares on the date of acquisition and the price paid by the employee (i.e., the "spread") if:
 - The plan is offered to all employees;
 - The realized income does not exceed € 2,065.82 in each tax year concerned; and
 - The shares are held for at least three years from the date of acquisition; and
 - The shares are not repurchased by the issuing company (e.g., using a call option) or by the legal employer.

22 Any amount paid to employees of an Italian based company concerning work done in Italy must be subject to local withholding tax, to be applied by the local employer.

23 Under Italian law an employee, upon termination of the employment relationship, is entitled to receive an indemnity ("Trattamento di Fine Rapporto" or TFR), which is calculated by taking into consideration both the salary and the number of years of service with the Italian company. For directors, an indemnity can be agreed in advance as part of the director's contract.

24 Although the indemnity is deemed as employment income, it is subject to a separate tax calculated by taking into consideration a reduced rate and by reducing the taxable base by specific allowances depending on the duration of the employment. Furthermore, it is not subject to Social security contributions.

25 If certain conditions are met, voluntary contributions are deductible for both employer and employees up to certain limits; employer contributions to some pension schemes may be subject to social security.

26 Employment income is not subject to IRAP.

Income from directorships

27 Self-employment income deriving from the activities of managing director, auditor, contractor, is treated as employment income and therefore benefits from the same tax credits as employment income.

28 "Non resident" directors are subject to a flat rate of 30% on the whole amount of the directors' fees unless otherwise provided for by double taxation treaties. As a consequence they are not required to file an income tax return.

29 Regarding Social Security, please refer to paragraph 62.

Self-employment income

30 Self-employment income includes income deriving from self-employed professionals.

31 Income deriving from the services rendered by professionals is calculated as the difference between fees collected and business expenses.

32 Documented expenses refunded for traveling, board and lodging expenses incurred in rendering services outside the tax domicile are not taxable income.

33 Income from self-employment is subject to IRAP (see paragraph 13).

34 Self-employed professionals are required to keep accounting records, whilst directors and statutory auditors are not.

35 Non resident self employees are subject to a final withholding tax at the rate of 30% unless otherwise provided for by double taxation treaties. As a consequence they are not required to file an income tax return.

36 Regarding Social Security, please refer to paragraph 62.

Investment income

37 Investment income is generally defined as income arising from the use of capital; typically interests arising from loans and dividends.

The taxation of "interests"

38 Interests on bonds are taxable at the flat rate of 12.5% or 27%, depending on the source.

The taxation of "dividends"

39 The taxation of dividend distributions mainly depends on following categories of participation:

- "Qualified shareholding" if:
 - It exceeds 2% of the voting rights or 5% of the capital or of the equity in case of securities traded in an Italian or foreign public regulated market;
 - It exceeds 20% of the voting rights or 25% of the capital or of the equity in case of securities not traded in an Italian or foreign public regulated market.
- "No Qualified shareholding" if:
 - It does not exceed 2% of the voting rights or 5% of the capital or of the equity in case of security traded in an Italian or foreign public regulated market;
 - It does not exceed 20% of the voting rights or 25% of the capital or of the equity in case of securities not traded in an Italian or foreign regulated public market.

Dividends distributions deriving from "qualified shareholding" (starting from January 1, 2009) are subject at the progressive tax rates on 49.72% of realized gain (before this date the percentage was of 40% of realized gain).

Dividends distributions deriving from "non qualified shareholding", such as dividends granted by Italian companies, are subject to final withholding tax at 12.5% to be applied at source.

The taxation of "foreign dividends"

40 Foreign dividends received by Italian tax resident individuals are taxable in the same way as dividends distributed by the Italian companies (i.e. flat tax rate of 12.5% if deriving from non-qualified shareholdings and progressive tax rate on 49.72% of dividends distributed by qualified shareholdings). Specific provisions apply to dividends distributed by foreign entities located in a tax haven.

In case of the foreign dividends that are subject to tax at source in the country of origin, the foreign tax credit is allowed as a deduction from dividends deriving from non-qualified shareholding or as tax credit to be offset from the liability due in case of dividends deriving from qualified shareholdings.

Dividends distributed by a foreign entity and paid through an Italian resident broker are subject to final withholding tax at 12.5% flat rate. In case no Italian broker is used, such dividends (net of foreign taxes withheld) shall be included in the individual's tax return and taxed at 12.5% flat rate. In case of qualified foreign shareholdings, the 12.5% rate applied by the Italian resident broker on 49.72 % of dividends distributed is considered as a tax advance, while the tax settlement, to be determined using the progressive tax rates will be due in the individual's tax return.

41 Investment income is not subject to IRAP.

Income from real estates

Real estate in Italy (IRPEF)

42 Taxable income deriving from the ownership of real estate properties, not leased to third parties and not pertaining to a business activity, is calculated on the basis of their cadastral income, corresponding to the "ordinary"/"average" income deemed to be derived from such properties, determined by the Cadastral Office in consideration of their characteristics. The cadastral income is adjusted in relation to the owning period during the relevant tax period (which for individuals corresponds to the calendar year).

Please note that the "cadastral value" has to rivalutated of the 5%.

Principal abode

43 An exception to this rule is provided for the residential building representing the owner's main residence (i.e., used as usual residence by the owner or by his relatives), which is not subject to income tax (i.e. benefits of a deduction equal to the taxable base).

Real estate at disposal

44 For residential buildings owned in addition to that representing the owner's main residence and not leased to third parties, the real estate income (i.e., the cadastral income) is increased by 1/3 (one-third).

Real estate rented

45 In case of buildings leased to third parties, the taxable income generally corresponds to the highest amount between: (a) the cadastral income and (b) 85% of the rentals referring to the relevant tax period (even if not actually collected, with some exceptions). In fact, for leased buildings the law admits a 15% flat reduction of rentals (higher flat reduction is provided in some specific cases), in consideration of eventual managing and maintenance expenses incurred by the owner. As a result, related expenses actually incurred are not relevant for tax purposes.

Non resident individual

46 Non-resident individuals are subject to tax in Italy (IRPEF, at same rates provided for Italian individuals) in respect of income deemed to be sourced in the Italian territory. As far as real estate is concerned, this circumstance refers to income derived from real estate properties located in Italy.

The same tax rules provided for resident individuals also apply to non-resident individuals, with the exception of the tax relief related to the residential building representing the owner's main residence.

Foreign real estate

47 For resident individuals, the taxation of a building located in a foreign country is different from the taxation of a building located in Italy.

In particular, only if the building located abroad is subject to the foreign income taxes in the foreign country this income will be taxable also in Italy. The Italian taxable base will be the same taxable base that is included in the foreign country.

This income is then included in the ordinary taxable base and taxed at progressive tax rates.

Therefore, gross income from properties abroad must be declared in Italy, unless it is provided otherwise in a tax treaty.

The taxpayer is entitled to deduct from the Italian income tax the taxes paid abroad. Said deduction is limited to the proportion of the Italian tax corresponding to the ratio between all the taxable income produced abroad and total income. The foreign tax credit cannot, in any case, exceed the net Italian tax due on the foreign source income.

"Municipal taxes" on real estate ("ICI")

48 "Municipal taxes" on real estate are levied on a "modified cadastral (imputed) income". Any individual that owns or has the right of usage of a real estate on the Italian territory is subject to said tax, except for the abital abode. Tax rates range from 0.4% up to 0.7%. This tax is payable in June (advance payment equal to 50% of the amount due) and December (balance payment equal to the remaining 50%).

Business income

49 Business income arises from the performance of commercial activities.

50 Business income is calculated on an accruals basis as the difference between proceeds and expenses relating to the commercial activity.

51 Nonresident individuals are required to declare only Italian source business income. Foreign entities' income deriving from a business carried on through a permanent establishment in Italy is assumed to be Italian source.

52 Business income is subject to IRAP (see paragraph 13).

Other income

Capital gains

53 For individuals, capital gains are normally taxable, even if not arising from speculative intent or by way of a business.

Capital gains on securities are taxed as the following:

- If the shares sold or transferred do not exceed 2% of voting rights or 5% of capital in the case of listed shares or 20% of voting rights or 25% of capital in case of other participation (non-qualified shareholding) capital gain is taxed at the flat rate of 12.50%;
- If the shares sold or transferred exceed the above limits (qualified shareholding), marginal progressive tax rate applies, starting from January 1st, 2009, on 49.72% of realized gain (before this date the percentage was of 40% of realized gain).

Capital gains tax on the sale of a real estate is levied at 20% (instead of 12.5% as applicable until October 2006). This “separate taxation” to be withheld at source at the moment of sale is alternative to the “progressive taxation” to be determined through the taxpayer’s tax return and can be elected by the taxpayer at the moment of sale.

There are some exemptions, however, and such are applicable on capital gains deriving from the following sales:

- The sale of a real estate if owned for more than five years.
- The sale of a real estate, even if owned for less than five years, if it has been used as primary residence for most of the period of ownership.

Inheritance tax and tax on gifts

54 Tax on inheritance and donations has been reintroduced in October 2006 after a five year period during which this tax was abolished. The percentage and exemption limits applicable on transfer of money or assets depend on the beneficiary’s relation with the deceased person or donor.

In summary, in case of transfers made in favour of:

- The spouse or relatives in a direct line, the inheritance or donations tax will be imposed at 4% on the value of the assets exceeding the tax-free threshold of € 1,000,000 (each heir);
- The sister and brother the inheritance or donations tax will be imposed at 6% on the value of the transfer exceeding € 100,000 (each heir);
- The other family members up to 4th grade the inheritance or donations tax will be imposed at 6% tax rate on the entire value of the transfer;
- The other beneficiaries not previously mentioned will be subject to 8% tax rate to be applied on the entire value of the transfer.

Specific provisions apply to handicapped persons.

Double taxation treaties

55 Italy has signed double taxation treaties with various countries, as shown in Appendix C.

Social security contributions-employee/employer

56 The taxable income for “Social security” purposes is calculated in the same way as the taxable income for tax purposes, even if the Social Security law provides few specifics exceptions.

57 The Italian and foreign employer, in order to pay social security contributions for employees, must register with the Italian Social Security Administration (INPS).

58 The total social security rate is around 40% of the employee's gross compensation (the rate depends on the work-activity performed by the company, the number of employees of the company, the employee's position), shared as follows:

- Around 30% employer's charge;
- Around 10% employee's charge.

59 In general, only 33% of the total rate is related to the National Pension Fund, the remaining part is related to the following Social Security Funds:

- Unemployment fund;
- Sickness fund (not applicable for executives) ;
- Maternity fund;
- Temporary unemployment compensation fund (ordinary and extraordinary), (not applicable to executives);
- Social mobility fund (not applicable to executives);
- Other minor funds.

60 The Social security contribution, for employees who registered with INPS for the first time after January 1st, 1996, are due up to the maximum amount of € 91,507.00 for the 2009 year (for 2008 year It was 88,669).

61 In addition, please note that an executive manager has to register to the specific Funds in Italy, according to the performance of the company (Industrial/Commercial).

Social security contributions self-employed

62 Self employee individuals (collaborators, directors, etc.) have to be registered with INPS in the "Separate Social Security regime" ("Gestione Separata Inps"), instituted with Law n. 335/95.

Separate social security regimes provides for two different rates: the major rate, for individuals not enrolled to other mandatory contribution regimes (for 2009, equal to 25.72%) and the minor rate, for individuals enrolled to other mandatory contribution regimes (for 2009, equal to 17%); both percentages are applied up to the limit established by the law for the year 2009 equal to € 91,507.00 (for the year 2008 was € 88,669).

The percentage due are:

- Two-thirds is on charge of the company;
- While one-third is on charge of the collaborators.

The payment of the contribution is effected wholly by the company.

63 Also, self-employed individual VAT number holders, not covered by a mandatory private pension fund, have to register in an above Separate compulsory pension system and the percentage is wholly on charge of individuals and the payment of the contributions follows the same deadline applied for taxes.

Individuals, in this case, can charge to the company an amount equal to 4% of the compensations.

Social security agreements

64 Italy has signed social security agreements with various countries (UE and Extra UE), which are listed in Appendix "D".

According to the International Social Security Treaties, Social security contributions are due in the country where the working activity is performed ("principle of the territoriality").

65 It is, however, true that the derogatory dispositions included in International Social Security treaties are made safe (we remind e.g. the EEC Regulation n. 1408/71).

In general, actually the International Social Security Treaties provides an exception to the "territoriality principle" in case of assignment of an employee. It is established that the employee may remain covered by the social security system of the home country (residence country) on the basis of the so called social security coverage certificate issued by the authority of the home country.

66 The home country coverage may be kept for one year and can be extended for additional years, for a maximum of five years.

The treaty between Italy and the US does not provide for any maximum period of secondment.

67 Where it is not possible to adopt the "secondment procedure", social security contributions must be paid in Italy.

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Step 3: What to do before you arrive in Italy

Entry formalities

EU citizens

68 EU citizens do not require any visa to enter and to work in Italy.

A valid identity document issued by their Country of origin (valid for expatriation) is sufficient to allow for a regular entry in Italy.

Non EU citizens

Work Visa allows the non-EU citizen to work in Italy and can be obtained in following ways:

- Through the “Quotas” allowing for employment of non-EU citizens and issued annually by the Italian Labor authorities (work permit applications are made pursuant to Section 3 of the Legislative Decree no. 286 of 25 July 1998).

In this case, the Italian company has to file an application via the internet for the request of “Quota” through the completion of a specific form which shall contain the information of the employer, non-EU citizen and the employment proposal.

Once the Quota has been attributed (i.e. the work permit has been issued), the non-EU citizen will be able to apply for the Work Visa at the competent Italian Consulate in the country of his/her citizenship or residency.

- Through the “extra-Quotas” reserved for specific cases listed in the Section 27 of the above mentioned Legislative Decree) and it follows some of these:
 - Executives or highly specialized personnel employed by companies with headquarters of branch offices in Italy, or by the representation offices of foreign companies whose main site of activity falls in the territory of one of the member nations of the World Trade Organization, or executives of a major Italian office of an Italian company or a company from another member state of the European Union;
 - Workers who are employed by organizations or enterprises operating on the Italian territory, and who have temporarily been admitted, at the request of the employer, to perform specific functions or tasks for limited or set periods of time, with the obligation of leaving Italy when these tasks or functions have been completed;
 - Salaried employees who are regularly paid by employers, either individuals or organizations, which reside or are headquartered abroad, and from whom they received their retribution directly, in cases where the employee is temporarily transferred from foreign countries to work with individuals or organizations, be they Italian or foreign, residing in Italy, for the purpose of performing in Italian territory specific services stipulated under a contract draw up between the aforementioned individuals or organizations residing or headquartered in Italy and other individuals and organizations residing abroad, in accordance with the provisions of Section 1655 of the Italian Civil Code and with Law no. 1369 of 23 October 1960, as well as International norms and those of the European Community.

In Extra-Quota cases, the Italian sponsor via the internet applies for the Work Permit ("Nulla Osta") with the Italian Immigration office (Sportello Unico / Prefettura) of the Province in which the Italian company has its legal office or where the non-EU citizen will work.

Once the Work Permit has been issued, the non-EU citizen will be able to apply for the Work Visa at the competent Italian consulate in the country of his/her citizenship or residency.

Employment compensation

69 The individual can work in Italy as:

- Hired by the Italian company, or
- Seconded to an Italian company.

In this second case, before the assignee comes to Italy, the foreign employer has to issue an assignment letter to the employee including the new economic treatments (foreign allowance, relocations allowance, coca, foreign bonuses) related to the assignment.

The employment terms should be reviewed to take advantage of any tax saving opportunities in Italy.

Opening a bank account

70 To open a bank account in Italy, you should submit to the bank the following documents:

- Passport;
- Stay permit; and
- Fiscal code number.

Foreign investments and transfer of funds to Italy

71 There are no restrictions regarding the transfer of funds into Italy.

In case the amount of foreign investments exceeds EUR 10,000 as of December 31 of the tax year concerned, the related value must be reported on the related year's tax return. In fact, foreign investments, transfers from and to Italy and from abroad to abroad should be indicated by resident individuals on the tax return if the total amount of the investments/transfers exceeds € 10,000 during the tax year concerned.

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Step 4: What to do when you arrive in Italy

Application for initial "Work permit to stay" in Italy (permesso di soggiorno per lavoro subordinato)

UE citizens

72 Up to three months they are allowed to stay in Italy without any formalities. After three months they are obliged to register with Municipal Registry of Residency (so called "Anagrafe").

Non EU citizens

In "Quota" case

73 Upon the receipt of the Work Visa, the non-EU citizen is allowed to enter in Italy for reasons of work. Within 8 days from his arrival in Italy, he/she is required to sign a "Sojourn contract" (i.e. "Contratto di soggiorno") with the Italian employer which makes his entry and employment official.

As a final step, the non-EU citizen must apply for the Stay permit for work reasons.

In "Extra Quota" case

74 Upon the receipt of the Work Visa, the non-EU citizen is allowed to enter in Italy for reasons of work. Within 8 days from his arrival in Italy, he/she is required to sign a "Sojourn contract" (i.e. Contratto di soggiorno) with the Italian employer which makes his entry official.

As a final step, the non-EU citizen must apply for the Stay permit for work reasons.

Tax ID number and others

75 The foreign individual arriving in Italy has to:

- Apply for the Italian Fiscal Code (called "codice fiscale/tessera sanitaria") in order to have an Italian fiscal position. The Italian fiscal code is issued by the Italian Tax authority (www.agenziaentrate.it).

For the request, he has to produce one's identity papers, a passport, or residence permit. In particular, for the non-UE citizens, the Immigration Authorities will issue the tax code during the immigration process.

- Register himself to the office of records of the resident population (called "Anagrafe della Popolazione Residente").

Registration with Italian social security administration

76 Under the "secondment rule" of the applicable Social security agreement, an individual can remain covered by his home country social security system while working in Italy (within certain time limits).

Consequently he will not have to register with the National Social Security Institution (INPS) provided that he has obtained Form E101 (or the similar Certificate of Coverage).

If the social security agreement covers medical assistance as well before coming to Italy, the individual has to request the appropriate form to the home country Medical institutions.

77 In case there is no Social security agreement or the agreement does not provide for the secondment rule (e.g. Australia) the foreign employer must register for social security purposes and must pay social security in Italy.

78 The individual must register with National Health Services through local Agency (ASL).

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Step 5: What to do at the end of the year

Income tax return

In order to declare income, the taxpayer can file Mod. Unico or Mod. 730 on the base of specific tax rules.

Mod. 730

79 In Italy, the Mod. 730 is a simplified income tax return. It can be filed only for specific incomes and the taxpayer has to meet the following conditions:

- He is an Italian tax resident in the year of the filing of the Mod. 730 and in the previous one;
- He has a withholding agent in Italy in the period of the filing of Italian income tax return;
- He has no VAT number.

The main advantage of this tax return is that the taxpayer is not obliged to effect any calculation; the balance resulting from the tax return is directly withheld or refunded to the employee and is affected in a pay slip of the month of July; and married couples can file the "Modello 730" jointly.

Mod. Unico

80 In case Mod. 730 is not applicable to your case, the taxpayer has to file the Italian tax return called "Modello Unico". This tax return is due by the taxpayer on September 30 via electronic filing.

Married couples have to file the "Modello Unico" separately for the payments. The tax year for individuals is the calendar year.

Withholding tax and Mod. Cud issued by the employer

81 In case the foreign individual has an employment relationship with an Italian company, the Italian employer, as withholding agent, is obliged to affect a monthly withholding tax on the basis of the ordinary tax rates applicable to the annual employment income (See par. 1.2.1. "Tax rates"). In order to calculate the above, the employer issues to the employee a monthly pay slip.

In addition, the employer is also obliged to issue every year (in March) an annual employment certification (called Model CUD) certifying amounts of incomes paid to the employee and of the withholding taxes affected on the above incomes.

In case the foreign individual has no employment relationship with an Italian company, he is obliged to declare the income through the self assessment method (i.e. tax return).

Documents to be attached to the return

82 To deduct the items mentioned in paragraph 14 and 15, you do not have to submit supporting documents. However, all documentation must be kept for at least five years as evidence. You should, therefore, always request a receipt or invoice for the payment of charges that you intend to deduct from income for tax purposes.

83 In the case of claiming of a foreign tax credit, you do not have to attach any receipts to the tax return.

Payment of taxes

84 The taxpayer who files Unico Model has to pay the Italian income tax according to the following procedure:

- Two estimated payments (June 16th and November 30th of the currency year);
- And one final balance (June 16th of the following year).

The amounts due are the following:

- First estimated payment = (99% of the income tax of the previous year) x 40%
- Second estimated payment = (99% of the income tax of the previous year) x 60%
- Balance = Actual income tax - Estimated payments

Assessment

85 The tax authorities have the power, during the period up to 31 December of the fourth year following the year in which the tax return has been filed, to audit the taxpayer's return. The taxpayer has the option to appeal within sixty days from the notification date of the notice of assessment.

In case of an omitted tax return, the tax authorities have the power, during the period up to 31 December of the fifth year following the year when the tax return should have been filed.

86 If the taxpayer has appealed, then a judgment will be issued by the tax commissioners. It is possible to appeal against this judgment again by means of a petition filed within sixty days from the date of the notification of the tax commissioners' notice of judgment. The case is reviewed by the tax commissioners. It is possible to appeal against this second judgment only on a point of law.

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Step 6: What to do when you leave Italy

Cancellation from the Registry of Resident population

87 The assignee is required to cancel their residence registration with the local municipality (Comune) before leaving the country and give back the stay permit at the border police.

Transfer of funds abroad

88 There are no particular restrictions on transferring any funds abroad. In case the amount of foreign investments exceeds EUR 10,000 as of December 31 of the tax year concerned, the related value must be reported on the related year's tax return (refer also to paragraph 71).

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Step 7: Other matters requiring consideration

The employment agreement

89 The Italian Labour Law is very detailed and strictly compulsory. It provides a hierarchy of the sources:

- At the top there is the Italian Constitution which establishes the most important principles to be respected (e.g. the right to strike, the freedom of Union activities, the criteria of remuneration, etc.);
- The European Union rules (e.g. the principle of freedom of employees' settlement in European Area, etc.);
- The Italian national law:
 - The Civil Code;
 - Law no. 300/70, e.g. "Employee's Statute" ("Statuto dei Lavoratori");
 - Law no. 604/66 and the law no. 108/90 on the individual dismissal ("Licenziamento Individuale");
 - Law no. 146/90 and the Law no. 83/2000 on the regulation of the strike in the public services;
 - The new Legislative Decree n. 81/08 concerning health and safety at measures work.
- The collective bargaining (a) "interconfederal level", b) National Collective Labour Agreements (NCLA, going forward) according to the sector of the company (as the field of the firm's activity, e.g. metalworking, chemistry, public administration), c) territorial level, if any, d) company level, if any.

The above dispositions mainly rule the normative and economic aspects of the individual employment relationships. The collective agreement in Italy is considered a private agreement and follows the rules established by the Italian Civil Code on the matter.

Types of contracts

90 The standard agreement applicable to employees is the open-term contract ("contratto a tempo indeterminato"). It constitutes the usual type of agreement.

91 In order to grant a certain degree of "flexibility", the Italian Labour Law system provides different kind of topics like: fixed term employment contract; part-time contract, coordinate and continuative collaboration with a project or not (now residual), staff leasing, job on call, job sharing, self employment contract (for consultant), agency collaboration contract, introduction agreement contract, internship contract, apprenticeship contract.

92 *Dirigenti* (executives) has a specific regulation. They may be hired on a fixed term contract.

Hiring

93 The placement of the employee can take place:

- Directly by the employer,

- Through "Government placement office" ("Collocamento pubblico"), or
- Through "Private agencies" only if authorized by the Labour authority ("Agenzie di somministrazione").

Laws provide for mandatory hiring of certain categories of workers (disabled, invalid) based on certain percentages of the total number of a firm's employees.

Remuneration

94 According to Section 36 of the Italian Constitution, any employee is entitled to a retribution proportioned to the quantity and quality of his/her job. In addition, the wage has to be sufficient to guarantee him/her and his/her family a "free and dignified life".

95 The basic economic treatment is usually established in the individual agreement with reference to the applicable NCLA, which establishes the minimum wage. In the lack of its application, it is established by the judges; according to the usual practice (basically the labour judges make still reference to the NCLA applicable to the same job area).

Nevertheless, the individual agreement can provide with further bonus, over minimum wages -absorbable or not -, benefits, etc.

96 These amounts are included in the whole wage in order to calculate some indemnities such as the severance indemnity ("TFR"), the notice, etc.

Working hours

97 According to the Law no. 66/03, there are limits related to the work time. In particular, the standard work time for an employee is fixed at 40 hours weekly.

98 Most collective labor agreements, however, provide that the employee has to effect the "work overtime", upon request of the employer, to the maximum extent established by these agreements. Moreover it is forbidden to work over on an average of 48 hours per week, with reference to a period of minimum 4 months, which can be extended by the NCLA. Generally, if overtime is required, the employer must pay an additional amount of remuneration to the employee. Furthermore when a certain amount of working hours per week is exceeded (48 hours per week) the employers who hire more than ten employees have to communicate this to the Provincial Labor Office. In any case it is forbidden to work an "overtime" longer than 250 hours per year.

Holidays

99 According to the Law no. 66/03, the employees have to enjoy at least 4 weeks holidays every year. In particular, they have to enjoy at least 2 holiday weeks during the working year, where they have been accrued and the other 2 have to be enjoyed by the following 18 months.

Earnings integration fund ("**Cassa Integrazione Guadagni**")

100 The "Earnings Integration Fund" is designed to guarantee industrial workers who work on reduced hours or are "suspended", normally owing to a crisis in the business, the payment of their remuneration up to a limit of 80% of the unworked hours (to a maximum of 40 hours per week).

During the period of "Cassa integrazione" the employees' salaries are paid by the employer and reimbursed by the State.

101 The employer, in order to benefit of the "Cassa integrazione", after consulting the union, must file an application with INPS.

Termination of employment relationship

102 The employment contract can be terminated by either parts in accordance with the law and contractual arrangements.

Prior notice

103 Prior notice must be given to the other part. The part breaking the employment contract without prior notice has to pay to the other part an allowance for want of notice.

The notice varies from a minimum of 20 days for blue-collar workers to a maximum of 12 months for managers ("*dirigenti*").

Dismissal run by the employer

104 Employment law imposes strict limitations on the employer's right to terminate an employment contract; the layoff dismissals must be for "motive" ("*giustificato motivo*") and "cause" ("*giusta causa*"), which is normally strictly interpreted.

In the last case the notice is not required.

If the layoff is not justified, the employer breaking the employment contract is required to pay a substitutive indemnity, or the judge can order the employer to hire the dismissed employee again.

Severance indemnity

105 Upon termination of the employment relationship, an employee is entitled to receive a legal severance indemnity ("*Trattamento di fine rapporto*" called "TFR") by the employer computed on the base of the years of services and remuneration earned.

In certain cases the employee is entitled to obtain advances of said indemnity.

The TFR can be estimated in 7.4% of the employee's annual gross compensation, and it is accrued on an annual basis.

Complementary pension fund

106 Starting from 2007, companies with more than 50 employees shall transfer the "TFR" accruals either to an integrative pension fund selected by the employees, or to a special fund held by the National Pension Scheme (INPS).

The integrative pension fund will allow the employees to benefit of an additional pension benefit upon the retirement; the eligibility to participate to a determined integrative pension fund as well as the amount of the pension benefit is determined according to the rules of the pension fund.

The TFR transferred to the special fund held by INPS is payable to the employees upon termination of the employment relationship for any reason; the payment is effected by the employer, who then recovers the amount paid from INPS.

Pensions

"Old age pension"

107 According to the contribution starting date, the Old age pension is calculated with the following methods: "Retributive" (Defined Benefit Scheme) and "Contributive" (Defined Contribution scheme).

- "Retributive" old age pension; if all the following conditions are met:
 - Has reached retirement age (65 years for men and 60 years for women);
 - The individual has paid 20 years of social security contribution;
 - The work activity is ended.
- "Contributive" old age pension. The contributive old age pension is applicable to the individuals:
 - Who have paid the first social security contribution since January 1, 1996;
 - Who have paid the first social security contribution before January 1, 1996 and have chosen this method.

In this case, the following conditions should be alternatively met:

- 65 years for men and 60 years for women and at least 5 years of seniority contribution or,
- At least 35 years of seniority contribution and the age established for seniority pension (58 years generally);
- At least 40 years of seniority contribution independently of the age.

"Seniority pension"

108 The "Seniority pension" has been recently modified by the law number 243 on December 24th, 2007. The modification is available to the workers, employee or self-employee, who will have the right to the pension from the 2008 year.

This right arises when the following conditions are met:

- 58 years of age and at least 35 years of seniority contribution for employees (these limits will increase in the next years); or
- At least 40 years of seniority contribution independently of the age.

Assuming that your potential employee started to pay the social security contribution on April 1996, he should be under the "Contributive" scheme.

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Appendix A: Income tax rates

Italian income tax rates 2009

The 2009 Italian income tax rates are the following:

Taxable income over (Euros)	Not over (Euros)	Percentage rates
0	15,000	23%
15,001	28,000	27%
28,001	55,000	38%
55,001	75,000	41%
75,001	and Above	43%

The tax rates above do not include regional tax (ranging from 0.9% to 1.4%) or municipal tax (up to 0.8%).

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Appendix B: 2009 Income tax calculation

2009 Individual income tax calculation

Assumptions referred to the below example (table expressed in Euros):

- Gross employment income € 70,000 (Employee and not Manager);
- Other taxable income € 8,000;
- Tax credit € 3,000 (i.e. mortgage interest on real estate loans; please refer to paragraph 17 – Other tax credit);
- Unmarried individual;
- The percentage of Social security contributions (10%), Additional Regional tax (0.9%) and Additional Municipal tax (0.2%) are stimulated.

Tax computation	€	€
Gross employment income	70,000	
Less: Italian social security contributions (10%)	(7,000)	
Taxable employment income	<u>63,000</u>	
Plus: Other taxable income	<u>8,000</u>	
Total taxable income		<u>71,000</u>
National Gross Income tax (on €71,000)	23,780	
Less: Tax credit (3,000 * 19%)	(570)	
National Net income tax		<u>23,210</u>
Additional Regional tax (0.9%)		<u>639</u>
Additional Municipal tax (0.2%)		<u>142</u>
Tax due		<u><u>23,991</u></u>

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Appendix C: Double-taxation agreements

Countries with which Italy currently has double-taxation agreements:

Albania	Indonesia	Senegal
Algeria	Ireland	Singapore
Argentina	Island	Siria
Armenia	Israel	Slovakia
Australia	Ivory Coast	South Africa
Austria	Japan	South Korea
Bangladesh	Kazakhstan	Spain
Belgium	Kenia	Sri Lanka
Brazil	Kuwait	Sweden
Bulgaria	Lettonia	Switzerland
Canada	Lithuania	Tanzania
China	Luxembourg	Thailand
Congo	Macedonia	The Netherlands
Cyprus	Malaysia	Trinidad and Tobago
Czech Republic	Malta	Tunisia
Denmark	Mauritius	Turkey
Ecuador	Mexico	Uganda
Egypt	Morocco	Ukraine
Estonia	Mozambique	United Arab Emirates
Ethiopia	New Zealand	Unghary
Finland	Norway	Union of Socialist Republics
France	Oman	United States of America
Georgia	Pakistan	United Kingdom
Germany	Philippines	Uzbekistan
Ghana	Poland	Venezuela
Greece	Portugal	Vietnam
Hungary	Romania	Yugoslavia Ex
India	Russia	Zambia

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Appendix D: Social security agreements

Conventions

Argentina	January 18, 1983	Messico	April 4, 1977
Australia	June 7, 1988	Monaco	March 5, 1985
Brazil	March 2, 1963	Republic of San Marino	December 21, 1991
Canada	December 21, 1978	Tunisia	October 7, 1986
Cape Verde	January 25, 1983	United States of America	February 24, 1975
Croatia	May 27, 1999	Uruguay	October 15, 1981
Israel	August 21, 1983	Vatican City	June 6, 1956
Jersey - Channel Islands	March 12, 1953	Venezuela	August 6, 1991
Korea	March 3, 2000	Yugoslavia Ex	November 11, 1961

EU Regulations on Social Security Issues are applicable with the following EU countries:

Austria	Germany	Malta
Belgium	Great Britain	Poland
Bulgaria	Greece	Portugal
Cyprus	Hungary	Romania
Czech Republic	Ireland	Slovakia
Denmark	Lettonia	Slovenia
Estonia	Lithuania	Spain
Finland	Luxembourg	Sweden
France		

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Appendix E: Age limits and social security requirements for old age pension

Age required

Validity of the pension	Men	Women
From 1.1.2000 onwards	65 years old	60 years old

Seniority required for seniority pensions (independent from age)

Year of retirement	Years of SSC required
2004/2005	38
2006/2007	39
Starting from 2008	40

Pension and other incomes commutability

Starting from January 1st, 2009 in force to the law n.133/2008, the limits to accumulation between pension and incomes deriving from self employment or employment are fully abolished.

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Appendix F: Italy contacts and offices

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