



Italy: Fiscal Decree 2019 - Tax Amnesties

Tax Alert

31 October 2018



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This Tax Alert summarizes the most important amnesties introduced by Law Decree no. 119 of 23 October 2018 (the 'Decree'), which was published in the Official Gazette on the same date and came into force on 24 October 2018. The Italian Parliament will have to convert the Decree into law (with possible amendments) by 22 December 2018. The tax authority will then issue an implementing regulation, explaining the exact procedures.

The most important amnesties

| Amnesty | Relief | Procedure and deadlines |
|---|---|--|
| Settlement of a tax audit report before the notice of assessment is served (article 1) | <ul style="list-style-type: none">Full payment of the taxes demanded in the tax audit report, without any penalties or interest | <ul style="list-style-type: none">Submission of a supplementary tax return and payment of taxes (at least the first installment) by 31 May 2019 |
| Settlement of a notice of assessment or other tax demand before appealing to the tax court (article 2) | <ul style="list-style-type: none">Full payment of the taxes indicated in the notice of assessment or other tax demand, without any penalties or interest | <ul style="list-style-type: none">Tax payment (at least the first installment) by 23 November 2018 or, under certain conditions, 22 December 2018 |
| Settlement of liabilities dating from FY 2000 to FY 2017 and already assigned to the tax collector (articles 3 and 5) | <ul style="list-style-type: none">Payment in full of the liabilities assigned to the tax collector, without any penalties or interest (with the exception of EU taxes and import VAT, for both of which interest is due) | <ul style="list-style-type: none">Special application to be submitted to the tax collector by 30 April 2019Abandonment by the taxpayer of any pending litigationTax payment (at least the first installment) by 31 July 2019 |

| Amnesty | Relief | Procedure and deadlines |
|---|--|--|
| Cancellation of debts of under EUR 1,000 assigned to the tax collection agent from FY 2000 to FY 2010 (article 4) | <ul style="list-style-type: none"> • Cancellation of taxes, penalties and interest totaling less than EUR 1,000 | <ul style="list-style-type: none"> • Automatic |
| Settlement of pending tax disputes with the Italian tax authorities (article 6) | <ul style="list-style-type: none"> • <i>If the litigation is about taxes and related penalties</i> - no penalties or interest, i.e. payment of 100% of the taxes only • <i>If the tax court of first instance has already ruled in favor of the taxpayer</i> - no penalties or interest, and payment of only 50% of the taxes • <i>If the court of appeal has already ruled in favor of the taxpayer</i> - no penalties or interest, and payment of only 20% of the taxes • <i>If the litigation is about penalties only and the tax court of first instance or the court of appeal has already ruled in favor of the taxpayer</i> - payment of only 15% of the penalties • <i>If the litigation is about penalties only but the taxpayer has not obtained a favorable decision from any court</i> - payment of only 40% of the penalties | <ul style="list-style-type: none"> • Special application to be submitted by 30 May 2019, together with the tax payment (at least the first installment) • Special procedures apply to pending litigation |
| Other amnesties | <p>The Decree also introduces:</p> <ul style="list-style-type: none"> • amnesties for sports clubs or associations • an excise duty amnesty • in the case of taxable adjustments of under EUR100,000 per year, a special self-disclosure mechanism to regularize tax returns filed up to FY2016, without paying any penalties. | |

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