



# Italy: Fiscal Decree 2019 - Tax Amnesties

## Tax Alert 31 October 2018



### Offices

#### Milan

Via Vittor Pisani 31, 20124  
T: +39 02 676441 - F: +39 02 67644758

#### Ancona

Via I° Maggio 150/a, 60131  
T: +39 071 2916378 - F: +39 071 2916221

#### Bologna

Via Innocenzo Malvasia 6, 40131  
T: +39 051 4392711 - F: +39 051 4392799

#### Florence

Viale Niccolò Machiavelli 29, 50125  
T: +39 055 261961 - F: +39 055 2619666

#### Genoa

P.zza della Vittoria 15/12, 16121  
T: +39 010 5702225 - F: +39 010 584670

#### Naples

Via F. Caracciolo 17, 80122  
T: +39 081 662617 - F: +39 081 2488373

#### Padua

Piazza Salvemini 2, 35131  
T: +39 049 8239611 - F: +39 049 8239666

#### Perugia

Via Campo di Marte 19, 06124  
T: +39 075 5734518 - F: +39 075 57237

#### Pescara

P.zza Duca D'Aosta 31, 65121  
T: +39 085 4210479 - F: +39 085 4429900

#### Rome

Via Adelaide Ristori 38, 00197  
T: +39 06 809631 - F: +39 06 8077459

#### Turin

C.so Vittorio Emanuele II 48, 10123  
T: +39 011 883166 - F: +39 011 8395865

#### Verona

Via Leone Pancaldo 68, 37138  
T: +39 045 8114111 - F: +39 045 8114390

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

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"> <li>• Cancellation of taxes, penalties and interest totaling less than EUR 1,000</li> </ul>	<ul style="list-style-type: none"> <li>• Automatic</li> </ul>
Settlement of pending tax disputes with the Italian tax authorities (article 6)	<ul style="list-style-type: none"> <li>• <i>If the litigation is about taxes and related penalties</i> - no penalties or interest, i.e. payment of 100% of the taxes only</li> <li>• <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</li> <li>• <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</li> <li>• <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</li> <li>• <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</li> </ul>	<ul style="list-style-type: none"> <li>• Special application to be submitted by 30 May 2019, together with the tax payment (at least the first installment)</li> <li>• Special procedures apply to pending litigation</li> </ul>
Other amnesties	<p>The Decree also introduces:</p> <ul style="list-style-type: none"> <li>• amnesties for sports clubs or associations</li> <li>• an excise duty amnesty</li> <li>• 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.</li> </ul>	

Document prepared and written by Giorgio Dal Corso

## Contacts

### KPMG, Tax & Legal

#### Gianluca Stancati

Partner in charge,  
Global Tax Dispute Resolution  
and Controversy Services  
T: +39 06 809631  
E: [gstancati@kpmg.it](mailto:gstancati@kpmg.it)

#### Fabio Avenale

Partner in charge,  
Tax Professional Practice  
T: +39 011 883166  
E: [favenale@kpmg.it](mailto:favenale@kpmg.it)

[kpmg.com/it](http://kpmg.com/it)

[kpmg.com/it/socialmedia](http://kpmg.com/it/socialmedia)

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