



Italy: Draft transfer pricing new regulations documents available for public consultation in Italy

In the framework of the enactment of BEPS Actions 8-10 in Italy, the Italian Ministry of Finance (MoF) has yesterday made available the draft of a set of rules prepared by a special tax authorities working group, covering:

1. guidelines and indications to use to apply the 'arm's length principle' to inter-company transactions following BEPS changes (as per art. 110.7 of DPR 917/1986);
2. procedures for Italian voluntary downward unilateral adjustments that can be claimed by Italian taxpayers following transfer pricing assessments become definite in a country, which Italy has a tax treaty allowing appropriate exchange of information with (as per art. 31quater 1.c of DPR 600/1973).

Along with the draft regulations above, the Ministry of Finance has also published a translation of the OECD transfer pricing guidelines into the Italian language.

As to the unilateral adjustment provisions, the draft of the regulation contains indication of procedures and timelines for Italian group entities to follow to ask to Italian tax authorities recognition of tax repayment rights further to final foreign transfer pricing assessments. The draft does not clarify which parameters and principles Italian tax authorities have to use in deciding whether accepting the request and approving the refund, which authorities are not bound to. In the event the request is rejected, the draft provides that the Italian person maintains the right to adhere to tax treaty or European Convention mutual agreement procedures to remove double taxation.

Documents are accessible at the [MoF website](#) and are available for public consultation until 21 March 2018. MoF welcomes observations.

Visit our website to consult all the Tax & Legal newsletters:
[Homepage Newsletters](#).

Please do not hesitate to contact us should you require any further clarification or assistance.

Kind regards,

Italian Tax Alert Team



Gianni De Robertis
Chief Economist
Studio Associato
Consulenza legale e tributaria
E: gianniderobertis@kpmg.it
T: +39 06 80963 563



& Eugenio Graziani
Partner
Studio Associato
Consulenza legale e tributaria
E: egraziani@kpmg.it
M: +39 045 8114 344

Key links

- [Homepage Newsletters](#)
- [Contacts](#)

kpmg.com/it/socialmedia



kpmg.com/app



[Privacy](#) | [Legal](#) | [Unsubscribe](#)

For further information please contact it-fmksmarketing@kpmg.it.

© 2018 Studio Associato - Consulenza legale e tributaria, an Italian professional partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.