

"VAT IN THE DIGITAL AGE" 6 DECEMBER 2019

BRUSSELS (BE)



E-INVOICING IN ITALY



MANDATORY E-ENVOICING

2014

MANDATORY STRUCTURED ELECTRONIC INVOICING FOR ALL SUPPLIES TO
THE PUBLIC ADMINISTRATION

This is an obligation, enacted for the purposes of administrative simplification and efficiency of the Public Administration, as well as for the monitoring and control of public expenditure, which has already come into force since the first half of 2014

2019

MANDATORY ELECTRONIC INVOICING FOR ALL SUPPLIES SUBJECT TO
VAT CARRIED OUT BETWEEN ECONOMIC OPERATORS (BUSINESS TO
BUSINESS, B2B) AND TO FINAL CONSUMERS (BUSINESS TO
CONSUMERS, B2C)

EXCLUSION

taxable persons not established in the Italian territory

taxable persons who benefit from the exemptions for small enterprises

Brussels, 6 December 2019

MANDATORY E-ENVOICING

GOALS OF THE MEASURE

combating tax fraud and evasion

simplifying tax obligations

improving the efficiency of collection,

**modernizing the Italian production sector with a consequent
reduction of the administrative costs for the enterprises**

Brussels, 6 December 2019

E-ENVOICING

PAPER INVOICE

Analogue Information

E-INVOICE

Digitization

STRUCTURED E-INVOICE

Digitalization

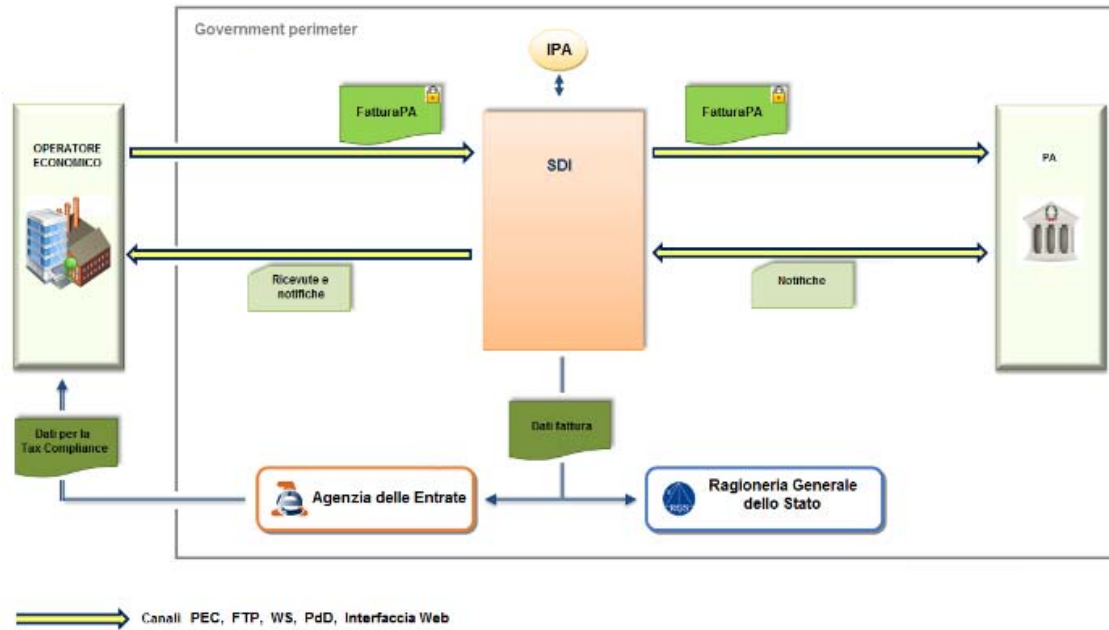
Brussels, 6 December 2019

PREVIOUS STEPS

<u>Years</u>	<u>Provisions</u>	<u>Goals</u>
Law No 244 of 24 December 2007 Article 1, paragraphs 209 to 214 and subsequent amendments	Obligation to e-invoice the public administration	Enterprise competitiveness, public administration efficiency, public expenditure control
Legislative Decree No 127 of 5 August 2015	Optional regime for the electronic transmission of invoice data, along with the possibility of fulfilling these obligations by using e-invoicing via <u>SdI</u> also for B2B transactions	Enterprise competitiveness, encouraging tax compliance, combating fraud and evasion
Decree Law No 193 of 23 October 2016 converted with modifications by Law No 225 of 1 December	Obligation to electronic transmission of invoice data, with the possibility of fulfilling these obligations by using e-invoicing via <u>SdI</u>	Encouraging tax compliance, combating fraud and evasion

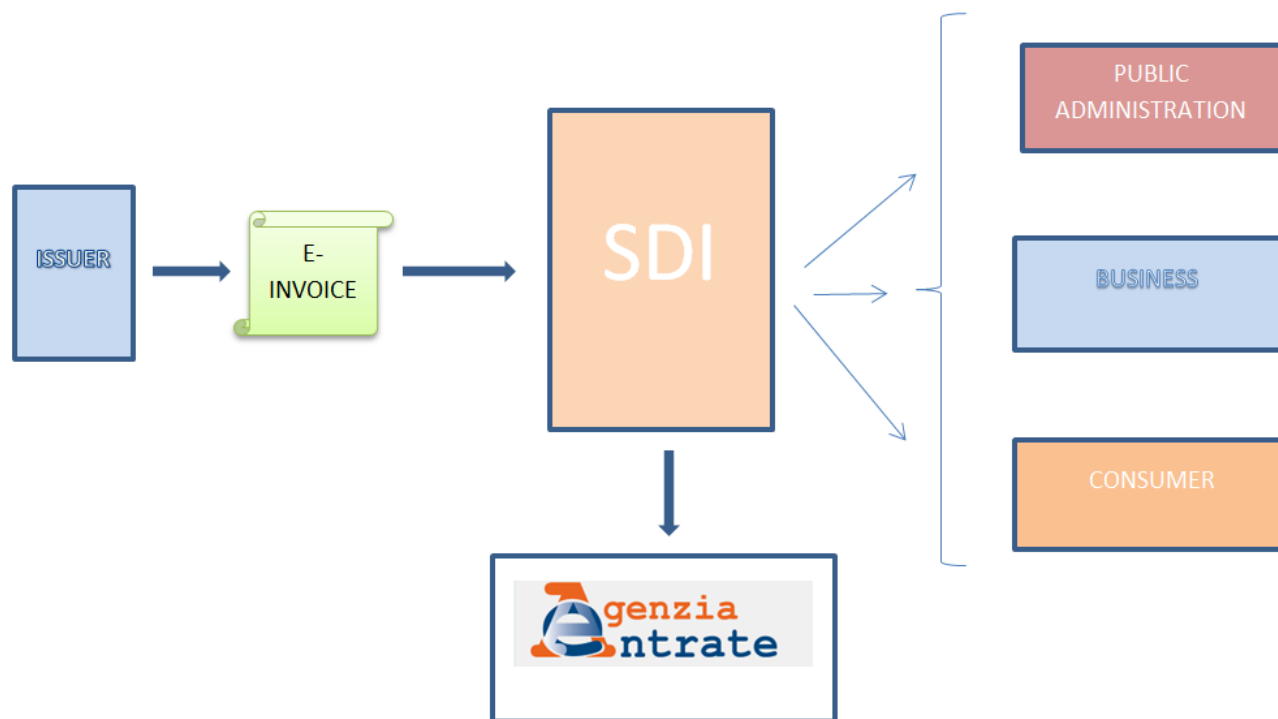
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E-INVOICING



BREEAK-DOWN OF VAT EVASION FROM REGISTERED SUBJECTS

- Evasion from *failure to invoice* (the so-called tax evasion “with consent”), that is the evasion arranged with the consent between purchasers and suppliers on the amount to be invoiced.
- Evasion from *failure to declare* (the so-called tax evasion “without consent”), that is unilateral evasion arranged only by the seller.
- Evasion from *failure to pay*.

RECOVERY OF POTENTIAL REVENUE FROM E-INVOICING OBLIGATION

VAT from failure to declare – estimated increase in tax compliance (a)	0,39
VAT from failure to declare – estimate timeliness of information (b)	0,78
VAT from combating frauds (c)	0,36
Effects on direct taxes (d)	0,44
Total amount e) = a)+ b) + c) + d)	1,97

f) Transmission of invoice data	2,04
e) + f)	4,01

E-ENVOICING EVOLUTION

The administration will be able to provide taxable persons with:

- **draft records on purchases and sales;**
- **the statement of periodic VAT settlements;**
- **the draft annual VAT return and income tax return with the related summary statements of the calculations made;**
- **drafts of payment models with taxes to be paid, to be compensated or to be reimbursed.**
- **as long as the payments received and made relating to transactions over € 500 are carried out in a traceable manner, the use of electronic invoicing leads to a reduction of the tax assessment terms.**

ANY QUESTION?



Brussels, 6 December 201

E-INVOICING IN ITALY

Socrates
Plato's Crito

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