

Italy

Table IT.1: Tax Revenue

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
A. Structure by type of tax															
as % of GDP															
Indirect taxes	14.5	13.7	13.5	14.0	14.1	15.3	14.9	15.4	15.2	14.5	14.6	14.6	14.6	10	261.3
VAT	5.9	5.7	5.5	6.0	6.0	5.9	5.8	5.9	6.1	6.0	6.2	6.2	6.2	24	111.5
Taxes and duties on imports excluding VAT	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	22	2.3
Taxes on products, except VAT and import duties	4.9	4.7	5.0	4.9	5.1	5.4	5.4	5.6	5.3	5.5	5.3	5.3	5.3	3	94.6
Other taxes on production	3.5	3.1	2.9	2.9	2.9	3.8	3.6	3.7	3.6	2.8	2.9	3.0	3.0	5	52.8
Direct taxes	14.5	14.7	14.9	14.3	14.2	14.9	15.2	14.7	14.7	14.9	14.5	14.1	14.4	6	258.5
Personal income taxes	10.9	11.3	11.2	11.3	11.1	11.8	11.9	11.9	12.1	11.8	11.7	11.5	11.8	4	211.5
Corporate income taxes	3.1	2.9	2.4	2.3	2.2	2.3	2.5	2.2	2.0	2.1	2.1	1.9	1.9	23	34.7
Other	0.5	0.5	1.3	0.7	0.9	0.7	0.8	0.6	0.6	1.0	0.8	0.7	0.7	12	12.3
Social contributions	12.3	12.7	13.2	13.0	12.8	13.0	13.0	12.9	12.9	12.7	12.7	13.0	13.2	9	237.0
Employers'	8.5	8.6	9.1	9.0	8.8	8.8	8.8	8.7	8.7	8.5	8.5	8.7	8.9	6	158.7
Households'	3.8	4.1	4.1	4.0	4.0	4.2	4.3	4.2	4.3	4.2	4.2	4.3	4.4	16	78.4
Less: capital transfers (1)	:	:	:	:	:	:	:	:	:	:	:	:	:		
Total	41.3	41.1	41.5	41.2	41.1	43.1	43.2	42.9	42.8	42.1	41.8	41.7	42.3	6	756.8
B. Structure by level of government															
as % of total taxation															
Central government	57.6	57.2	57.2	57.4	57.5	57.9	58.2	57.9	57.7	59.5	59.0	58.2	58.3	16	441.5
State government (2)	:	:	:	:	:	:	:	:	:	:	:	:	:		
Local government	12.3	11.5	10.8	10.8	11.0	11.7	11.3	11.8	11.4	9.9	10.0	10.2	9.9	9	75.2
Social security funds	29.8	31.0	31.7	31.5	31.2	30.1	30.2	30.0	30.2	30.2	30.4	31.1	31.3	11	237.0
EU institutions	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.6	0.4	0.6	0.5	0.4	19	3.2
C. Structure by economic function															
as % of GDP															
Consumption	10.4	10.0	10.1	10.6	10.7	11.1	10.8	11.1	11.1	11.2	11.2	11.2	11.3	21	201.5
Labour	20.2	20.8	21.4	21.5	21.1	21.6	21.6	21.3	21.1	20.6	20.7	20.9	21.2	7	379.9
of which on income from employment	18.0	18.4	18.9	18.8	18.4	18.7	18.7	18.3	18.1	17.6	17.7	17.9	18.2	6	325.9
Paid by employers	10.2	10.2	10.5	10.4	10.3	10.3	10.2	10.0	9.7	9.3	9.4	9.6	9.8	5	175.0
Paid by employees	7.8	8.2	8.3	8.3	8.1	8.4	8.5	8.3	8.4	8.3	8.3	8.3	8.4	15	150.9
Paid by non-employed	2.2	2.4	2.6	2.7	2.7	2.9	2.9	3.0	3.1	3.0	3.0	3.0	3.0	3	54.0
Capital	10.7	10.3	10.0	9.2	9.3	10.5	10.7	10.5	10.6	10.3	10.0	9.6	9.8	5	175.4
Income of corporations	3.8	3.6	2.9	2.8	2.7	2.9	3.1	2.7	2.7	2.6	2.5	2.4	2.5	16	44.2
Income of households	1.3	1.3	1.2	1.0	1.0	1.2	1.3	1.4	1.4	1.3	1.3	1.1	1.3	5	23.2
Income of self-employed	3.4	3.5	3.2	3.2	3.2	3.4	3.3	3.2	3.4	3.3	3.2	3.2	3.3	2	58.7
Stock of capital	2.2	1.9	2.7	2.2	2.3	2.9	3.0	3.1	3.1	3.2	3.0	2.9	2.8	7	49.3

Table IT.1: Tax Revenue (continued)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Ranking 2019	Revenue 2019 (billion euros)
D. Environmental taxes															
as % of GDP															
Environmental taxes	2.7	2.6	2.8	2.8	3.0	3.5	3.4	3.6	3.4	3.5	3.3	3.3	3.3	5	58.7
Energy	2.1	2.0	2.2	2.2	2.4	2.8	2.8	2.9	2.7	2.9	2.7	2.7	2.7	6	47.5
of which transport fuel taxes	1.4	1.3	1.4	1.4	1.4	1.7	1.6	1.6	1.6	1.5	1.5	1.5	1.5	13	
Transport	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	10	10.7
Pollution and resources	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.04	0.04	0.04	0.03	0.03	16	0.5
E. Property taxes															
as % of GDP															
Taxes on property	2.0	1.7	2.1	1.8	2.0	2.5	2.6	2.8	2.7	2.4	2.4	2.4	2.4	7	42.4
Recurrent taxes on immovable property	0.8	0.6	0.6	0.6	0.6	1.5	1.4	1.7	1.7	1.4	1.4	1.4	1.4	4	24.9
Other taxes on property	1.2	1.1	1.5	1.2	1.4	1.0	1.2	1.1	1.0	1.0	1.0	1.0	1.0	7	17.4
F. Implicit tax rates															
%															
Consumption	15.3	14.7	14.4	15.1	15.3	15.7	15.4	15.9	15.8	16.1	16.0	16.0	16.2	24	
Labour	45.1	45.1	45.0	45.2	44.8	45.4	45.5	44.8	44.3	43.2	43.3	43.4	43.8	1	
G. Payable tax credits															
as % of GDP															
Total payable tax credits (¶)	0.0	0.0	0.0	0.0	0.0	0.3	0.2	0.8	0.9	0.7	0.9	0.7	0.6		10.4
Tax expenditure component	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.5	0.5	0.5	0.5	0.6		9.9
Transfer component	0.0	0.0	0.0	0.0	0.0	0.3	0.2	0.5	0.4	0.2	0.4	0.2	0.0		0.5
Total tax revenue adjusted for payable tax credits	41.3	41.1	41.5	41.2	41.1	43.1	43.2	42.6	42.3	41.6	41.3	41.1	41.7		747.0

(¶) Representing taxes assessed but unlikely to be collected.

(‡) This level refers to the *Länder* in Austria and Germany, the *gewesten and gemeenschappen / régions et communautés* in Belgium, and the *comunidades autónomas* in Spain.

(§) The 2019 Payable Tax Credit data for Italy are provisional and have to be adjusted. Particularly the transfer component is underestimated (and the Tax Expenditure component overestimated) in the extent of about 1 billion euros.

Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Figure IT.1: Tax revenues by main taxes, 2019
(in % of total taxation (left graph) and in % of GDP (right graph))



Source: European Commission, DG Taxation and Customs Union, based on Eurostat data

Table IT.2: Latest tax reforms

Description of measure	Change	Date
Personal income tax: Earned income		
The non refundable tax credit, temporary introduced for 2020, has been made permanent as from 2021. The measure concerns employees with PIT income level over EUR 28 000, starting from an amount of EUR 1 200 and decreasing gradually to EUR 960 at EUR 35 000 of PIT income level. Above EUR 35 000 the tax credit amount decreases gradually, down to 0 at EUR 40 000 euros of PIT income level.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
The building renovation tax credit has been extended to 2021. The allowance consists of the 36% of expenses, (previously 50%).	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Tax credits of up to 110% for restructuring of domestic buildings aimed at improving energy efficiency and structural and seismic resilience; the measure is benefitted by households over 5 years. It is also possible to transfer the tax credit to the firm performing renovation (in this case the tax credit is 100%). Previously introduced as for the cost incurred in 2021, the measure has been extended to 30th June 2022. In some particular cases, if a relevant part of the costs has been incurred within the 30th June the measure is in force until 31th December 2022.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Seasonal workers, self-employed workers and employees operating in entertainment which lost their job are granted a lump-sum benefit of EUR 1 000. The grant is about EUR 600 for maritime workers and workers operating in the sporting sector. The benefit doesn't contribute to the tax base.	Base decrease	Legislation: 2020-08-14 In force from: 2020-08-15
Tax credits of up to 110% for restructuring of domestic buildings aimed at improving energy efficiency and structural and seismic resilience; the measure is benefitted by households over 5 years. It is also possible to transfer the tax credit to the firm performing renovation (in this case the tax credit is 100%).	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
The furniture and large appliances purchase tax credit has been extended to 2021 in the extent of 50%	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Tax credit of 30% for charitable donations linked to the COVID19 emergency.	Base decrease	Legislation: 2020-03-17 In force from: 2020-03-17
Touristic vouchers that takes the form of a tax credit between EUR 150 - 500 granted to household with income lower than EUR 40 000. Both tax credits can be transferred to hotels, construction companies as well as financial intermediaries.	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
The Energy requalification tax credit has been extended to 2021. The allowance consists of the 36% of expenses, (previously 50% and 65%).	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Further lump-sum benefits are granted to workers operating in the most hit sectors (including sport and entertainment), to freelancers and to seasonal workers.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
Non-repayable grants previously introduced are strengthened. The measure is addressed to tax-payers affected by containment measures introduced in October and November, including agents, door-to-door salesman, hotels, restaurants, retailers, shopping malls and businesses operating in entertainment and sporting sectors which suffered at least 1/3 drop in turnover in April 2020 compared to April 2019. The grant is proportional to their size and to the turnover drop. The measure is applied independently from their turnover to new firms activated after 1st January 2019. The minimum amount of the grant is EUR 1 000 for self-employed and entrepreneurs and EUR 2 000 for limited liability firms. Grants do not contribute to the tax base. The maximum amount of the grant is EUR 150 000.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
The building facades restoration tax credit has been extended to 2021 in the extent of the 90% of expenses.	Neutral	Legislation: 2020-12-30 In force from: 2021-01-01
Personal income tax: Unincorporated businesses/Self employment income		
Self-employed revenues and fees are exempted from tax advance payment duties in the period 17th March 2020 - 31th May 2020. The allowance is applied to self-employed with a revenues level lower than EUR 400 000 in 2019.	Base decrease	Legislation: 2020-04-08 In force from: 2020-04-08
Tax credit of 60% on the rent of march, April, May and June for buildings where the activity is carried out by companies (including no-profit), craftsmen and self-employed workers with a turnover of less than EUR 5 million in 2019 and which suffered a reduction of turnover greater than 50%. This tax credit is due to hotels regardless of their dimension also for July. The tax credit can be transferred to financial intermediaries as well as other firms providing a discount. Such a measure extends a previously existing one and additional EUR 340 million are allocated to support tourism (EUR 100 million refers to rents).	Base decrease	Legislation: 2020-08-14 In force from: 2020-08-15
Tax credit of 60% on the rent of march, April and may for buildings where the activity is carried out by companies (including no-profit), craftsmen and self-employed workers with a turnover of less than EUR 5 million in 2019 and which suffered a reduction of turnover greater than 50%. This tax credit is due to hotels regardless of their dimension. The tax credit can be transferred to financial intermediaries as well as other firms providing a discount.	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19

Table IT.2: Latest tax reforms (continued)

Description of measure	Change	Date
Personal income tax: Savings		
In order to encourage investments in the real economy, tax incentives for individual savings plans are reinforced for investments in financial assets issued by non-listed companies.	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
Social security contributions: Employer		
SSC payments due by November 2020 are postponed for firms operating in sectors mostly affected by the crisis including tourism, catering, entertainment. Payments are due by March 2021 and can be paid in 4 monthly instalments.	Neutral	Legislation: 2020-12-18 In force from: 2020-12-25
Access to short-time working schemes is eased further. Employers which adopted short-time working schemes are exempted from paying workers' SSC for one month, until January, if they don't apply for further support.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
Social security contributions due by households for domestic workers are suspended until 31st May 2020	Neutral	Legislation: 2020-03-17 In force from: 2020-03-17
SSC's payments due in November 2020 by tax-payers operating in agriculture and fishing are waived.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
Employers operating in disadvantaged Southern regions are exempted from paying the 30% of workers' SSC owed between October 2020 and December 2020	N/A	Legislation: 2020-08-14 In force from: 2020-08-15
Employers (excluding farmers) hiring workers with permanent contract by December 2020 are exempted from paying SSC for six months. The same relief is applied to seasonal jobs in the touristic sector for a maximum of 3 months	N/A	Legislation: 2020-08-14 In force from: 2020-08-15
Employers (excluding farmers) which adopted short-time working schemes in May and June are exempted from paying workers' SSC for 4 months if they don't apply for further support between August and December 2020.	N/A	Legislation: 2020-08-14 In force from: 2020-08-15
Corporate income tax		
Tax credit of 50% over total investments occurring between July and December 2020 and concerning advertising in the sporting sector .	Base decrease	Legislation: 2020-08-14 In force from: 2020-08-15
Previously introduced tax credits on the rent of buildings where the economic activity is carried out by firms operating in the most hit sectors and in sectors affected by containment measures introduced in October and November 2020 are extended to October, November and December independently on the firm's size.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
The tax credit for investments cost related to new, innovative and intangible assets (industry 4.0) has been extended to 2021 and 2022. As concerns innovative tangible assets the tax credit amount is 40%, (50% for 2021) of the cost if the amount is under EUR 2,5 million, 20%, (30% for 2021) for the amount over EUR 2,5 million and 10% over the maximum threshold of EUR 10 million. As for intangible assets the tax credit is estimated at 20% of investment cost up to the maximum threshold of EUR 1 000 000. Finally as for other new tangible assets investment cost, the tax credit amount is 6%, (10% for 2021 and 15% for smart working instruments for 2021), of the investment within the maximum threshold of investment cost of EUR 2 million.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Non-repayable grants to restaurants and cafeterias which suffered at least 1/4 drop in average turnover between March and June 2020 with reference to 2019. The measure is applied independently from their turnover to new firms activated after 1 January 2019. The grant is aimed at financing purchasing of local food and wine and doesn't contribute to the tax base.	Base decrease	Legislation: 2020-08-14 In force from: 2020-08-15
Tax credits of up to 65% for restructuring of touristic buildings and for buying plants and machineries used by thermal baths.	Base decrease	Legislation: 2020-08-14 In force from: 2020-08-15
Introduction of the following tax credits: - 60% of the costs incurred upgrading and securing workplaces (EUR 1 billions) - 47% of costs suffered sanitizing workplaces and purchasing safety equipment (EUR 603 million) - 50% over investments concerning advertising in the publishing sector and sporting sector (expected cost is about EUR 120 million) - 8% on the cost of paper incurred by newspapers (expected cost is about EUR 24 million)	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
The CIT base as for not commercial entities has been reduced in the extent of 50%	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Extension to the 2022 of the increases in R&D tax credit rates provided by DL34/2020 for investment in southern Italy	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01

Description of measure	Change	Date
Introduction of several tax credits: - 60% over the rent paid by retailers during March 2020 - 50% over the total amount of expenditures incurred to sanitize firms, stores and working tools. This tax credit has been extended to personal protective equipment by the 8th April decree. This tax credit is extended to personal protective equipment by the 8th April decree. - 30% over total investments concerning advertising in the publishing sector - 20% computed based on taxes paid in advance by firms and referred to forthcoming revenues, in the case in which the advance payments no longer correspond to actual profits/revenues.	Base decrease	Legislation: 2020-03-17 In force from: 2020-03-17
Payments of fees due by firms operating in the sector of betting are postponed to 31st May 2020.	Neutral	Legislation: 2020-03-17 In force from: 2020-03-17
The measure brings forward the workplace health adaptation tax credit deadline to 30 June 2021. Previously DL34/2020 fixed the deadline at 31 December 2021 for EUR 2 billions cost estimated.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Tax credit on R&D is strengthened for firms operating in the Mezzogiorno.	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
The tax credit for investment cost in southern regions is extended to 2021 and 2022.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
The foreign investment funds, located in EU, are entitled to the same tax treatment of Italian investment funds as concerns income from equity exemption.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
The subject stemming from a merger is entitled to enjoy deferred tax asset and ACE surplus accrued before the merger.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Extension to 2023 of IT employment training cost.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Introduction of the following tax credits in order to enhance patrimonial resilience of small and medium firms: - 20% tax credit for individuals and legal persons participating with up to 2 million to capital increases of at least EUR 250 000 in corporations suffering a reduction of revenues of at least 33%; - 50% tax credit for firms with losses exceeding the 10% of net equity. In order to encourage investments in the real economy, tax incentives similar to those already granted to financial revenues are introduced for investments addressed to non-listed companies.	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
The tax credit for R and D, green transition and innovative technology investments cost, introduced for 2020, has been extended to 2021 and 2022. The amount of the tax credit depends on two factors that will need to be multiplied to compute the amount of the tax credit: 1) the type of cost (ranging from 150% of labour costs to 20% of consulting fees) 2) the type of activity (ranging from 20% for R and D activities to 15% for green activities and to 10% for design activities). The maximum limit amount increased respectively to 4 billion euros (previously 3) for R and D and 2 billion euros (previously 1.5) for design and green cost.	Base decrease	Legislation: 2020-12-30 In force from: 2021-01-01
Other corporate taxes		
The payment of the 2nd instalment of regional tax on productive activities is postponed to April 2021 for firms with a revenues level below EUR 50 million in 2019 if the 2020's revenues decrease in the first semester is at least the 33% of the 2019 corresponding revenues. The suspension holds independently by their size for tax-payers operating in sectors most affected by the crisis.	Neutral	Legislation: 2020-12-18 In force from: 2020-12-25
The payment of balance of regional tax on productive activities, (IRAP), for tax year 2019 and the 40% prepayment for 2020 are cancelled for firms and self-employed workers with a turnover up to EUR 250 million.	Neutral	Legislation: 2020-05-19 In force from: 2020-05-19
Value-added tax		
VAT safeguard clauses are abolished. (VAT safeguard clauses were an automatic rise of VAT rates to meet deficit targets, in absence of other measures). VAT rate on some medical equipment is reduced for 2020 and 2021.	Rate decrease	Legislation: 2020-05-19 In force from: 2020-05-19
Health-related taxes		
The introduction of consumption tax concerning plastic packaging materials has been postponed to 1st July 2021 from 1st January.	New tax	Legislation: 2020-12-30 In force from: 2021-07-01
The consumption tax over soft drink introduction has been postponed to 1 January 2022.	New tax	Legislation: 2020-12-30 In force from: 2022-01-01
Recurrent taxes on immovable property (business and residential)		
Hotels are exempted from payment of municipal property tax on buildings (IMU). Restaurants are exempted from the payment of land-use fees.	Neutral	Legislation: 2020-05-19 In force from: 2020-05-19
Hotels, restaurants, clubs, theatres, thermal baths and trade shows are exempted from payment of municipal property tax on buildings (IMU). Restaurants are exempted from the payment of land-use fees. Such a measure extends a previously existing one and additional EUR 260 million are allocated.	Neutral	Legislation: 2020-08-14 In force from: 2020-08-15

Description of measure	Change	Date
Firms operating in the most suffering sectors, including tourism, entertainment and retail trade, are exempted from paying the second instalment of municipal property tax on buildings (IMU). Restaurants, hotels and retailers are exempted from the payment of land-use fees.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
Other taxes		
Abolition of the regional tax on motor vehicles petrol.	New tax	Legislation: 2020-12-30 In force from: 2021-01-01
Suspension of tax payments for individuals and firms resident in the 11 municipalities of the so-called Red Zone (50 000 inhabitants of the area initially hit by the virus and subject to a complete ban of individual movements) in the period 21 February until 30 April 2020.	Neutral	Legislation: 2020-03-02 In force from: 2020-03-02
Further resources are allocated to support firms operating in tourism, trade fairs and congresses.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
The payment deadline for executive assessment proceedings, tax demands and resolutions of pending tax disputes is postponed to 31st of May, 2020	Neutral	Legislation: 2020-03-02 In force from: 2020-03-02
The payment of employers' and employees' social security contributions as well as employees' PIT withholdings for tourist sector operators is suspended until 30 April 2020 for the entire country.	Neutral	Legislation: 2020-03-02 In force from: 2020-03-02
Tax and SSC payments for March and April, as well as VAT payments for March, are suspended for all firms in the most affected sectors (tourism, transport, catering, entertainment, sport and education). This suspension also extends to firms in all sectors with revenues under 2 million euros. Independently from this revenue threshold, firms and self employed working in provinces mainly affected by the emergency (namely Bergamo, Cremona, Lodi and Piacenza) will benefit from a suspension of their VAT payments.	Neutral	Legislation: 2020-03-17 In force from: 2020-03-17
For March 2020, employees operating in the entertainment, agricultural and touristic sector as well as self-employed workers are provided a lump sum benefit of EUR 600 which does not have to be included in taxable income.	Neutral	Legislation: 2020-03-17 In force from: 2020-03-17
Payments of harbour taxes and fees are suspended up to 31st July 2020 for firms operating in the shipping sector.	Neutral	Legislation: 2020-03-17 In force from: 2020-03-17
Suspension of VAT, SSC and withheld PIT payments concerning April and May 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under EUR 50 million if the 2020 March and April revenues decrease is at least the 33% of the 2019 corresponding month revenues. In case of a revenues level over EUR 50 million, the decrease has to be at least the 50% of the 2019 corresponding month.	Neutral	Legislation: 2020-04-08 In force from: 2020-04-08
Removing negative tax liability effects as concerns free transfer of medicines used to fight COVID19, originally aimed at other therapeutic purposes. Before the introduction of the measure the corresponding value was included in business income and was not VAT deductible.	Neutral	Legislation: 2020-04-08 In force from: 2020-04-08
Tax payments already suspended or deferred by previous measures are deferred further to September 2020, allowing monthly payments without interests by December 2020. Overall, deferred payments amount to EUR 20.5 billion.	Neutral	Legislation: 2020-05-19 In force from: 2020-05-19
Payments of stamp duties related to electronic invoices are postponed to 2021.	Neutral	Legislation: 2020-05-19 In force from: 2020-05-19
Non-repayable grants to businesses, agricultural enterprises and self-employed workers, under EUR 5 million of turnover, which had at least 1/3 drop in turnover in April 2020 compared to April 2019. The grant is proportional to their size and to the drop according to the following rates: 20% of the drop, with revenues not exceeding EUR 400 000, 15% with revenues up to EUR 1 million and 10% with turnover up to EUR 4 million. The measure is applied, in a fixed amount, independently from their turnover to new firms activated after 1 January 2019 and to firms resident in the Red Zones identified at the beginning of the COVID-19 emergency. Grants do not contribute to the tax base.	Base decrease	Legislation: 2020-05-19 In force from: 2020-05-19
Cutting of non-domestic electricity tariffs for May, June and July in order to bring costs into line with actual consumption; down payments for gas and electricity tariffs are cut by 10% for 2020 and 2021 (overall, EUR 567 million of payments referred to utility tariffs and excise duties are postponed). Payments related to new environmental charges including the introduction of plastic and sugar tax are postponed (EUR 200 million in 2020 and EUR 120 million in 2021).	Neutral	Legislation: 2020-05-19 In force from: 2020-05-19
Tax payments already suspended or deferred by previous measures are deferred further, with reference to the 50% of the due amount, to January 2021. The estimated cost of measures is about EUR 3 748 million. Payments of regional taxes are deferred to April 2021 for those firms adopting synthetic tax reliability indexes and suffering a 33% reduction of turnover in 2020 with respect to 2019. The estimated cost of measure is EUR 2 200 million.	Neutral	Legislation: 2020-08-14 In force from: 2020-08-15
Further resources are allocated in 2021 to support tax payers who have benefited tax payments deferrals and reliefs and still suffering huge turnover losses.	Neutral	Legislation: 2020-12-18 In force from: 2020-12-25

Description of measure	Change	Date
VAT and withholding payments due by November 2020 are deferred to March 2021 for tax-payers affected by containment measures introduced in November and December 2020.	Neutral	Legislation: 2020-12-18 In force from: 2020-12-25
Suspension of VAT, SSCs and withhold PIT payments due by December 2020. The allowance is applied to firms, individual entrepreneurs and self-employed with a revenues level under EUR 50 millions in 2019 if the 2020's November revenues decrease is at least the 33% of the 2019's corresponding month revenues. The suspension holds independently by their size for tax-payers operating in the most hit sectors as well as activities started after November 2019. Payments are due by March 2021.	Neutral	Legislation: 2020-12-18 In force from: 2020-12-25
Further resources are allocated to support firms operating in agriculture and fishing. Introduced by Decree 137/2020, the measure has been abolished as from 18/12/2020.	Base decrease	Legislation: 2020-12-18 In force from: 2020-12-25
The money transfer to non EU countries Tax has been abolished	New tax	Legislation: 2020-12-30 In force from: 2021-01-01