

SUSPENSION OF TAX AND SOCIAL SECURITY CONTRIBUTIONS **FOR THE MONTHS OF APRIL AND MAY 2020**

Article 18 of Legislative Decree 23/2020 has provided for the suspension of payments due in April and May relating to withholding taxes referred to in Art. 23 and 24 of Presidential Decree 600/73 and withholdings for regional and municipal surcharge, social security and welfare contributions and premiums for compulsory insurance as well as VAT, under the following conditions:

- substitutes carrying out business, art or profession activities that have their tax domicile, registered office or operational headquarters in Italy, with revenues realized in the 2019 tax period not exceeding Euro 50 million and which have suffered a decrease in turnover or fees of at least 33% in the months of March and April 2020 compared to the same months of the year 2019;
- substitutes carrying on business, art or profession activities that have their tax domicile, registered office or operational headquarters in Italy, with revenues realized in the 2019 tax period, exceeding Euro 50 million, which have suffered a decrease in turnover or fees of at least 50% in the months of March and April 2020 compared to the same months of the year 2019;
- substitutes carrying on business, art or profession activities that have their tax domicile, registered office or operational headquarters in Italy and that started the business in 2019 (after 31/3/2019), regardless of the threshold of revenues realized in the 2019 tax period.

Payments suspension relating to VAT applies, for the months of April and May 2020, to the subjects referred to in the previous points with registered office or tax residence in the areas most affected by the pandemic (provinces of Bergamo, Brescia, Cremona, Lodi and Piacenza), regardless of the level of revenues made and which have suffered a decrease in turnover or fees of at least 33% in the months of March and April 2020 compared to the same months of the year 2019.

The payments must be made by 30 June 2020 in a single solution or in five installments of the same amount, always starting from the month of June 2020, without the application of penalties or interest.

For the subjects who were entitled under the Legislative Decree 9/20 and the Legislative Decree 18/20, the previous provisions for the extension of the payments relating to the months of April and May remain unchanged.

OTHER TAX MEASURES

- According to art. 20, no penalties and interests will be due if tax advance payments (IRPEF, IRES and IRAP), made for the tax year following to the one open at December 31st 2019, will be at least equal to 80% (instead of 100%) of the tax due for the same tax year.
- According to art. 21, no penalties and interests will be due if payments in favour of the public administration due within March 16th 2020 (already postponed to March 20th 2020 by art. 60 of Law Decree "Cura Italia"), will be executed within April 16th 2020.
- Art. 22 postpones to April 30th 2020 the deadline to provide (by the withholding agents to the taxpayers) and to transmit (to the Tax Authorities) the so called "Certificazione Unica", with reference to withholding taxes on employees' income or likewise and withholding taxes on self-employment income paid in 2019.
- Art. 23 postpones to June 30th 2020 the validity of the so called "Documento Unico di Regolarità Fiscale – DURF" issued within February 29th 2020 in the context of procurement contracts.
- Art. 24 suspends, for the period between February 23rd 2020 and December 31st 2020, the following terms which, if not respected, would result in the forfeiture of the so-called "first home benefit":
 - period of 18 months from the purchase of the "first home" within which the taxpayer must transfer the residence to the municipality where the house is located;
 - period of 1 year within which the taxpayer, who has sold - within 5 years from the purchase - the home purchased with the "first home" benefits, purchases another home that meets the requirements to obtain the same benefits;

- the term of 1 year within which the taxpayer, who has purchased a home with the "first home" benefits, disposes of the home previously purchased with the same benefits.

The same interruption is applied for the term of one year for the recognition of the tax credit granted in case of repurchase of the "first home".

- Article 26 postpones to 20 July 2020 the deadline for payment of stamp duty on electronic invoices issued in the first quarter of 2020 if the tax due for the first quarter is less than Euro 250 while the tax due for the second quarter exceeds this threshold. Where the total amount due for the first and second quarters of 2020 does not exceed Euro 250, the deadline for payment of the stamp duty due for the first and second quarters of 2020 is postponed to October 20th 2020.
- Art. 30 extends the tax credit introduced by art. 64 of the Italian Decree "Cura Italia" also to the purchase of personal protective equipment (e.g. masks, gloves, glasses, overalls, etc.) and to the purchase and installation of safety devices with the aim to protect workers from accidental exposure to biological agents or to ensure interpersonal safety distance (e.g. protective barrier panels). In particular, persons carrying out business, arts or professions are granted, for the tax period 2020, a tax credit of 50 per cent of the expenses incurred and proved up to a maximum of Euro 20.000 for each beneficiary.