

THE LAW DECREE NO. 23 DATED 8 APRIL 2020 (SO-CALLED DECREE “LIQUIDITA”)
PROVIDES FOR THE EXTENSION TO APRIL AND MAY 2020 OF THE TEMPORARY
SUSPENSION OF THE WITHHOLDING TAXES IN PAYMENTS TO AGENTS AND SELF-
EMPLOYED ALREADY INTRODUCED FOR THE MONTH OF MARCH BY THE DECREE
“CURA ITALIA”

Article 19 of Law Decree 8 April 2020 No. 23 (so-called Decree “Liquidità”), published on the same date on the Official Gazette No. 94 and in force from the following day, replacing Article 62, paragraph 7 of Law Decree No. 18/2020 (so-called Decree "Cura Italia") which is contextually repealed, extends the period of application of the related provisions to the months of April and May.

Therefore, following the law changes, the aforementioned article 19 establishes that in case of subjects having their domicile for tax purposes, their registered office or place of business in Italy and with revenues or compensations not exceeding EUR 400,000 in the tax period prior to the one including 17 marzo 2020, revenues and compensations received in the period from 17 March 2020 to 31 May 2020 (instead of 31 March 2020, as provided for by the previous wording of the law) shall not be subject by the withholding agent to the withholding taxes provided for by Articles 25 (“Lavoro autonomo”, in English "Self-employment") and 25bis (“Provvigioni”, in English "Commissions") of Presidential Decree No. 600/1973, provided that in the previous month said subjects have not incurred any costs for services of employees or assimilated.

Taxpayers who intend to avail themselves of such option must issue to the withholding agent a declaration stating that the revenues or compensations are not subject to withholding tax pursuant to Article 19, paragraph 1 of Law Decree 8 April 2020 No. 23 (to this end, as clarified by the Italian Tax Authorities in their Circular Letter No. 8/E dated 3 April 2020, the field “Causale” of the invoice can be used).

It will be the responsibility of the taxpayers, who receive the sums, to pay the withholding taxes (not applied by the withholding agent) in a single solution, without penalties and interest, by 31 July 2020 (or in five monthly instalments of the same amount, starting from the same month of July 2020).