

# COVID-19

**Decree Law no 18 of 17/03/2020 (“Cura Italia”) introducing measures in support of the national healthcare service and of families, workers and companies in connection with the COVID-19 emergency**

## **Extension of deadlines for payments and compliance with tax and other obligations**

### **EXTENDED PAYMENT DEADLINES**

Article 60 of decree law 18/2020 (the “Decree”) extended the deadlines for payments to the public authorities, including the payment of social security contributions and of compulsory insurance premiums **falling due on 16 March 2020 to 20 March 2020**.

### **ELIGIBLE PERSONS**

All taxpayers.

### **EXTENSIONS FOR THE SECTORS MOST AFFECTED BY THE EMERGENCY**

Article 61 of the Decree extended the provisions of article 8, comma 1 of Decree law 9/2020 for entities in the tourist and hotel business, travel agencies and tour operators that are resident for tax purposes or have their registered office or principal place of business in Italy, to other sectors:

- ◆ regional sports federations, associations for the promotion of sport, professional or amateur sports associations and entities running stadiums, sports facilities, gyms, dance, fitness and body-building clubs and facilities, sports centers, swimming pools and swimming centers;
- ◆ entities running theaters, concert halls, movie theaters, including ticketing services and activities in support of artistic performance events, as well as discos, dancing halls, night clubs, gaming halls and billiard halls;
- ◆ entities running state lottery offices, lottery and betting activities, including the related machines and equipment;
- ◆ entities organizing courses, trade fairs and events, including artistic, cultural, gaming, sports and religious events;
- ◆ entities running restaurant establishments, ice cream parlors, pastry shops, bars and pubs;
- ◆ entities running museums, libraries, archives, historical sites and monuments, botanical gardens, zoos and natural reserves;
- ◆ entities running day-care centers and day centers for children with disabilities, educational services, nursery schools and schools, sailing, navigation and flight schools issuing commercial licenses, driving schools for professional drivers;
- ◆ entities providing non-residential care services for the elderly and disabled;
- ◆ the spas referred to in law no 323 of 24 October 2000 and wellness centers;

- ◆ entities running amusement or theme parks;
- ◆ entities running bus, railway, subway, maritime or airport stations;
- ◆ entities running transportation services by land, air, sea and on rivers, lakes and lagoons, including funicular railways, cable cars, two-seater cable cars, chair lifts and ski tows;
- ◆ entities managing the rental of means of transport by land and sea and on rivers, lakes and lagoons;
- ◆ entities running activities for rental of sports and recreation equipment or facilities for events and shows;
- ◆ entities providing tourist guide and assistance services;
- ◆ ONLUS and APS (nonprofit organizations and associations providing socially useful services), and volunteer-based charity work organizations (registered in the special-purpose registers) which exclusively or principally carry out activities in the public interest, such as for instance:
  - social interventions and services;
  - medical care activities
  - integrated social and healthcare services.

(article 5, comma 1 of legislative decree no 117/2017)

(article 61, comma 2 of the Decree)

#### **Suspension (until 30 April 2020<sup>1</sup>) of:**

- ◆ payments of withholding taxes on employment and quasi-employment income (articles 23 and 24 of Presidential Decree no 600 of 29 September 1973);
- ◆ compliance obligations in respect of and payment of social security contributions and compulsory insure premiums;
- ◆ VAT payments falling due in March 2020.

(article 61, comma 3 of the Decree)

All suspended payments shall be made – without penalties or interest – **in a single installment by 31 May 2020 or in up to 5 monthly equal installments starting from May 2020**. Any amounts paid shall not be refunded.

(article 61, comma 3 of the Decree)

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<sup>1</sup> 31 May 2020 for professional or amateur sports associations and companies. All suspended payments shall be made – without penalties or interest – in a single installment by 30 June 2020 or in up to 5 monthly installments starting from June 2020.

## DEADLINE EXTENSIONS FOR SMALLER-SIZED ENTITIES

(article 62, comma 2, of the Decree)

### ELIGIBLE ENTITIES

Entities which carry out a business or a profession and are resident for tax purposes or have their registered office or principal place of business in Italy, and in the year prior to that in progress at 17 March 2020 earned revenue or fees not exceeding 2 million euro.

#### Suspension (until 31 March 2020) of:

- ◆ payments of withholding taxes on employment and quasi-employment income (articles 23 and 24 of Presidential Decree no 600 of 29 September 1973) and relevant regional and municipal surcharges, levied by the above entities and falling due between 8 and 31 March 2020;
- ◆ VAT payments;
- ◆ payments of social security contributions and compulsory insurance premiums.

All suspended payments shall be made – without penalties or interest – **in a single installment by 31 May 2020 or in up to 5 monthly equal installments starting from May 2020**. Any amounts paid shall not be refunded.

(article 62, comma 5 of the Decree)

**VAT payments due by persons who are resident for tax purposes or have their registered office or principal place of business in the provinces of Bergamo, Cremona, Lodi and Piacenza shall be suspended, regardless of the amount of revenue or fees earned.**

### NOTA BENE

**Relief for persons who, in the year prior to that in progress at 17 March 2020, earned revenue or fees not exceeding euro 400,000 (article 62, comma 7 of the Decree).**

Revenue or fees earned in the period between 17 March 2020 and 31 March 2020 shall not be subject to the withholding taxes pursuant to article 25 and 25-*bis* of Presidential Decree no 600 of 29 September 1973, to be levied by withholding agents, provided that in the previous month the recipients of the income did not incur costs for employment or quasi-employment services.

Anyone applying for this relief:

- ◆ shall issue a special-purpose declaration to the effect that revenue and fees are not subject to withholding tax pursuant to article 62, comma 7 of the Decree;
- ◆ shall pay the withholding taxes not levied by the withholding agent **in a single installment by 31 May 2020 or in up to 5 monthly equal installments starting from May 2020, without penalties and interest.**

## EXTENSIONS FOR ENTITIES IN THE FORMER RED AREA

Article 62, comma 3 confirmed the provisions of article 1 of the Ministry of Economy and Finance Decree of 24 February 2020 for persons who are resident for tax purposes or have their registered office or principal place of business in the former Red Area.

## ELIGIBLE TAXPAYERS

Individuals and bodies corporate having their registered office or principal place of business in any of the municipalities included in the former Red Area, or withholding agents having their registered office or principal place of business in any of the municipalities included in the former Red Area.

*Municipalities included in former Red Area:*

- ◆ Bertonico
- ◆ Casalpusterlengo
- ◆ Castelgerundo
- ◆ Castiglione d'Adda
- ◆ Codogno
- ◆ Fombio
- ◆ Maleo
- ◆ San Fiorano
- ◆ Somaglia
- ◆ Terranova dei passerini
- ◆ Vò

## AVAILABLE RELIEF

**Suspension (until 31 March 2020)** of deadlines for payments and for compliance with tax obligations - including those originating from the tax payment demands issued by tax collectors and from the instruments provided for by article 29 of decree law no 78 of 31 May 2010, converted with amendments into law no 212 of 30 July 2010 - falling due in the period between 21 February and 31 March 2020.

No withholdings shall be levied on employment and quasi-employment income in the period between 21 February and 31 March 2020 (articles 23, 24 and 29 of Decree no 600 of 29 September 1973).

All suspended payments shall be made – without penalties or interest – **in a single installment by 31 May 2020 or in up to 5 monthly equal installments starting from May 2020**. Any amounts paid shall not be refunded.



## **SUSPENSION OF THE DEADLINE FOR TAX COMPLIANCE OBLIGATIONS**

Article 62, comma 1, of the Decree has suspended the deadline for tax compliance obligations other than payments and the levying of withholdings.

### **ELIGIBLE PERSONS**

All persons resident for tax purposes or having their registered office or principal place of business in Italy.

### **ELIGIBLE COMPLIANCE OBLIGATIONS**

All tax compliance obligations, **other than payments and the levying of withholdings**, falling due in the period between 8 March 2020 and 31 May 2020, such as for instance the annual VAT return and the Intrastat declarations.

All suspended obligations shall be complied with by 30 June 2020 without penalties.

**For additional information, please contact:**

**Pirola Pennuto Zei & Associati – Ufficio Studi**

◆ **Dott. Luca Occhetta:** [luca.occhetta@studiopirola.com](mailto:luca.occhetta@studiopirola.com)