



Return home: “Impatriate regime”

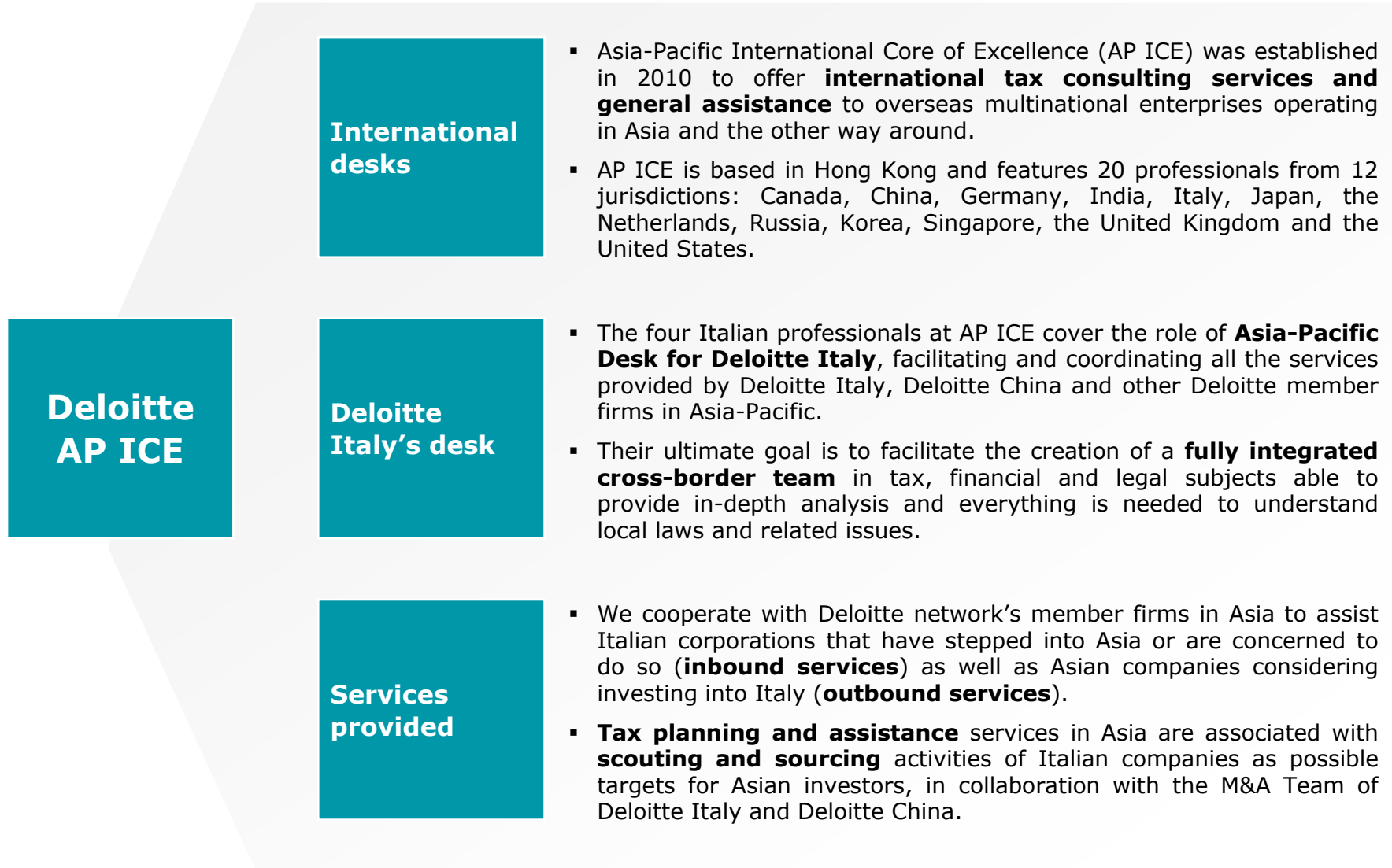
Francesco Vitali – Tax Director, Deloitte AP ICE

13 September 2022



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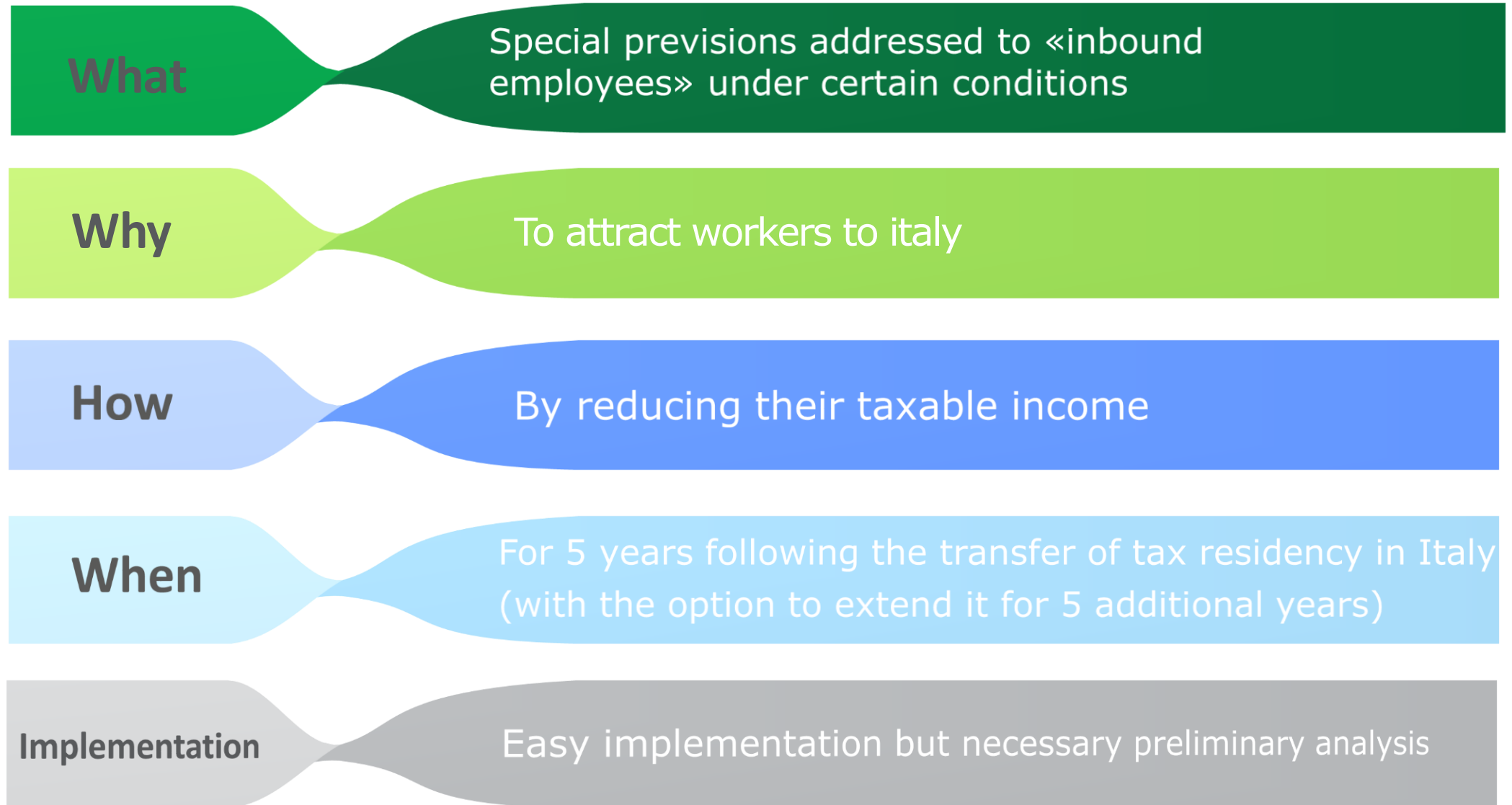
Italy

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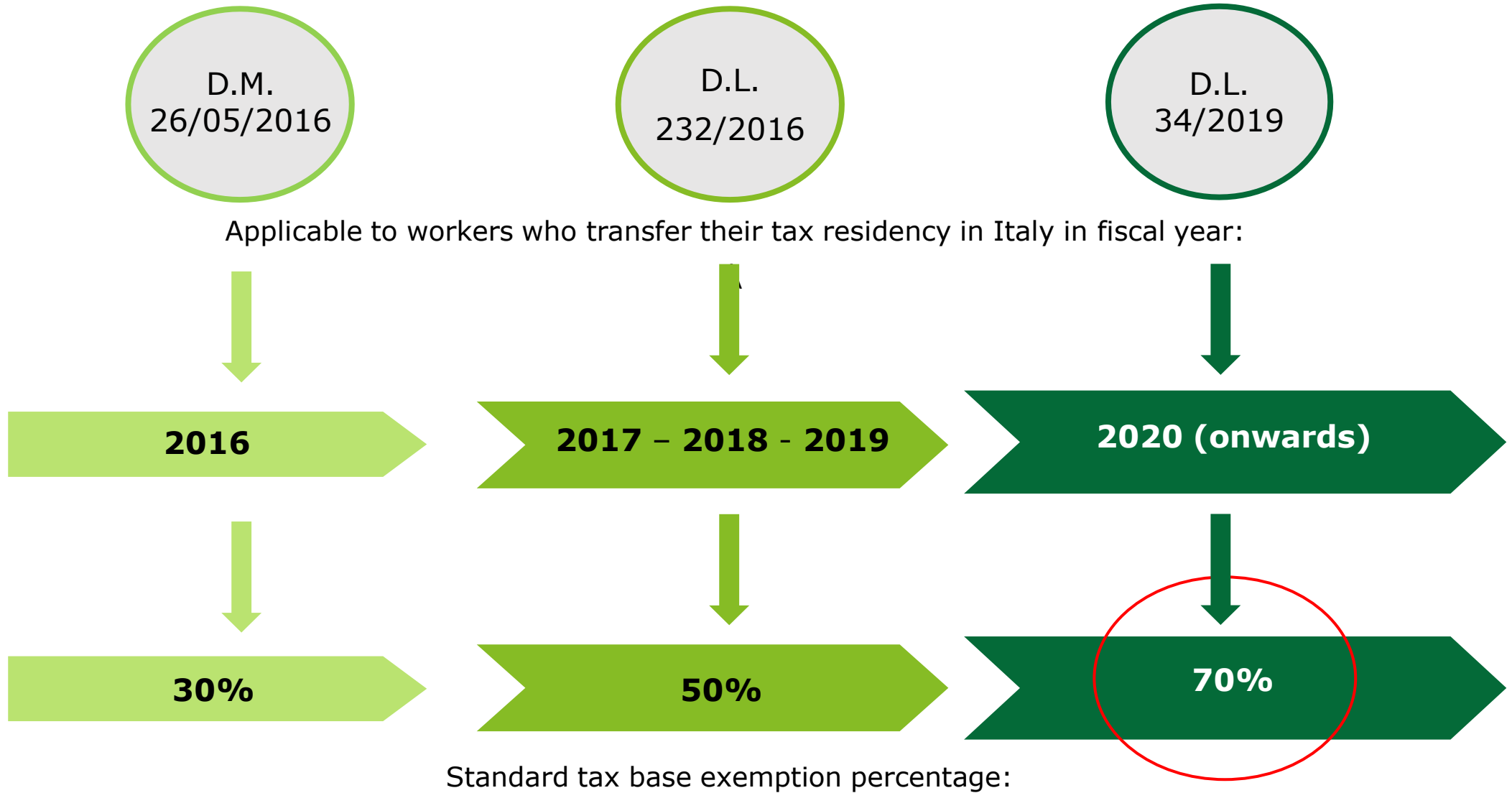
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D. | “Impatriate regime” in a nutshell



Return to Italy

Evolution of "Impatriate regime" during the years



70% REDUCTION OF THE TAXABLE INCOME FOR 5 YEARS

Requirement to benefit from the tax deduction



Workers and student

- They have not been tax resident in Italy in the two tax periods prior to the move
- They commit to stay in Italy for at least two years
- They work within the Italian territory
- They are EU-citizens or citizens of non-EU countries (if there is a DTA or an agreement on exchange of information)
- They have worked or studied (with the obtainment of an academic qualification) abroad for 24 month continuously prior to the move

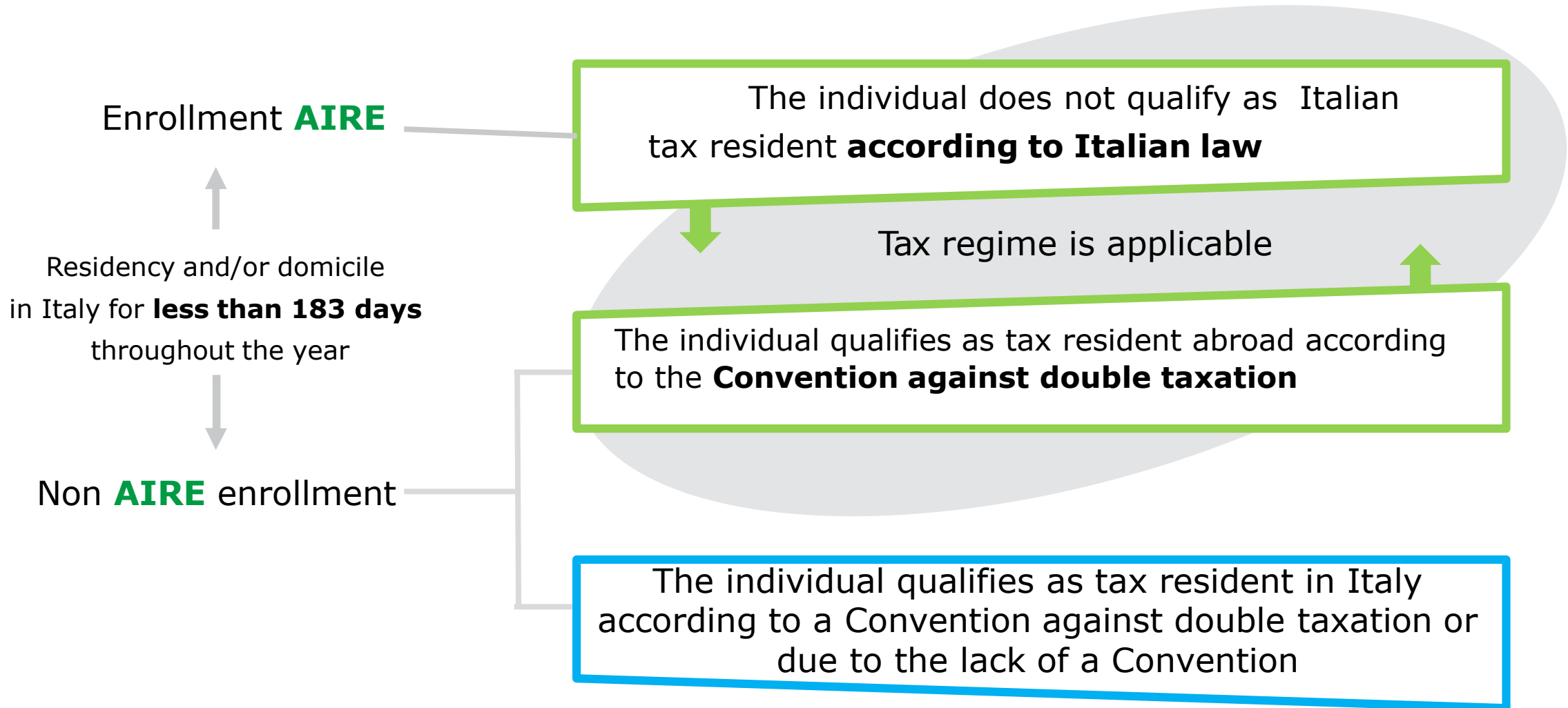
This percentage increases to **90%** for those who transfer their residence to one of the following Southern regions



D.

Residenza Fiscale

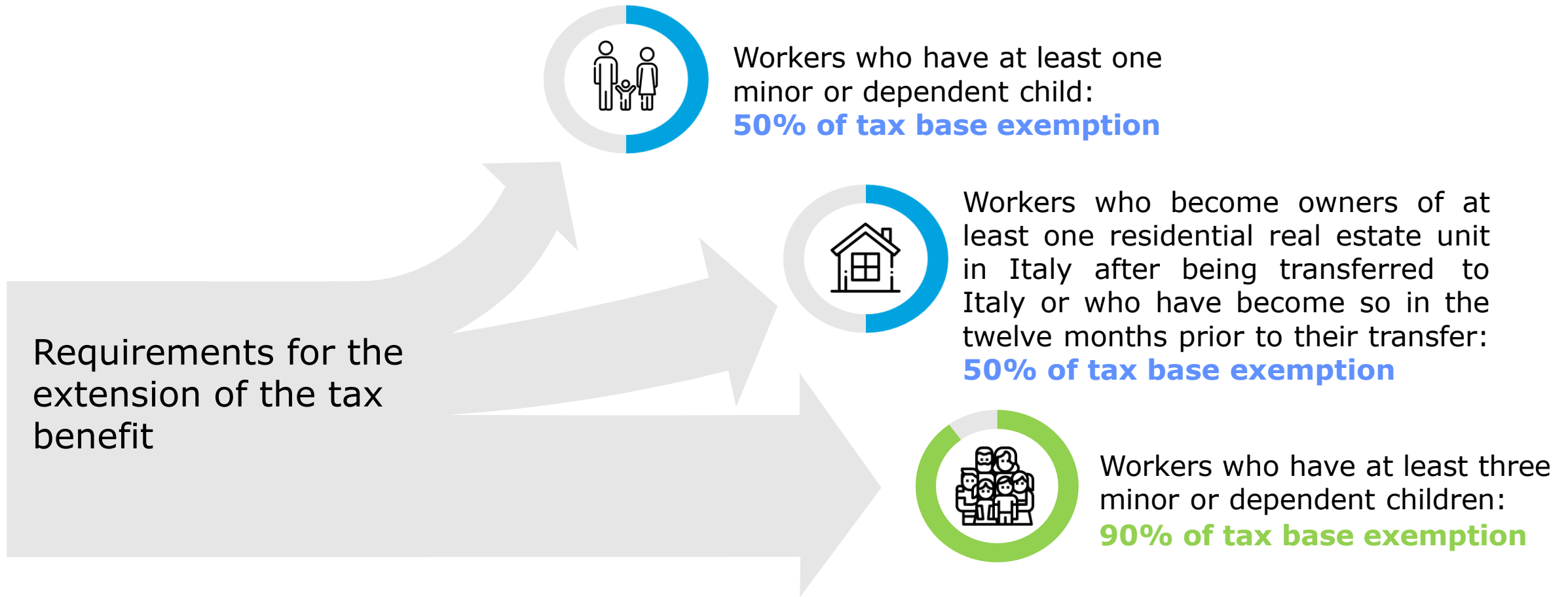
The effect of the registration to AIRE on the applicability of the “Impatriate Regime”



D.

Tax benefit 5+5

Possibility to extend for Five additional years of taxable income deduction



The important updates and clarifications introduced by Circular 33/E 28 december 2020



*This new circular narrows the scope of application of the tax relief with reference to workers who repatriates from an assignment abroad, compared to the previous Authority's position. Therefore we expect additional clarifications on the topic.

D. | Accurate case-by-case analysis

Examples of particular cases

1

Non-resident employer

2

Return to Italy after secondment abroad

3

Smart Working abroad for an Italian employer

4

Smart Working in Italy for foreign employers

5

Transfer to Italy without work

6

Return to Italy with a foreign spouse

D.

Example of the benefit

“Impatriate regime”: Computation example

Case 1		Case 2		Case 3	
Ordinary tax regime		Application of the beneficial tax regime <i>From gross salary</i>		Application of the beneficial tax regime <i>From granted net salary</i>	
Compensation package	€	Compensation package	€	Compensation package	€
Gross Salary	100,000	Gross Salary	100,000	Gross Salary	67,000
SSC on the employee	- 10,000	SSC on the employee	- 10,000	SSC on the employee	- 6,700
Taxable base	90,000	Taxable base ante benefits	90,000	Taxable base ante benefits	60,300
		Deduction 70%	- 63,000	Deduction 70%	- 42,210
		Taxable base	27,000	Taxable base	18,090
Salaries tax	- 34,000	Salaries tax	- 6,690	Salaries tax	- 4,300
Net employee salary	56,000	Net employee salary	83,310	Net employee salary	56,000
Company costs	€	Company costs	€	Company costs	€
Compensation	100,000	Compensation	100,000	Compensation	67,000
SSC on the employer	30,000	SSC on the employer	30,000	SSC on the employer	20,100
Leaving indemnity (TFR)	7,407	Leaving indemnity (TFR)	7,407	Leaving indemnity (TFR)	4,958
Total	137,407	Total	137,407	Total	92,058
		Beneficial for the employee (EUR 27,310 of savings)		On an equal net salary, beneficial for the employer (ca. EUR 45,350 of savings)	



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