

# The Italian Government's Anti-Pandemic Measures for Foreigners

The Italian government in 2020 has passed several Law Decrees and Bills in order to tackle the economic and financial consequences of the pandemic. Due to the high and deep impact of the outbreak of Covid-19 and its repercussions on the life of the citizens, **the Italian Government and other public authorities have approved some operations and initiatives to support the economy, the businesses, and the employees.** The total amount of these measures is approximately 120 billion Euro for 2020 and it includes different areas, regarding taxes, companies, employees, green economy, etc. Furthermore, the Italian Parliament is discussing another package of measures for a total of 40 billion Euro for the next financial year.

These decrees contain many different measures; consequently, it is not easy to have a clear picture of the new regulations. You can find a summary of the most important and concrete measures, which are still valid, also for foreigners, below.

**Superbonus 110%:** This is one of the most interesting and innovative acts. It is a **tax credit of 110% on the expenditures** that are incurred in order to improve houses' energy efficiency and seismic rate. The expenses have to be incurred between 1 July 2020 and 31 December 2021 and in order to get the bonus the renovation works must guarantee the improvement by at least two energy classes. The "Superbonus 110%" is linked to works conducted in order to build **thermal insulation, air conditioning systems, efficient heating systems, and/or works to reduce the seismic risks.** If one of these works is made, it is also possible to get the 110% bonus for some other works, regarding for example photovoltaic systems, replacement of doors and windows, charging stations for electric vehicles, etc. It is valid until 31 December 2021.

- **Tax credit for rent:** The credit applies to taxpayers who own tourist, commercial, agricultural, business, industrial, or artistic activities which have suffered a decline in sales of at least 50% in October, November, and December 2020 compared to the same three months of 2019. The tax credit is 30% for company rental contracts and 60% of the rent for non-residential contracts.
- **Donation to firms in difficulty:** This concerns bars, pastry shops, cinemas, restaurants, theatres, gyms, swimming pools, and others, those categories most affected by the recently imposed restrictions, in order to face the emergency. These are non-repayable contributions, which should be useful to pay bills, rents, and other costs during the period of limitations.
- **Bank loan with State guarantee:** These are bank loans



dedicated to companies, businesses, and self-employed workers which provide advantageous economic conditions and the guarantee in favor of the bank issued by the State. It is possible to access these forms of financing until 31 December 2020, unless the government provides for an extension of the deadline.

- **Cashback:** This is a new measure aimed at reducing the use of cash. Basically the Italian tax agency give back a percentage of the purchases made with debit cards, credit cards, and apps conducted in Italy from 1 January 2021. A cashback of 10% of the amount of the purchases with a maximum limit of 150 Euro per semester is expected. This plan is funded with 1.75 billion Euro for 2021 and 3 billion Euro for 2022.
- **Tax receipt lottery:** This is a lottery based on the number of tax receipts. There will be lottery draws every week, month, and year with several cash prizes. This measure has the goal of combating tax evasion. The procedure is quite easy. It consists in entering the tax codes of your receipts on the website with your information. It will start in January 2021.
- **Fiscal aid for eco-friendly cars:** The national fund for eco-cars has been increased to 550 million Euro. New fiscal aids are planned for Italian citizens or foreigners who purchase and register in Italy a new car with low CO2 emissions. There is a high variety of eco-bonuses according to the type of car.
- **Holiday bonus:** This is a contribution provided by the Italian Government in order to help hotels, bed & breakfasts, holiday villages, campgrounds, and farmhouses. This contribution is based on family income; it must be lower than 40,000.00 Euro per year. This bonus can be used as a discount on the costs (maximum expenditure 500 Euro) and it is possible to apply for the bonus online through an App. It is valid until 30 June 2021.

**What can we do for you?** Thanks to our experience and professionalism, we can provide assistance and support to foreigners who wish to apply for some of these measures (tax credit for rent and donations). We can also support you with the request of the Superbonus 110%, where we can offer you the best tailor-made solution. Our firm "MGI Vannucci & Associati" boasts many years of recognized experience in tax and accounting consultancy for foreign citizens.

Link to Ministry of Finance- Covid-19 Emergency - Measures to support health and the economy:  
<https://www.mef.gov.it/en/covid-19/misure-coronavirus.html>



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Viale Giacomo Matteotti 15 – 50121 Firenze, Italy  
Viale San Concordio, 710 – 55100 Lucca, Italy  
Tel: +39 0583 316636 – [studio@vannuccieassociati.it](mailto:studio@vannuccieassociati.it)  
[www.vannuccieassociati.it](http://www.vannuccieassociati.it)