

Conversion into law of the first Ristori Decree



Focus on

The conversion law (Law no. 176 dated 18 December 2020) of the first “Ristori” Decree (Law Decree no. 137/2020) has been published in the Official Gazette. The provisions, effective from 25 December 2020, include also the measures introduced with so-called “Ristori-bis”, “Ristori-ter”, and “Ristori-quater” decrees, which are abrogated, without prejudice to the acts, provisions and legal effects produced during their effective period.

Below is a summary of some of the main provisions.

Non-refundable allowance for VAT operators in the industries concerned by the new restriction measures

A non-refundable allowance is granted to subjects who, at 25.10.2020, have an active VAT registration number and state one of the following as their main activity:

- one of the activities under ATECO activity codes listed in Annex 1
- one of those listed under Annex 2, provided that their tax domicile or operating office is located within the territory of State areas characterized by an extremely serious situation and by a high risk level, i.e. in the so-called “red” zones (art.1-bis)
- one of those listed under Annex 4 (art.1-ter).

The non-refundable allowance is granted provided that turnover and considerations generated in April 2020 are lower than two thirds compared to turnover and considerations generated in April 2019.

The above contribution is granted, regardless of the above turnover requirements, to subjects who state as their main activity one of those under the ATECO codes listed in Annex 1 and who opened their VAT registration starting from 1 January 2019.

In any case, the allowance amount cannot exceed Euro 150,000.

For subjects under ATECO code 561030 (ice-cream shops and bakeries), 561041 (itinerant ice-cream shops and bakeries) 563000 (bars and similar activities without kitchen), and 551000 (hotels) located in “red” and “orange” areas, a further 50% increase is provided compared to that under Annex 1.

The amount of the non-refundable allowance is determined as follows:

- for subjects that already received it, as percentage of the allowance determined with the same procedures provided under art. 25 of Law Decree no. 34/2020;
- for subjects that have never received it, as percentage of the amount calculated based on data included in the submitted application and on the criteria established under para. 4, 5 and 6 of art. 25 of Law Decree no. 34/2020;
- for subjects with revenues higher than 5 million Euro, the value is calculated by applying the percentage under art. 25, para. 5, letter c) of Law Decree no. 34/2020 (10% rate).

Percentages are different depending on the specific industry and are indicated in the reference Annexes.

The term (from 20.11.2020 to 15.1.2021) and procedures for the filing of applications are indicated in the provision of the Revenue office dated 20.11.2020 no. 358844.

The allowance under analysis is granted in 2021 to operators having their operating office in shopping centres and to operators in food and beverage production, being concerned by restriction measures.

It is specified that if the main business activity carried out by the above subjects is included among those listed in Annex 1, the granted amount is equal to 30% of the abovementioned non-refundable allowance.

On the contrary, should the business activity not be included under those listed in Annex 1, the amount is granted provided that turnover and considerations generated in April 2020 is lower than two thirds compared to turnover and considerations generated in April 2019 and is equal to 30% of the value calculated based on data indicated in the filed application.

The provision under analysis applies in compliance with the limits and terms provided under the Communication from the European Commission dated 19 March 2020 C(2020) 1863 final *“Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak”*.

Refinancing of the special fund of the Institute for sports credit and support of amateur sports associations and companies

The “special fund for sports credit” is increased by further 5 million Euro and the new “fund to support amateurish sports associations and companies” is created, with an endowment of 142 million Euro for 2020.

Measures to support operators in tourism and culture

The following increases are provided for 2020:

- 100 million Euro for the fund created for emergencies in the entertainment, cinema and audiovisual industries (art. 89 of Law Decree no. 18/2020);
- 400 million Euro for the fund supporting travel agencies, tour operators and tourist guides (art.182 of Law Decree no. 34/2020);
- 50 million Euro for the fund to support bookshops, the publishing industry, as well as museums and other cultural institutes and places, under art. 183, para. 2 of Law Decree no. 34/2020.

The provisions under art. 88 of Law Decree no. 18/2020, regulating the terms for the refund of tickets due to the impossibility to provide the service, also apply from 26.10.2020 to 31 January 2021 and the term to submit the relevant notification starts from the effective date of the decree.

Moreover, the possibility to benefit from the incentive under art. 176 of Law Decree no. 34/2020, so-called “holiday” tax credit, is extended to 30 June 2021.

The above benefit can be used only once, provided that the application is filed by 31 December 2020.

Urgent measures to support export and the international supply chain system

The so-called “394 fund” under art. 2, para. 1 of Law Decree no. 251/1981 is refinanced with 150 million Euro. The fund can be used to support internationalization processes of Italian exhibition organizers, meant as companies or businesses whose main activity is the organization of internationally relevant exhibitions.



The authorised expenditure related to the “fund for integrated promotion” under art. 72, para. 1, of Law Decree no. 18/2020 is further increased by 200 million Euro for 2020.

Urgent measures to support tourism and culture for internationalization

The fund under art. 89, para. 1 of Law Decree no. 18/2020 (so-called “Cura Italia” Decree) created by the Ministry of cultural property and activities and tourism, is increased by 90 million Euro for 2021.

The fund under art. 183, para. 2 of the so-called “Rilancio” Decree, created by the Ministry of cultural property and activities and tourism, aimed at the repayment of losses suffered by exhibition and conference industry, has been increased by 350 million Euro for 2020 and by 50 million Euro for 2021.

To support internationalization, the endowment of the fund under art. 2, para. 1 of Law Decree no. 251/1981 is incremented by 400 million Euro for 2020 and the authorized expenditure under art. 72, para. 1 of Law Decree no. 18/2020 is further incremented by 100 million Euro for 2020.

Tax credit for rental fees of non-housing property and commercial lease agreements

Companies operating in the industries listed in the table under Annex 1, regardless of their turnover and considerations registered in the previous FY, can benefit from the tax credit provided for rental fees of non-housing property and commercial lease agreements under art. 28 of Law Decree no. 34/2020 (60% or 30%, provided that a decrease in turnover by at least 50% was registered compared to the previous FY) also with reference to October, November, and December 2020.

The above provision applies in consideration of the limits and conditions under the Communication from the European Commission dated 19 March 2020 C(2020) 1863 final “*Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak*”.

Moreover, businesses operating in the industries whose ATECO activity code is included among those indicated under Annex 2 and businesses operating as travel agencies or tour operators (ATECO activity codes 79.1, 79.11, 79.12) having their operating office in the so-called “red” zones (art. 8-bis) can also benefit from the abovementioned tax credit.

Cancellation of the second IMU instalment concerning real estate and their relevant fixtures, where the activities under the ATECO codes listed in Annex 1 and 2 are performed

Without prejudice to the provisions of art. 78 of Law Decree no. 104/2020 – so-called August Decree – for year 2020, the second IMU instalment is not due if referred to real estate and their relevant fixtures, where the activities under the ATECO codes listed in the table in Annex 1 are performed, provided that their owners are also in charge of the activities therein performed.

The above exemption is granted also with reference to real estate where the activities under Annex 2 are performed, if these are located in “red” zones and provided that their owners are also in charge of the activities therein performed.

As specified in the FAQs of the Ministry of Economy and Finance of 4 December 2020, in order to benefit from the exemption, the relevant regions must be classified as red in the period between the issue of the Decree dated 3 November 2020 and the deadline provided for IMU settlement payment, i.e. 16 December 2020.

Identification of subjects exempted from the payment of IMU and provisions to support public service companies

It is specified that the exemption from the payment of IMU provided under art. 177, para. 1 letter b) of Law Decree no. 34/2020, art. 78, para. 1, letter b), d) and e) of Law Decree n. 104/2020, and art. 9, para. 1 and art. 9-bis, para 1 of Law Decree no. 137/2020 applies to all taxpayers subject to IMU (i.e. not only to owners as defined under art. 1, para. 743 of Law no. 160/2019), which are also in charge of the economic activities identified for the purpose.

Moreover, in order to promote the economic recovery of tourism activities damaged by the COVID-19 pandemic emergency, public service companies holding concessions or authorizations to the use of public property are exempted from the payment of the royalty rent, authorization fee or fee for advertising display.

Starting from 1st January 2021 and up to 31 March 2021, the applications for new concessions to the use of public property or to the extension of already granted surfaces must be electronically filed with the competent local office, only attaching the plan and without applying the stamp duty.

Lastly, in order to ensure compliance with distancing measures related to COVID-19 emergency, starting from 1st January 2021 and up to 31 March 2021, the temporary setting up of removable facilities on streets, in squares, and/or other open spaces of cultural or landscape interest by public service companies is not subject to the authorization under articles 21 and 146 of Legislative Decree no. 42/2004.

Extension of the postponed term for the payment of the second instalment for subjects applying tax reliability indicators

Subjects applying the so-called ISA – Indici Sintetici di Affidabilità (tax reliability indicators), operating in the industries identified in Appendix 1 and 2, and having their tax domicile or operating office in “red” zones – or managing restaurants in Italy and having their tax domicile or operating office in “red” or “orange” areas – can benefit from the postponement to 30 April 2021 of the deadline provided for the payment of the second instalment or the single payment of income tax and IRAP, due for the FY following that being current at 31.12.2019, as provided under art. 98, para. 1, of Law Decree no. 104/2020.

The above postponement applies regardless of the decrease in turnover or considerations.

No refunds are provided for already paid amounts.

Tax exemption of social security contributions, indemnities and any other measure in favour of businesses and self-employed related to the COVID-19 emergency

The law provides that social security contributions and any indemnity paid following the COVID-19 emergency - and other than those existing before the emergency - to entrepreneurs, artists, professionals, and self-employed are exempt from taxation for income tax and IRAP purposes, and are not relevant for the calculation of the ratio provided under articles 61 and 109 para. 5 of TUIR.

The above applies in compliance with the limits and conditions provided by the Communication from the European Commission dated 19 March 2020 C(2020) 1863 final “*Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak*”.

Suspension of social security contributions and mandatory insurance premiums for employees in industries concerned by the new restrictive measures

The law provides, in favour of private employers concerned by the restrictive measures and carrying out as main activity one of those under the ATECO codes listed in Appendix 1, for the suspension of the terms for the payment of social security contributions and mandatory insurance premiums due for November 2020.

The payment of social security contributions for November 2020 – excluding INAIL insurance premiums – is also suspended for private employers in the industries under the ATECO codes listed in Appendix 1.

The above suspension does not apply with reference to INAIL mandatory insurance.

This benefit is also granted to employers operating in the industries under the ATECO codes listed in Appendix 2, provided that they have production or operating units in the so-called “red” zones (art.13-bis).

Such payments are due, without applying any penalty or interest, in a single payment by 16 March 2021 or by a maximum of 4 equal monthly instalments, the first of which being due by 16 March 2021.

The omitted payment of two instalments – even if not successive – implies the lapse of the possibility to pay by instalments.

Suspension of tax payments

The law provides, for subjects carrying out the following activities:

- leconomic activities suspended under art.1 of Decree of the President of the Council of Ministers dated 3.11.2020, located in any area in Italy
- catering activities, with tax domicile, registered office, or operating office in the so-called “red” or “orange” areas, and
- activities under the ATECO codes listed in Appendix 2, or hotels, travel agencies, and tour operators, with tax domicile, registered office or operating office in “red” zones.

The suspension of payments due in November, being relevant to:

- withholding taxes on income from subordinate and similar employment, under articles 23 and 24 of Presidential Decree no. 600/73
- withholdings relevant to the regional and municipal surtaxes, which the subject listed above apply in their quality as withholding agents
- VAT payments.

Suspended payments are due either in a single payment by 16 March 2021 or by up to 4 equal monthly instalments, the first of which being due by 16 March 2021, without applying any penalty or interest.



Suspension of tax and social security payments due in December

Entrepreneurs, artists and professionals (even if started their activity after 30 November 2019) having their tax domicile, registered office, or operating office within the territory of State, who registered revenues or considerations lower than 50 million Euro in the FY preceding that being current at 25.12.2020 and who suffered a decrease in turnover or considerations by at least 33% in November 2020 compared to November 2019 can benefit from the suspension of the following payments due in December 2020:

- withholding taxes under articles 23 and 24 of Presidential Decree no. 600/1973 and withholdings related to regional and municipal surtaxes, which the above subjects apply in their quality as withholding agents. Financial relationships to ensure financial neutrality for the State, regions, and municipalities are regulated accordingly
- VAT payments
- payments of social security contributions.

The above suspension can also be applied to the following subjects, regardless of the revenue or fee requirements and of the decrease in turnover or considerations:

- those carrying out the economic activities suspended under article 1 of the Decree by the President of the Council of Ministers dated 3 November 2020, having their tax domicile, registered office, or operating office anywhere in Italy
- those carrying out catering services in “red” or “orange” areas
- those operating in the industries identified in Appendix 2 within “red” areas
- hotels, travel agencies, and tour operators, having their tax domicile, registered office, or operating office in “red” areas.

Suspended payments are due, without applying any penalty or interest, either in a single payment by 16 March 2021, or by up to four monthly equal instalments, the first of which being due by 16 March 2021. No refund is provided for already paid amounts.

Postponement of the deadline for the payment of income taxes and IRAP second instalment

For entrepreneurs, artists, or professionals having their tax domicile, registered office, or operating office within the territory of State, the deadline for the payment of the second or single instalment relevant to income taxes and IRAP due by 30 November 2020 is postponed to 10 December 2020.

For entrepreneurs, artists, or professionals having their tax domicile, registered office, or operating office within the territory of State:

- with revenues or considerations not higher than 50 million Euro in the FY preceding that being current at 25.12.2020, and
- who suffered a decrease in turnover or considerations by at least 33% in the first quarter of 2020 compared to the same period of the previous year.

the deadline for the payment of the second or single instalment relevant to income taxes and IRAP due for the FY following that being current at 31 December 2019 is postponed to 30 April 2021. The above suspension can also be applied to the following subjects, regardless of the revenue or fee requirements and of the decrease in turnover or considerations:

- those operating in the industries identified in Appendix 1 and 2 and having their tax domicile or operating office in “red” areas, as identified at 26 November 2020;
- those carrying out catering services in “red” and “orange” areas, as identified at 26 November 2020.

Suspended payments are due, without applying any penalty or interest, either in a single payment by 30 April 2021, or by up to four monthly equal instalments, the first of which being due by 30 April 2021.

Lastly, the law provides that in case of incorrect application of the rules on IRAP payments (art. 24, para. 3 of “*Rilancio*” Decree), in relation to the definition of limits and of terms provided under the Communication from the European Commission dated 19 March 2020 C(2020) 1863 final “Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak” and its following amendments, unpaid tax is due by 30 April 2021 (rather than 30 November 2020), without applying penalties or interest.

Postponement of the deadline for the concessional settlement and regularization of tax bills

The omitted, insufficient or late payment of instalments relevant to the concessional settlement and regularization of tax bills under articles 3 and 5 of Law Decree no. 119/2018, under art. 16-bis of Law Decree no. 34/2019 and under art. 1, para 190 and 193, of Law no. 145/2018 does not imply their invalidity if taxpayers pay the whole due amounts by 1st March 2021 (rather than 10 December 2020).

Final implementation of instalment payment

Some final amendments are introduced to art. 19 of Presidential Decree no. 602/1973 concerning the payment of tax bills by instalments.

According to the new provisions, relevant to the acceptance of applications for instalment payment filed from 30 November 2020, in the period from the filing of the application to its possible rejection – or to the possible lapse of instalment payment:

1. the prescripton and lapse terms are suspended
2. no new administrative blocks and mortgages can be issued, except for those already in force at the application filing date
3. no new enforcement procedures can be started.

The law also provides that no deferment of payments concerning the amounts subject to a tax audit pursuant to art. 48-bis of Presidential Decree no. 602/1973 can be granted, if earlier than the date of the application acceptance provision.

Moreover, the payment of the first instalment under the deferment plan determines the abatement of already started enforcement procedures, unless the concerned property/assets/receivables have somehow already been assigned/transferred (e.g. property has been successfully auctioned, or the relevant application/provision has been filed/issued, etc.).

Temporary provisions are introduced, being applicable from 30 November to 31 December 2021, including the provision of temporary objective difficulty if tax bills due amount to more than 100,000 Euro.

Provisions on voluntary social security contributions

Payments of voluntary social security contributions to INPS, due for the period from 30 January 2020 to 31 December 2020, are considered as valid even if paid late, provided that they are settled within the two following months and, in any case, by 28 February 2021.

Baby-sitting bonus

Starting from 9 November 2020, with reference to only “red” zones in which the teaching activity at school has been suspended in middle schools, working parents registered with the so-called “Gestione separata” INPS social security fund, or with INPS special funds, and who are not registered with other mandatory pension funds, are entitled to receive one or more bonuses for the purchase of baby-sitting services, within the maximum total amount of 1000 Euro, to be used for provisions granted in the period of suspension of the teaching activity at school.

The bonus is granted to both parents, unless the working activity can be performed remotely, or the other parent benefits from income support allowances due to the suspension or termination of the working activity, or the other parent is unemployed.

It is also specified that the bonus is not granted for services provided by family members.

Special fund to support entities in the Voluntary sector

The special fund to support entities in the Voluntary sector is established with an endowment equal to 70 million Euro for 2021, in favour of registered voluntary organizations, of social promotion associations registered with national and regional registers and with registers of autonomous provinces of Trento and Bolzano, as well as of registered not-for-profit organizations of social utility.

Urgent measures on the execution of tax court processes

The Law provides that, in order to deal with the current pandemic emergency and limit occasions for the spread of the virus, the president of first-instance and second-instance Courts can authorize, five days before the fixed date, the execution of public and in camera hearings and judge’s chambers via videoconference.



Our professionals would be pleased to provide you with any further information you may need.

Please refer to Clever Desk on our website - [bgt-grantthornton.it](https://www.bgt-grantthornton.it) - for further details on any issues concerning COVID-19.

