

Incentives for advertising investment carried out in 2020



Focus on...

As part of the regulations introduced to deal with the Covid-19 epidemic, the *Cura Italia* decree (Law Decree no. 18/2020) introduced, among the many tax measures adopted, important changes concerning the definition of the tax credit related to advertising investments on newspapers, magazines and local TV and radio stations (art. 57-bis of Law Decree no. 50/2017, Presidential Decree no. 90/2018).

The new definition of the credit

With reference to 2020, the tax credit can be defined by applying a unified percentage equal to 30% on the total advertising investment carried out, without the need to only consider incremental investment (as provided for FY 2018 and 2019). It is pointed out that the facilitation is granted to each subject basing on the limit of the resources allocated each year. Therefore, the actual credit amount due is notified through an Order of the department for information and publishing of the Presidency of the council of ministers. If allocated resources are not sufficient, the percentage will be re-defined among all subjects applying for the credit.

Beneficiaries	Eligible expenses
<p>Subjects that can benefit from the credit are:</p> <ol style="list-style-type: none">1. businesses, regardless of their legal form, of their dimension and of the accounting regime adopted2. self-employed3. non-commercial entities.	<p>Advertising investment carried out through:</p> <ol style="list-style-type: none">1. newspapers and magazines, even on-line ones2. local TV and radio stations, either analogue or digital.

Procedure to apply for the credit

The possibility to apply for the credit is subject to the submission of a specific electronic communication to the Department for information and publishing of the presidency of ministers, containing information on advertising investment already carried out or that are going to be carried out. As concerns 2020, this communication can be submitted from 1st and 30th September.

During the following solar year, the actual amount of eligible costs incurred will have to be certified by filing a Substitute Return. Together with this return, an attestation must be required to subject qualified to issue a stamp of approval or to auditors, aimed at certifying the expenses actually incurred.

Possibility to use the credit

The tax credit can exclusively be offset in the F24 form to be filed through the electronic channels made available by the Italian Revenue Office.

The benefit is granted in compliance with the current regulation concerning the application of *de minimis* aids (Regulation (EU) no. 1408/2013). The tax credit cannot be combined with other facilitations related to the same expenses.



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 - for further details on any issues concerning COVID-19.

