

GUIDE TO LIVING & INVESTING IN ITALY

A Practical Tax, Legal & Lifestyle Companion
for Individuals and Businesses
Relocating or Investing in Italy

TABLE OF CONTENTS

SECTION 1: PRIVATE CLIENTS (RELOCATION)

- 1.1. The "Neo-Residenti" Tax Regime (€200k Flat Tax)
- 1.2. The "Impatriati" Regime (Inbound Workers)
- 1.3. Visa & Immigration (Non-EU/UK Nationals)
- 1.4. The "Essential Four" (Tax ID, Residence, Healthcare, Bank)

SECTION 2: CORPORATE CLIENTS (INVESTMENT)

- 2.1. Setting up an S.r.l. (Limited Liability Company)
- 2.2. Corporate Taxation (IRES, IRAP & VAT)
- 2.3. Compliance: UBO Register (Modello TE) & Digital ID

SECTION 3: OPERATIONAL TOOLKIT

- 3.1. Client Intake Checklist
- 3.2. Template: Elective Residence Motivation Letter
- 3.3. Template: Power of Attorney (Procura Speciale)
- 3.4. Liability & Scope of Work Clause

SECTION 1

SECTION 1: PRIVATE CLIENTS (RELOCATION)

SECTION 1: PRIVATE CLIENTS (RELOCATION)

1.1. The "Neo-Residenti" Regime (HNWI Flat Tax)

Statutory Basis: Art. 24-bis TUIR (Updated by Law Decree 113/2024)

For High Net-Worth Individuals transferring tax residence to Italy.

The Benefit: A fixed substitute tax of €200,000 per year on all non-Italian sourced income.

- Note: This was increased from €100k for all transfers of residence occurring after August 10, 2024.
- Family Extension: Additional family members can be included for €25,000 each.

Exemptions:

- Exempt from Wealth Tax on foreign assets (IVIE/IVAFE).
- Exempt from fiscal monitoring obligations (RW Form).
- Exempt from Gift & Inheritance tax on foreign assets.
- Eligibility: Must not have been tax resident in Italy for at least 9 of the previous 10 tax years.
- Duration: Valid for up to 15 years.

1.2. The "Lavoratori Impatriati" (Inbound Workers)

Statutory Basis: D.Lgs 209/2023 (Reforming Art. 16 D.Lgs 147/2015)

For employees or self-employed professionals moving to Italy.

The Benefit: 50% of Italian-sourced income is tax-exempt for 5 tax years.

- Income Cap: The relief applies only to income up to €600,000. Income above this is fully taxed.

Strict Eligibility Criteria (2025):

1. Qualification: Must hold "High Qualifications" (University Degree or highly specialized professional qualification).

2. Non-Residence: Must not have been tax resident in Italy for the 3 preceding tax years.

■ Intra-Group Transfer Trap: If transferring within the same corporate group, this requirement increases to 6-7 years abroad.

3. Future Residence: Must commit to remaining in Italy for 4 tax years. If leaving early, benefits are clawed back with interest.

1.3. Visa & Immigration (Non-EU / UK Nationals)

Statutory Basis: Testo Unico sull'Immigrazione (D.Lgs 286/98)

Visa Type	Target Client	Key Requirement	Work Rights?
Elective Residence <i>(Residenza Elettiva)</i>	Retirees / Passive Income	Passive income >€31,000/yr	NO
Investor Visa <i>(Visto Investitori)</i>	UHNWIs	€2M in Bonds / €500k in Corporate	YES
Blue Card EU	Highly Skilled Employees	3-Year University Degree + Job Offer	YES

1.4. The "Essential Four" Checklist

1. Codice Fiscale (Tax ID): Apply immediately via Consulate (if abroad) or Agenzia delle Entrate. Mandatory for everything (leases, utilities, SIM cards).

2. Residenza (Civil Residence): Apply at the Ufficio Anagrafe within 20 days of moving into the property. Police will verify within 45 days.

3. SSN (Healthcare): Register at the local ASL/ATS. Voluntary contribution (approx. €2,000 - €2,788/year depending on income) required for Elective Residence holders; free for workers.

4. PEC (Certified Email): Strongly recommended for all private clients to receive official notifications digitally.

5. Digital Signature (required to open a business): The digital signature is the electronic and legally valid version of a handwritten signature. It is essential for anyone who wants to start a business in Italy, including foreign investors. It can be requested online through certified providers: Aruba, InfoCert, Namirial, Chambers of Commerce Requirements Passport, Email address, Video identification

🕒 Time needed: 10–30 minutes 🇪🇺 Cost: €30–€60

6. SPID – DIGITAL ID Used to access online services:

* Taxes

* INPS

* Healthcare

* School services

* Public offices

SPID Providers: Poste, Lepida, TIM, InfoCert, Sielte

SECTION 2

CORPORATE CLIENTS (INVESTMENT)

SECTION 2: CORPORATE CLIENTS (INVESTMENT)

2.1. Setting up an S.r.l. (Limited Liability Company)

- Minimum Capital: €10,000 (standard).
- Formation: Must be done via Public Deed before an Italian Notary (Notaio).
- Timeline: 5-10 days from the Notary appointment to Chamber of Commerce registration.
- Governance: Can be managed by a Sole Director (Amministratore Unico) or a Board. The Director does not need to be Italian resident (subject to reciprocity for non-EU).

2.2. Corporate Taxation (2025 Rates)

- IRES (Corporate Income Tax): 24% flat rate on profits.
- IRAP (Regional Production Tax): ~3.9% (varies slightly by Region, e.g., Lazio/Campania may be higher due to healthcare deficits).
- VAT (IVA): Standard rate 22%. Reduced rates (10%, 5%, 4%) apply to specific goods (food, hospitality).

2.3. Compliance: UBO Register & Digital ID

- The "Modello TE" (Beneficial Owner):
 - Status (Nov 2025): The obligation to file is currently suspended pending a European Court of Justice ruling.
 - Practical Advice: The filing portal remains open. We recommend gathering the data (UBO Name, DOB, % ownership) and being prepared to file immediately once the suspension lifts to avoid backlog penalties.
- Digital Mandatory:
 - Fatturazione Elettronica: All B2B/B2G invoices must be XML files sent via the SdI system.
 - PEC: The company must have a certified email address visible in the Business Register.



SECTION 3

OPERATIONAL TOOLKIT

3.1. Client Intake Checklist (The "Must-Haves")

Before engaging Italy Business Hub, ensure the client has:

- [] Passport (Valid >6 months).
- [] Codice Fiscale (Certificate copy).
- [] Marriage/Birth Certificates (Legalized with Apostille + Sworn Translation).
- [] Proof of Accommodation (Deed or Registered Lease).
- [] Fiscal History:
 - For Flat Tax: Proof of non-residency (9/10 years).
 - For Impatriati: Proof of non-residency (3 years) + University Degree (Declaration of Value).

3.2. Template: Elective Residence Motivation Letter

(Paste on Client Letterhead)

TO: Consulate General of Italy (Visa Office)

RE: ELECTIVE RESIDENCE VISA APPLICATION – [NAME]

I, [Name], wish to establish my permanent residence in Italy to enjoy the culture and lifestyle of [Region].

Financial Independence:

I attach evidence of passive income amounting to €[Amount] per annum, derived exclusively from [Pensions/Dividends/Properties]. This income is stable, regular, and independent of any future employment.

Housing:

I have secured a residential property at [Address] via [Lease/Deed].

Declaration:

I solemnly declare that I do not intend to engage in any work activity in Italy. I will register with the Questura within 8 days of arrival.

Signed: _____

3.3. Template: Special Power of Attorney (Tax ID)

(Bilingual Format for Agenzia delle Entrate)

PROCURA SPECIALE / SPECIAL POWER OF ATTORNEY

I, [Client Name] (The Grantor), born in [City] on [Date],

HEREBY APPOINT

[Agent Name/Italy Business Hub] (The Attorney), Tax ID: [ID],

To act on my behalf to:

1. Request and sign for the attribution of my Codice Fiscale.
2. Sign form AA4/8 at the Agenzia delle Entrate.

Date: _____ Signature: _____

YOUR NOTES

Disclaimer

Separation of Roles & Liability

The Client acknowledges that LEXeFISCAL LLP ("Advisor") acts solely as the International Tax Strategist (Obligation of Means). Italy Business Hub ("Operator") acts as the operational executor for administrative filings.

LEXeFISCAL LLP shall not be liable for penalties, rejections, or delays caused by:

- (a) The material execution of filings by the Operator or third-party public offices.
- (b) Discretionary administrative decisions (e.g., Visa rejections by Consulates).

Technical issues of "special difficulty" (Art. 2236 C.C.) shall attract liability only in cases of fraud or gross negligence.

For info and enquiries

Dr. Clifford John Frank

Mobile: +44 7881 560850

clifford.frank@lexefiscal.com

Marinella Carangio

Mobile: +39 338 4341513

italybusinesshub@libero.it