



NEWSLETTER NO. 11 - 2026

Monday, 19th October 2026

DIRECT TAXES

Two-year tax settlement (CPB): acceptance by 2 November

The biennial tax settlement scheme for the 2026-2027 two-year-period is accepted or renewed by filing the REDDITI 2026 tax return form by 31 October 2026. This deadline has been extended until 2 November. The settlement proposal must be accepted and the income agreed upon must be reported directly on the tax return. Summary sheets with the relevant data are made available in the tax box ("cassetto fiscale"). Furthermore, the Italian tax authority has also sent letters to eligible taxpayers with an invitation to accept the biennial tax settlement scheme.

Taxpayers who renew the tax settlement scheme after having duly completed the 2024-2025 two-year-period, may continue to use the special voluntary correction scheme ("ravvedimento") for the years from 2020 to 2023 by paying a substitute tax, starting from January 2027. Taxpayers who accept the biennial tax settlement scheme for the first time are excluded (article 29 of the Italian legislative decree 148/2026).

Contribution of equity interests into a simple partnership

The contribution of equity interests into a simple partnership is not eligible for the special tax scheme ("realizzo controllato") provided for under article 177 (2) of the Italian tax code. Therefore, the realizable value must be determined in accordance with the normal value criterion under article 9 of the Italian tax code. Indeed, the special tax scheme ("realizzo controllato") is based on the assumption that the contribution value is determined according to the increase in the recipient company's equity, as shown in the accounting records, which simple partnerships are not obliged to maintain (Italian tax

authority, answer to request for advance ruling 176 of 21 September 2026).

Reverse merger with special purpose vehicle: losses to be carried forward

In the event of reverse mergers, where the special purpose vehicle set up to carry out an acquisition and capitalised by its shareholders is absorbed into the target company, the restrictions on the carry-forward of tax losses and non-deductible interest expense surpluses provided for under article 172 (7) of the Italian tax code do not apply, provided that the special-purpose vehicle has performed a function that was genuinely instrumental to the acquisition and has borne the preparatory costs and the costs relating to the management of the company (Italian tax authority, answer to request for advance ruling 172 of 15 September 2026).

Shareholders' liability following the deletion of the company

The Italian tax authorities may take action against shareholders in respect of tax liabilities of a company deleted from the companies' register, even if there is no formal distribution of assets as set out in the final liquidation accounts, provided that there are sufficient grounds to establish a legal interest in bringing such proceedings. A distinction must be made between the liability arising from succession, as provided for under article 2495 of the Italian civil code, and the separate tax liability, as set out in article 36 of the Italian DPR 602/1973.

In accordance with the principles laid down by the Joint Sections (judgement 3625/2025):

NEWSLETTER NO. 11 - 2026

- the receipt by shareholders of sums arising from the final liquidation accounts is relevant for the legal interest in bringing proceedings rather than for the standing to be sued. However, the legal interest in bringing proceedings may also exist where assets or rights have been transferred to shareholders but not disclosed in the financial statements, or in view of the enforcement of guarantees;
- liability under article 36 must be enforced by means of a separate and reasoned tax assessment notice served on the shareholder and may not be raised for the first time in proceedings relating to the company's original debt;
- the burden of pleading and proving the prerequisites of the invoked liability lies with the Italian tax authorities

(Italian Supreme Court, judgement 22415 of 30 June 2026).

VAT

Data centres: exclusive-use space as a property-related service

The provision of a defined, exclusive-use floor space to a customer for server housing (i.e. 'private cage': an area enclosed on all four sides and fitted with a lockable door), jointly with electricity supply, cooling, fire prevention and security services, within a data centre constitutes a property-related service in accordance with article 7-querter (1.a) of the Italian DPR 633/1972 and article 31a of the council implementing regulation (EU) 282/2011. Exclusive use floor space refers in fact to a specific and identifiable property part and constitutes the core service element. Ancillary services are treated in the same way (article 12 of the Italian DPR 633/1972). The service is therefore taxed in Italy, where the data centre is located, even if the customer is a non-resident VAT taxable person. It is subject to the standard VAT rate, as the exemption provided for property leases does not apply (article 10 (1.8) of the Italian DPR 633/1972).

This conclusion does not apply to every colocation service. If space is not reserved for exclusive use – as in the case of server cabinets (or racks) located in common areas – the Court of Justice of the European Union (CJEU) has ruled out any link with the property (judgement of 2 July 2020, Case C-215/19). In such cases, the service provided to a non-resident VAT taxable person is subject to the general rule set out in article 7-ter and is not taxed in Italy. It is therefore necessary to check, on a contract-by-contract basis, how the space is made available (Italian tax authority, answer to request for advance ruling 175 of 17 September 2026).

Reverse charge in the construction industry and new ATECO classification

The objective nature of the activity carried out (to be determined on the basis of its classification under section F («Construction») of the ATECO table) is decisive for applying the reverse charge mechanism to services provided by subcontractors in the construction industry, pursuant to article 17 (6a) of the Italian DPR 633/1972. The Italian tax authority has addressed the issue of the restoration of historic buildings (activity classified under code 91.30.01 of the ATECO 2025 classification), which falls within Section S, and is therefore not subject to the reverse charge mechanism. The guidance provided may also be useful for assessing other activities, whose classification has been amended further to the introduction of the new ATECO table (Italian tax authority, videoconference of 24 September 2026).

Sale of shell and core properties

The sale of properties under construction, which lack building installations and are not functionally independent at the time of transfer, continues to be subject to VAT and cannot qualify as a transfer of business, which is excluded from the scope of VAT. More specifically, what is decisive here is the assets' functional independence at the time of transfer and the fact that the business activity is not continued by the transferee (Italian Supreme Court, order 23040/2026).

TAX INCENTIVES

Hyper-depreciation: notice of completion to be submitted by the end of the year

To benefit from the hyper-depreciation scheme as early as the 2027 REDDITI tax return, the notice of completion for investments completed and interconnected in 2026 must be submitted to the Italian Energy Services Manager (GSE) by the end of the year. The notice must be accompanied by a certified technical report (required for all assets regardless of their value) and an accounting certificate of a statutory auditor (who certifies that the eligible expenditure has been incurred and that it corresponds to the company's accounting records).

For companies not subject to statutory audit, the certificate must be issued by a statutory auditor or an audit firm, both registered in Section A of the register. Given the time required to prepare the documentation, it is advisable to engage the auditor well in advance (article 7 of the ministerial decree of 7 May 2026).

NEWSLETTER NO. 11 - 2026

Fuel decree: excise duties, road haulage and parcel tax

The fuel decree came into force on 18 September 2026, provides for a further reduction of excise duties on diesel, and extends the tax credit for road haulers to the month of October. Furthermore, the date on which the national tax on parcels from non-EU countries (introduced under the 2026 Italian budget law) comes into force has been postponed to 1 December 2026. Finally, for 2027 alone, an exemption from car tax is provided for a single vehicle owned only, limited to cars with a power output of up to 80 kW, motorbikes and mopeds (Italian law-decree 162/2026, Italian official gazette 216 of 17 September 2026).

TAX ASSESSMENT AND TAX COLLECTION

Offsetting without tax compliance certificate

The use of tax credits for set-off purposes without a tax compliance certificate, or where such certificate is irregular, does not cause a clawback of the tax credit, where its existence and entitlement have been established and the breach has not actually impeded the tax authorities' assessment activities. Under such circumstances, the breach may be regarded as purely formal and not punishable. This principle applies even after the amendments introduced by the Italian law-decree 50/2017, without any prejudice to the need to assess the actual harmfulness of this behaviour on a case-by-case basis (Italian Supreme Court, judgement 26020/2026).

Compliance letters regarding electronic invoices for 2023

The Italian Revenue Agency provides taxpayers with notifications regarding discrepancies identified between the electronic invoices issued, the electronic payment details submitted for 2023, and the data declared in sections RF, RG and LM of the REDDITI 2024 tax return. These notifications are sent via certified email (PEC) to the taxpayer's digital address and can also be viewed in the secure area, under the 'L'Agenzia scrive' sections of the tax portal and the 'Fatture e Corrispettivi' portal. (Italian tax authority, decision 271072 of 5 October 2026).

Tax compliance certification (DURF): payments relevant for the 10 percent threshold

When calculating the payments recorded in the tax account (to be compared with the 10 percent threshold of turnover or remuneration reported over the last three years), tax credits for foreign taxes and withholding tax on interest must also be taken into account for the purpose of issuing the tax compliance certification (DURF), which exempts

contractors and subcontractors from the obligations relating to withholding taxes pursuant to article 17-bis (5) of the Italian legislative decree 241/1997 (Italian tax authority, answer to request for advance ruling 174 of 16 September 2026).

Tax settlement scheme ("Rottamazione-quinquies") for local authorities

Taxpayers whose tax liabilities have been transferred to the Italian tax authority's collection division ("Agenzia delle Entrate-Riscossione") by local authorities, which registered for the facilitated settlement scheme, may submit an application from 16 October 2026 until 15 December 2026. The electronic registration procedures must be published by 15 October 2026; the data required to identify the tax liabilities that can be settled under such procedure must be made available in the reserved area by the same deadline (article 10-quinquies of the Italian law-decree 38/2026, as amended by the Italian law-decree 63/2026, converted by the Italian law 113/2026).

CUSTOMS

New Union Customs Code and handling fee of EUR 2

The new Union Customs Code, meant to replace regulation (EU) 952/2013 through gradual transition, has been published. Article 20 introduces a fixed amount EU-wide handling fee charged per item for the processing of the applications for the release for free circulation of goods sold through distance selling. The new handling fee of EUR 2 per item, which is due to be applied as of 1 November 2026 in accordance with the implementing regulations, adds to the flat-rate duty of EUR 3, as these duties are based on different chargeable events (regulation (EU) 2026/2108, Official Journal of the European Union, Series L, 19 September 2026).

INTERNATIONAL TAX LAW

Foreign pensions: taxing rights of the source state

Two recent guidance documents clarify the criteria for taxation in Italy of foreign pensions received by resident individuals. A Swiss state pension paid in respect of a previous employment relationship with a Swiss central government body is taxable in Switzerland only, if the recipient holds Swiss citizenship (including cases of dual citizenship and Italian tax residence) in accordance with article 19 (1) of the double taxation agreement in force between Italy and Switzerland.

NEWSLETTER NO. 11 - 2026

Similarly, for pensions paid under a public pension scheme, in accordance with article 18 (2) of the double taxation agreement in force between Italy and China, the taxing right lies with the source state only (Italian tax authority, answers to request for advance ruling 177 of 23 September 2026 and 179 of 1 October 2026).

Yours sincerely,

HAGER & PARTNERS