

# CORONAVIRUS EPIDEMIOLOGICAL EMERGENCY

## Decree-law 19.5.2020 n. 34 (so-called "Rilancio" Decree) - Key points



### 1. INTRODUCTION

The Decree-Law 19.5.2020 n. 34 (so-called "Rilancio" decree) was published in the "Gazzetta Ufficiale", containing urgent measures for businesses, workers and families due to the epidemiological emergency caused by Coronavirus.

The decree is made up of 266 articles and came into force on 19.5.2020. The decree must be converted into law and the relative provisions are therefore subject to changes and additions.

### 2. SUSPENSION OF PAYMENTS

#### 2.1 EXTENSION OF THE SUSPENSION TO THE MONTH OF JUNE FOR SPORTS ENTITIES

National sports federations, sports promotion bodies, associations and sports clubs, both professional and amateur, can benefit from suspension of payments:

- relating to VAT, withholding taxes from employees' wages or similar incomes, social security contributions and INAIL insurance premiums
- until 30.6.2020, instead of until 31.5.2020.

#### 2.2 DEFERRAL TO 16.9.2020 OF THE DEADLINE FOR SUSPENDED PAYMENTS

The deadline for making the tax payments and social security contributions that have been suspended in relation to the months of March, April and May 2020 is unified and extended to 16.9.2020. Alternatively, the payment can be made in a maximum of 4 monthly installments of the same amount starting from 16.9.2020. In any case, penalties and interests are not applied.

The following table summarizes the payments that have been suspended and the relative deadlines.

Suspended payments	Old deadline	New deadline
Payments falling due in the months of March and April 2020 relating to withholding taxes from employees' wages or similar incomes, social security and welfare contributions and INAIL insurance premiums, as well as VAT payments falling due in March 2020, by subjects operating in the sectors most affected by the emergency (e.g. subjects operating in tourism, recreation, sports, entertainment, cultural activities, assistance services, transport, etc. ).	31.5.2020 in one solution or maximum 5 monthly installments of the same amount starting from May 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Payments due in March 2020 relating to VAT, withholding taxes from employees' wages or similar incomes, social security and welfare contributions and INAIL insurance premiums, from part of the subjects carrying out business activities, art or profession with revenues or income not exceeding 2 million euro in the tax period preceding the one in progress on 17.3.2020 (2019, for "solar" subjects).	31.5.2020 in one solution or maximum 5 monthly installments of the same amount starting from May 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Payments due in April and May 2020 relating to VAT, withholding taxes from employees' wages or similar incomes, social security and welfare contributions and INAIL insurance premiums, by subjects who have suffered a decrease in the turnover or incomes of at least 33% (subjects with 2019 revenues or incomes up to 50 million euros) or at least 50% (subjects with 2019 revenues or incomes exceeding 50 million euros) in the months of March and April 2020 compared to the same month in 2019.	30.6.2020 in one solution or maximum 5 monthly installments of the same amount starting from June 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020

Suspended payments	Old deadline	New deadline
VAT payments falling due in March 2020, by subjects carrying on business, art or profession who have their tax domicile, registered office or operating headquarters in the Provinces of Bergamo, Brescia, Cremona, Lodi and Piacenza.	31.5.2020 in one solution or maximum 5 monthly installments of the same amount starting from May 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
VAT payments falling due in April and May 2020, by subjects carrying out business, art or professional activities who have their tax domicile, registered office or operational headquarters in the Provinces of Bergamo, Brescia, Cremona, Lodi and Piacenza and which suffered a decrease in turnover or incomes of at least 33% in the months of March and April 2020 compared to the same month in 2019.	30.6.2020 in one solution or maximum 5 monthly installments of the same amount starting from June 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Payments falling due in the months of April and May 2020 relating to VAT, to withholding taxes from employees' wages or similar incomes, to social security and welfare contributions and to the INAIL insurance premiums, by subjects who have undertaken businesses, art activities or professions from 1.4.2019.	30.6.2020 in one solution or maximum 5 monthly installments of the same amount starting from June 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Payments falling due in the months of March, April and May 2020 relating to VAT, withholding taxes from employees' wages or similar incomes, social security and welfare contributions and INAIL insurance premiums, by national sports federations, sports promotion bodies,	30.6.2020 in one solution or maximum 5 monthly installments of	16.9.2020 in one solution or maximum 4 monthly installments of the same

associations and sports clubs, both professional and amateur.	the same amount starting from June 2020	amount starting from 16.9.2020
Payments due in June 2020 relating to VAT, withholding taxes from employees' wages or similar incomes, social security and welfare contributions and INAIL insurance premiums, from part of the national sports federations, sports promotion bodies, associations and sports clubs, both professional and amateur.		16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Payments falling due in April and May 2020 relating to withholding taxes from employees' wages or similar incomes, social security and welfare contributions and INAIL premiums, from part of non-commercial entities, including entities of the tertiary sector and civilly recognized religious bodies, which carry out institutional activities of general interest not under a business regime.	30.6.2020 in one solution or maximum 5 monthly installments of the same amount starting from June 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Tax payments due between 21.2.2020 and 31.3.2020 to subjects with tax domicile, registered office or operational headquarters in the Municipalities of Bertinico, Casalpusterlengo, Castelgerundo, Castiglione D'Adda, Codogno, Fombio, Maleo, San Fiorano, Somaglia, Terranova dei Passerini and Vo'.	31.5.2020 in one solution or maximum 5 monthly installments of the same amount starting from May 2020	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020
Payments of social security and welfare contributions and INAIL premiums expiring between 23.2.2020 and 30.4.2020 towards subjects with tax domicile, registered office or operational headquarters in the Municipalities of Bertinico, Casalpusterlengo, Castelgerundo, Castiglione D'Adda, Codogno, Fombio, Maleo, San Fiorano, Somaglia, Terranova dei Passerini and Vo'.	1.5.2020 in one solution or maximum 5 monthly installments of the same amount	16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020

### 2.3 PAYMENT OF NOT OPERATED DEDUCTIONS

The new terms also apply in relation to the payment, by the recipient subjects, of deductions not made by the withholding agent.

The following table summarizes the cases in which the possibility of not withholding taxes and the terms established for the payment of withholding taxes has been envisaged.

Deductions not operated	Old deadline	New deadline
<p>Withholding taxes on self-employment income and commissions, pursuant to art. 25 and 25-bis of the DPR (Decree of the President of the Republic) 600/73, not operated:</p> <ul style="list-style-type: none"> <li>towards self-employed workers and agents with revenues or incomes not exceeding 400,000.00 euros in the 2019 tax period and that in the previous month did not incur expenses for employee or similar work performances;</li> <li>in the period between 17.3.2020 and 31.5.2020.</li> </ul>	31.7.2020 in one solution or maximum 5 monthly installments of the same amount starting from July 2020	16.9. in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020

<p>Withholding taxes on income from employment and similar incomes, as well as on remuneration and other income paid by the State, pursuant to art. 23, 24 and 29 of DPR 600/73, not operated:</p> <ul style="list-style-type: none"> <li>by withholding agent having their registered office or operational headquarters in the Municipalities of Bertinico, Casalpusterlengo, Castelgerundo, Castiglione D'Adda, Codogno, Fombio, Maleo, San Fiorano, Somaglia, Terranova dei Passerini and Vo' ;</li> <li>in the period between 21.2.2020 and 31.3.2020.</li> </ul>	<p>31.5.2020 in one solution or maximum 5 monthly installments of the same amount starting from May 2020</p>	<p>16.9.2020 in one solution or maximum 4 monthly installments of the same amount starting from 16.9.2020, also through the withholding agent</p>
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### 3. EXCLUSION OF IRAP PAYMENTS

Taxpayers with revenues or incomes not exceeding 250 million euros in the tax period prior to the one in progress on 19.5.2020 (2019 for taxpayers whose business corresponds to the solar year), are excluded from the payment obligation:

- the IRAP balance relating to the tax period in progress at 31.12.2019 (2019, for "solar" taxpayers);
- the first installment of the IRAP down payment for the next tax period (2020, for "solar" taxpayers).

The down payment due for the tax period in progress on 31.12.2019 (2019, for the "solar" taxpayers) remains unaffected.

#### 3.1 TAXPAYERS WHO REMAIN OBLIGED TO PAY

The following are expressly excluded from the benefit, regardless of the volume of revenues:

- financial intermediaries (eg banks) and financial and non-financial holding companies ("old" industrial holding companies), as defined by art. 162-bis of the TUIR ("Testo unico delle imposte sui redditi");
- Insurance companies (referred to in art. 7 of Legislative Decree 446/97);
- Public Administrations (referred to in art. 10-bis of Legislative Decree 446/97).

These subjects are therefore required to pay the 2019 balance and the 2020 down payments according to the usual methods.

#### 3.2 AMOUNT OF PAYMENTS EXCLUDED

##### 3.2.1 Determination of the 2019 balance

Without prejudice to the down payment due for 2019, the 2019 balance excluding payment is equal

to any debt surplus emerging from the IRAP 2020 declaration.

The tax discount, therefore, is "effective" only in the presence of a 2019 debit balance, a circumstance that, normally, occurs only for the subjects who, in 2019, have increased the value of the net production compared to 2018 (and therefore, they boast an IRAP due for 2019 higher than that due for 2018).

##### 3.2.2 Determination of the first advance payment 2020

The first installment excluding payment must be determined to an extent equal to:

- 40% of the total down payment due, for subjects unrelated to the ISA;
- 50% of the total down payment due, for ISA subjects.

Supposing that a company has a tax due for 2019 of 10,000.00 euros: in this case, the first IRAP down payment that should not be paid in June / July 2020 amounts to:

- 4,000.00 euros, for subjects unrelated to ISA;
- 5.000,00 euro, for ISA subjects.

##### 3.3 EXCLUSION OF THE AMOUNT NOT PAID BY THE TAX DUE ON BALANCE

For the purpose of calculating the IRAP 2020 balance, from the tax due for 2020 (which will emerge from the IRAP 2021 declaration), in addition to the second installment of the down payment that will actually be paid in November 2020, also the first installment (figuratively determined equal to 40% - or 50% for ISA subjects - of IRAP due for 2019), will be deducted even if not paid.

Returning to the example formulated in the previous § 3.2.2 and assuming that the tax due for 2020 is equal to 8,000.00 euros, the IRAP 2021 declaration will close with a credit for 2,000.00 euros on the assumption that the second instalment of the

IRAP down payment is paid in November and amounts to 6,000.00 euros (i.e., 60% of 10,000.00), for subjects unrelated to the ISA, and 5,000.00 euros (i.e., 50% of 10,000.00), for ISA subjects.

#### 4. INCREASE OF THE ANNUAL LIMIT OF CREDITS USABLE IN COMPENSATION IN THE F24 FORM

For the year 2020 alone, the limit of the cumulative amount of tax credits and social security contributions is increased from 700,000.00 to 1 million euros which, in each calendar year, can be:

- used in compensation in the F24 form, pursuant to art. 17 of Legislative Decree 241/97;
- or reimbursed to tax account holders, with the so-called "simplified" procedure

For this year, the new limit of 1 million euro therefore coincides with that already provided for construction subcontractors, in case the turnover recorded in the previous year is made up, at least 80%, of services offered in execution of subcontracting contracts.

#### 5. ALLOWANCES FOR SELF-EMPLOYED, COLLABORATORS AND EMPLOYEES

The allowances for self-employed workers, entrepreneurs, coordinated and continuous collaborators and some categories of workers, already established for the month of March 2020, are refinanced for the months of April and May 2020. Some conditions are also modified to benefit from these support measures (for example, it is provided the general possibility of cumulate these measures with the ordinary disability allowance paid by INPS).

##### 5.1 Allowances for April 2020

For the month of April 2020, the allowance is recognized in the amount of 600.00 euros in favour of subjects, in possession of certain conditions, belonging to the following categories:

- self-employed workers and coordinated and continuous collaborators registered in the INPS "Gestione Separata" pension fund;
- self-employed workers enrolled in the INPS "Gestioni speciali" (special management) of the "Assicurazione Generale Obbligatoria" (AGO),

for craftsmen, traders, direct farmers, sharecroppers and settlers

- self-employed workers registered in private law entities of compulsory social security
- seasonal employees and temporary workers in the tourism sector and thermal establishment
- workers enrolled in the pension fund for the entertainment industry
- seasonal workers belonging to sectors other than tourism and thermal establishments, intermittent workers, occasional self-employed workers and people in charge of doorstep selling;
- sports collaborators.

For subjects who have already received the allowance for the month of March 2020 from INPS, the one for the month of April will be paid automatically, without the need to submit an additional application.

For temporary agricultural workers, the allowance for the month of April amounts to 500.00 euros.

##### 5.2 ALLOWANCE FOR MAY 2020

For the month of May 2020, the allowance is paid only to some of the categories indicated above and with variable amounts.

The indemnity amounts to 1,000.00 euros for the following subjects, under special conditions:

- coordinated and continuous collaborators enrolled in the INPS "Gestione separata" pension fund who terminated their employment relationship on 19.5.2020;
- self-employed workers enrolled in the INPS "Gestione separata" pension fund who have undergone a reduction of at least 33% of the income for the second two-month period of 2020, compared to the income for the second two-month period of 2019 (income is identified according to the cash principle as difference between the revenues and incomes received and the expenses actually incurred in the period in question and in the exercise of the activity, including any depreciation amounts);
- employees (including temporary workers) in the tourism sector and beach resorts who involuntarily ended their employment in the period between 1.1.2019 and 17.3.2020.

For the other categories, the allowance in May was replicated at € 600.00, with the sole exception of temporary agricultural workers and members of AGO's "Gestione Speciale" who, for that month, are not granted any allowance of personal nature.

### 5.3 ALLOWANCE FOR DOMESTIC WORKERS

A new allowance of 500.00 euros is established for domestic workers for each month of April and May. The allowance, paid by the INPS upon application, is due to subjects who hold, on 23.2.2020, one or more employment contracts for a total duration of more than 10 hours per week; moreover, the worker must not be living with the employer.

## 6. NON-REPAYABLE CONTRIBUTIONS

A non-repayable contribution is provided for businesses, including agricultural ones, and holders of self-employed income.

However, the following are excluded:

- professionals enrolled in the INPS "Gestione Separata" fund (subjects who are entitled to receive the allowances pursuant to art. 27 of Legislative Decree 18/2020);
- show business workers (subjects who are entitled to receive the allowances referred to in art. 38 of Legislative Decree 18/2020);
- professionals enrolled in a Register.

### 6.1 CONDITIONS

The contribution is due on condition that:

- revenues / incomes in 2019 do not exceed 5 million euros;
- the amount of turnover of April 2020 is less than 2/3 compared to that of April 2019 (not required for those who started the business from 1.1.2019).

### 6.2 AMOUNT OF THE CONTRIBUTION

The amount of the contribution is calculated by applying the following percentages to the difference between the turnover of April 2020 and April 2019:

- 20% for subjects with 2019 revenues / incomes not exceeding 400,000.00 euros;

- 15% for subjects with 2019 revenues / incomes between 400,000.00 and 1 million euro;
- 10% for subjects with 2019 revenues / incomes between 1 and 5 million euros.

There is a minimum contribution, amounting to:

- 1,000.00 euros, for natural persons;
- 2,000.00 euros, for subjects other than natural persons..

### 6.3 DISTRIBUTION METHODS

The contribution is delivered by bank transfer, upon presentation of an electronic application to the Revenue Agency. The methods of this application will be defined by a forthcoming provision.

## 7. BREAKS FOR THE CAPITALIZATION OF COMPANIES WITH REVENUES BETWEEN 5 AND 50 MILLION EUROS

Benefits are provided for limited companies whose 2019 revenues are between 5 and 50 million euros, which have undergone a reduction of revenues of more than 33% in the period between 1.3.2020 and 30.4.2020 compared to the same two months of 2019 due to the epidemiological emergency COVID-19.

If, by 31.12.2020, a capital increase is carried out in favour of these companies:

- the associates making the payment are entitled to a 20% tax credit, which can be used in compensation from 2021;
- the company is entitled to a tax credit, also usable from 2021, based on the losses that the company makes in 2020 and on the amount of the capital increase that has been made.

The maximum amount of the increase in subsidized capital is equal to 2 million euros (to which the shareholder receives a maximum tax credit of 400,000.00 euros).

The tax breaks is subject to authorization by the European Commission.

## 8. TAX CREDIT ON THE RENTAL FEES OF NON-RESIDENTIAL PROPERTY

Subjects carrying out businesses, art or professional activities and non-commercial entities are granted a tax credit based on the rental fees for non-residential properties.

### 8.1 CONDITIONS

The contribution is granted on condition that:

- 2019 revenues / incomes are less than 5 million euros (not required for accommodation and rural tourism facilities);
- the tenants suffered a decrease of at least 50% of the turnover in the reference month.

### 8.2 AMOUNT OF TAX CREDIT

The tax credit is calculated based on the fees for the months of March, April and May (April, May and June for tourist accommodation facilities with only seasonal activities) and is equal to:

- 60% of the monthly rental fee, leasing or concession of properties for non-residential use intended for the industrial, commercial, artisanal and agricultural activity, of tourist nature or habitual and professional activity of self-employment;
- 30% in the case of complex services contracts or business rental contracts, including at least one property for non-residential use.

## 9. TAX CREDIT FOR SANITATION

Those who carry out business, art or professional activities are granted a tax credit equal to 60% of the expenses incurred in 2020 for:

- the sanitization of the workplace and the tools used in the workplace;
- the purchase of personal protective equipment (e.g. masks, gloves, protective glasses) and other devices aimed at ensuring the health of workers (e.g. thermometers and thermoscanners) and users (e.g. barriers and protective panels).

The tax credit is granted up to a maximum of 60,000.00 euros for each beneficiary.

## 10. TAX CREDIT FOR ADJUSTING PUBLIC BUSINESSES

For subjects engaged in business, art or professional activities in places open to the public (e.g. bars, restaurants, hotels, cinemas, theaters, museums), a tax credit of 60% of the expenses incurred in 2020 is established for the safe reopening of these businesses, within the limit of 80,000.00 euros per beneficiary.

## 11. DEDUCTION OF 110% (SO-CALLED "SUPERBONUS")

The rate of the deduction due for specific energy redevelopment interventions, reduction of seismic risk, installation of photovoltaic systems and installation of charging stations for electric vehicles is increased to 110%, if expenses are incurred from 1.7.2020 to 31.12.2021, also providing that the tax break must be divided into 5 equal installments.

### 11.1 ENERGY REDEVELOPMENT INTERVENTIONS

The deduction of 110%, for the expenses incurred from 1.7.2020 to 31.12.2021, is due for the following energy requalification interventions

- thermal insulation of the vertical and horizontal opaque surfaces affecting the building envelope with an incidence greater than 25% of the gross dispersing surface of the building;
- interventions on the common parts of the buildings for the replacement of existing winter air conditioning systems with centralized systems for heating, cooling or the supply of domestic hot water with condensation, with efficiency at least equal to the class A of product required by the delegated regulation of the Commission (EU) 18.2.2013 n. 811, with heat pump, including hybrid or geothermal systems, also combined with the installation of photovoltaic systems and related storage systems, or with micro-cogeneration systems;
- interventions on single-family buildings to replace existing winter air conditioning systems with systems for heating, cooling or the supply of sanitary hot water with heat pump, including hybrid or geothermal systems, also combined with the installation of photovoltaic systems and relative storage systems, that is with micro-cogeneration systems.

The 110% rate also applies to all the other energy requalification interventions referred to in art. 14 of Decree-Law 63/2013 (for example, the installation of solar panels or shields), within the spending limits provided for each intervention and on condition that they are carried out jointly with at least one of the interventions listed above.

#### **Spending limits**

The 110% deduction is granted in the maximum spending limit not exceeding:

- € 60,000.00 multiplied by the number of real estate units that make up the building, for the thermal insulation interventions of the vertical and horizontal opaque surfaces;
- € 30,000.00 multiplied by the number of real estate units that make up the building for interventions on the common parts of the buildings for the replacement of winter air conditioning systems;
- € 30,000.00 for interventions on single-family buildings for the replacement of winter air-conditioning systems.

If the intervention consists in the replacement of the heating systems, the deduction is also granted for the costs related to the disposal and decontamination of the replaced system..

#### **Properties for which it is possible to use the superbonus**

The "enhanced" deduction at 110% is due only for the aforementioned interventions:

- by condominiums (therefore for interventions on common parts in condominiums);
- on individual real estate units, by natural persons outside the exercise of businesses, art and professional activities;
- by the autonomous public housing institutes (IACP) however named, as well as by the entities having the same social purposes for interventions carried out on properties, owned by them or managed on behalf of the Municipalities, used for public residential construction;
- by housing cooperatives with undivided ownership, for interventions carried out on properties owned by them and assigned for the enjoyment of their members.

La detrazione con aliquota del 110% non spetta, per espressa previsione normativa, se le spese per gli interventi di riqualificazione energetica effettuati

dalle persone fisiche (al di fuori di attività di impresa, arti e professioni) si riferiscono a interventi su edifici unifamiliari non adibiti ad abitazione principale.

The deduction at a rate of 110% is not granted, by express regulatory provision, if the expenses for energy redevelopment interventions carried out by natural persons (outside of business, art and professional activities) refer to interventions on single-family buildings not used as main residential house.

#### **Improvement of the building's energy classes**

In order to benefit from the 110% relief, interventions aimed at energy requalification must comply with the minimum technical requirements that will be provided for by future decrees. These minimum requirements must allow:

- the improvement of at least two energy classes of the building;
- that is, where it is not possible, the achievement of the highest energy class.

### **11.2 ANTI-SEISMIC INTERVENTIONS**

For expenses incurred from 1.7.2020 to 31.12.2021, it is increased to 110% the rate of deductions granted for the interventions referred to in paragraph 1-bis - 1-septies of art. 16 of Decree-Law 63/2013.

These are the interventions that offer the possibility to benefit from the so-called "Sismabonus".

### **11.3 PHOTOVOLTAIC SOLAR SYSTEMS**

For expenses incurred from 1.7.2020 to 31.12.2021, the IRPEF deduction provided for by art. 16-bis paragraph 1 of the TUIR for building renovation works is up to 110%, for the installation of photovoltaic solar systems connected to the electricity grid on buildings pursuant to art. 1 paragraph 1 letter a), b), c) and d) of DPR 412/93, in case one of the energy or anti-seismic upgrading interventions has been carried out jointly, which offers the possibility to benefit from the 110% deduction

### **11.4 CHARGING STATIONS FOR ELECTRIC VEHICLES**

In the event that one of the energy redevelopment interventions has been carried out jointly, which offers the opportunity to benefit from the 110% "superbonus", for the installation of infrastructures

for charging electric vehicles in buildings, the deduction referred to in art. 16-ter of Decree-Law 63/2013 is up to 110%. The relief is divided into five equal annual instalments.

### 11.5 TRANSFER OF DEDUCTION AND DISCOUNT ON THE PAYMENT

In the years 2020 and 2021, subjects who incur expenses for certain interventions can opt, instead of directly using the deduction, alternatively:

- for the discount on the invoice. The amount of this contribution corresponds to the due deduction, anticipated by the supplier who carried out the interventions and recovered by the latter in the form of a tax credit, with the option of subsequently transferring the credit to other subjects, including credit institutions and other financial intermediaries;
- for the transfer of the deduction. In this case, the amount corresponding to the deduction due is transformed into a tax credit for the assignee, who in turn can transfer it to other subjects, including credit institutions and other financial intermediaries.

#### *Types of subsidized interventions*

The possibility of assigning the tax deduction or opting for the discount on the payment concerns the interventions of:

- recovery of the construction asset referred to in art. 16-bis paragraph 1 letter a) and b) of the TUIR. These are the interventions:
  - carried out on all common parts of residential buildings for routine maintenance, extraordinary maintenance, conservative restoration and building renovation;
  - carried out on individual residential real estate units for extraordinary maintenance, restoration and conservative restoration and building renovation;
- energy upgrading pursuant to art. 14 of Decree-Law 63/2013, including those for which the deduction is 110%;.

## 12. MEASURES ON WAGE INTEGRATIONS AND SUPPORT TO THE EMPLOYMENT

The "Rilancio" decree makes numerous changes to the provisions on ordinary unemployment benefits (Cassa integrazione guadagni ordinaria - CIGO) and exceptions for unemployment benefits (Cassa integrazione in deroga - CIGD) of Decree Law 18/2020 ("Cura Italia" decree) and introduces a new measure consisting of subsidies for the payment of wages in order to avoid layoffs in the emergency period caused by the COVID-19 pandemic.

### 12.1 NEWS ABOUT "CIGO" AND COVID-19 ORDINARY CHECK

Article 68 of the "Rilancio" decree makes significant changes to art. 19 of Decree-Law 18/2020, containing special rules on the matter of ordinary unemployment benefits (CIGO) and ordinary check.

In summary, the main interventions concern:

- the extension of the maximum duration of the ordinary treatment;
- the extension of the number of beneficiary workers;
- the recognition of the allowance for the household to the recipients of the ordinary check;
- the new deadline for submitting the application for access to CIGO treatments;
- facilitated use of the unemployment benefits for agricultural workers (CISOA).

#### *Extension of treatments*

The regulation in question establishes that employers who in 2020 suspend or reduce their working activity due to events attributable to the epidemiological emergency from COVID-19, can submit an application for the grant of ordinary wage integration treatment or for access to the ordinary check with reason "COVID-19 emergency", for a maximum duration of:

- 9 weeks for periods starting from 23.2.2020 to 31.8.2020;
- increased by a further 5 weeks in the same period only for employers who have fully used the period previously granted.

It is also recognized a possible additional period of maximum duration of 4 weeks of treatment for periods running from 1.9.2020 to 31.10.2020.

This extension also applies to the ordinary employment benefits (CIGO) granted to companies already using extraordinary employment benefits (CIGS) according to the provisions of art. 20 of Decree-Law 18/2020 (art. 69 of the "Rilancio" decree)

For employers in the tourism, trade fairs, conferences and entertainment sectors, it is possible to benefit from the aforementioned 4 weeks also for periods prior to 1.9.2020.

#### **Extension of the number of beneficiaries**

The number of beneficiaries of the ordinary wage integration treatment is expanded, indicating as recipients the employees working for employers who have requested the service by 25.3.2020. The previous limit of 17.3.2020 set by art. 41 of Decree-Law 23/2020 (so-called "liquidità") is therefore waived.

#### **ANF for ordinary check recipients**

A further favourable measure allows the beneficiaries of COVID-19 ordinary checks to receive a sort of family allowance, in relation to the pay period adopted and under the same conditions as workers on normal working hours.

#### **Obligation to consult Trade unions**

The regulation reintroduces the obligation - for the employer - of information, consultation and examination together with the trade unions for the purpose of submitting the application for ordinary treatment. This obligation had been removed from the text of art. 19 of Decree-Law 18/2020 when converted into law.

#### **New deadline for submitting the application for CIGO**

The deadline for submitting the application for access to ordinary integration treatments is now set within the month following the month when the period of suspension or reduction of work activities began, and no longer within the fourth month as per the previous provision.

#### **Special measures for CISOA**

A special provision is included concerning the treatment of unemployment benefits for agricultural workers (CISOA), required for events attributable to the epidemiological emergency from COVID-19, which is granted with exception to the limits of use referred to the individual worker and the number of working days to be carried out at the same company.

The treatment periods are granted for a maximum period of 90 days, from 23.2.2020 to 31.10.2020 and in any case with the end of the period by 31.12.2020, and are neutralized for the purposes of subsequent requests.

#### **12.2 NEWS ON THE CIG IN DEROGATION**

Article. 70 of the "Rilancio" decree intervenes with reference to the provisions about the unemployment benefits in derogation established with the reason of COVID-19 by art. 22 of Decree-Law 18/2020.

Also in this case, the duration of the treatment is extended:

- 9 weeks for periods from 23.2.2020 to 31.8.2020;
- increased by a further 5 weeks in the same period only for employers who have fully used the period previously granted

A further period of maximum duration of 4 weeks of treatment is also granted for periods from 1.9.2020 to 31.10.2020.

Furthermore, the treatment is expected to be recognized for employees working by 25.3.2020.

In the face of these extensive interventions, the rule in question restricts the field of application of the exemption from the obligation to reach the union agreement, necessary for submitting the application for access to the treatment in derogation, limiting it to only employers that have up to 5 employees.

Still on the subject of CIG in derogation, art. 71 of the decree in question defines, for access to the treatment after the first 9 weeks of use, the procedure for direct request to the INPS.

As regards the direct payment of the service, the employer is obliged to send all the data necessary for the payment of the salary integration to the INPS, according to the methods established by the Institute, within the 20th day of every month following the month when the wage integration period is established.

### 12.3 SUBSIDIES FOR THE PAYMENT OF EMPLOYEE WAGES TO AVOID LAY-OFFS DURING THE COVID-19 PANDEMIC

Article. 60 of the "Rilancio" decree attributes to the Regions, Autonomous Provinces, other territorial bodies and Chambers of Commerce the possibility of granting State support to companies in the form of subsidies to help pay employees' wages and avoid layoffs during the Covid-19 emergency period.

This support must meet the conditions set out in the "Communication from the European Commission C (2020) 1863 final" - "Temporary framework for state aid measures to support the economy in the current emergency of COVID-19".

The subsidy for the payment of wages cannot exceed 80% of the monthly wages paid by the beneficiary staff and is granted:

- for a period not exceeding 12 months from the request for aid that is from the start date of the imputability of the subsidy, if earlier;
- for employees who would otherwise have been dismissed as a result of the suspension or reduction of business activities due to the COVID-19 pandemic.

It is also required that the staff who benefit from it continue to carry out their work on a continuous basis throughout the period for which the subsidy is granted.

### 13. EXTENSIONS AND RENEWALS OF TEMPORARY CONTRACTS

Article 93 of the "Rilancio" decree, to deal with the restart of activities as a consequence of the COVID-19 emergency, provided that, with exception to art. 21 of Legislative Decree 81/2015, employers can renew or extend until 30.8.2020 temporary employment contracts in force by 23.2.2020 even in the absence of the reasons indicated in art. 19 co. 1 of Legislative Decree 81/2015, therefore even in the absence of needs:

- temporary and objective, unrelated to ordinary activities, or
- to replace other workers, or
- connected to temporary, significant and non-programmable increases in ordinary activities.

The other limits set by the Legislative Decree 81/2015 regarding renewals and extensions of temporary contracts, as the derogation (until 30.8.2020) limited to the specification of the reasons, remain unchanged.

For further information, do not hesitate to contact us:

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