



RISTORI DECREE AND RISTORI BIS DECREE

Introduction

On 27 October 2020, the Italian Government has approved the Law Decree 28 October 2020, No. 137 (so-called "Ristori Decree") concerning urgent measures related to the Covid-19 outbreak and aimed at supporting those economic activities restricted by the Decree of the President of the Council of Ministers (hereinafter "DPCM") adopted on 24 October 2020.

Subsequently, the Italian Government has introduced the Law Decree No. 149 dated 9 November 2020 (so-called "Ristori Bis Decree") in order to face the economic restrictions aimed by DPCM adopted on 3 November 2020.

The main measures are summarised below.

1. Non-repayable grant

According to article 1 of Ristori Decree, under certain conditions, a non-repayable grant is granted to companies carrying out business activities listed in Annex 1 who have suffered a reduction in turnover and/or fees for the month of April 2020, to the extent that it is less than two thirds of the amount of turnover and fees for the month of April 2019.

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With respect to individuals who started business activities after January 1st, 2019, this contribution is due even in the absence of the requirement of a reduction in turnover/fees.

The amount of the grant is determined applying the percentages listed in Annex 1 differentiated by economic sectors on the amount calculated using the following percentages to the difference between the amount of turnover for April 2020 and the same amount for April 2019:

- 20% for revenues not exceeding € 400,000;
- 15% for revenues between € 400,000 and € 1,000,000;
- 10% for revenues exceeding € 1,000,000.

The grant is not provided in favour of subjects whose activity has ceased on or before the October 25th, 2020.

The maximum amount that can be granted is equal to € 150,000.

Article 1 of Rilancio Bis Decree provides for an increase of non-repayable grant up to 50% on the percentage listed in Annex 1 for the companies carrying out business activities within ATECO code: 561041, 563000, 551000 and having their tax domicile or head office in both orange and red zones.

A non-repayable grant is also granted in 2021 in favour of companies carrying out business activities in the mall in order to face the restrictions aimed by DPCM 3 November 2020. The aforementioned grant is calculated as follows:

- to the extent of 30% on the grant provides by article 1 of Ristori Decree for companies carrying out business activities listed in Annex 1;
- to the extent of 30% of the amount calculated using the above percentages to the difference between the amount of turnover for April 2020 and the same amount for April 2019 for other companies.

Furthermore, pursuant to article 2 of the Ristori Bis Decree, a non-repayable grant is granted to companies carrying out business activities listed in Annex 2 having their tax domicile or head office in the red zone.

The aforementioned non-repayable grant is calculated using the percentage listed in Annex 2 and it is subject to the same conditions described above.

2. Tax credit for rentals of non-residential properties

Article 8 of Ristori Decree extends the application of the tax credit set forth by article 28 of the Law Decree No. 34/2020, granted on the monthly amount of rent, lease payment or concession fee of non-residential properties to companies carrying out activities listed in Annex 1, in the absence any revenue threshold requirement.

The credit amount is calculated on the monthly rental fees paid by the tenant for October, November and December 2020 and it is granted as long as the revenue reduction of the relevant month (*e.g. October*) is equal to at least 50% of the revenues of the same month of FY2019.

The aforementioned tax credit is granted as follows:

- to the extent of 60% of the monthly amount of the rent of non-residential properties;

- to the extent of 30% of the relevant fees paid for going concern lease agreements.

Furthermore, article 4 of Ristori Bis Decree extends the application of the aforementioned tax credit to companies carrying out business activities listed in Annex 2 or with ATECO Code: 79.1, 79.11 and 79.12, having their head office in the red zone, for the months of October, November and/or December 2020 under the same conditions described above.

3. The cancellation of second IMU instalment

Pursuant to both Ristori Decree and Ristori Bis Decree, the second instalment of the IMU has been cancelled for companies which carry out business activities listed in Annex 1 and Annex 2 and operate in the red zone, only if the owner of the asset is also managing the activity here exercised.

4. The postponement of the submission of the tax return for the withholding agents

According to Article 10 of the Ristori Decree, the deadline for the submission of the tax return FY2019 for the withholding agents is extended until December 10th, 2020.

5. The postponement of payments for IRES and IRAP

Pursuant to Article 6 of Ristori Bis Decree, payments of IRES and IRAP are postponed until April 30th, 2021, for companies carrying out business activities for which the “ISA” has been approved, listed in Annex 1 and Annex 2, having their tax domicile or their head office in the red zone.

6. Suspension of tax payments

Article 7 of the Ristori Bis Decree provides for the suspension of the payment terms that expire on November 2020 regarding withholding taxes and VAT.

The suspended payments must be made in a single settlement by March 16th, 2021 or by monthly instalments of up to four, the first of which by March 16th, 2021.

The aforementioned measure is applicable to the following:

- companies carrying out business activities which have been suspended by article 1 of DPCM 3 November 2020;
- companies providing restaurant services and having their tax domicile or registered office or head office in both red and orange zones;
- companies carrying out business activities listed in Annex 2 or accommodation services as well as activities of travel and tourism agencies having their tax domicile or registered office or head office in the red zone.

7. Suspension of social security and welfare contributions

Article 11 of the Ristori Bis Decree provides for the suspension of the payment terms regarding social security and welfare contributions which expire on November 2020 for employers who carry out activities listed in both Annex 1 and Annex 2, located in the red zone.

The suspended payments must be made in a single settlement by March 16th, 2021 or by monthly instalments of up to four, the first of which by March 16th, 2021. It is not possible to ask for refund of what has already been paid.

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ANNEX 1

ATECO CODE	ACTIVITIES	PERCENTAGE
493210, 493220, 493909, 503000	Taxi and similars, passenger transports	100%
493901	Management of ski resorts	200%
522130, 522190	Activities connected to land transports	100%
551000, 552010, 552020, 552030, 552040, 552051, 552052, 553000, 559020,	Hotels and similars (e.g. student housing)	150%
561011, 561012, 561020, 561030, 561041, 561042, 561050, 562100, 563000	Restaurants, catering, bars, ice cream shops, etc.	50% - 150% - 200%
591300, 591400	Cinemas and movie distributions	200%
619020	Internet and phone Point	50%
742011, 742019, 749094	Fotoreportes, Sport and spectacular agents	100% - 200%
773994	Rent of structures and equipments for events	200%
799011, 799019	Booking of events and touristic assistance	200%
823000	Organization of meetings and events	200%
855100, 855201, 855209	Sport and dance courses, cultural education	100% - 200%
900101, 900109, 900201, 900209, 900309, 900309, 900400, 920009	Artistic representations, theaters, bingo halls	200%
910100, 910200, 910300, 910400	Libraries, museums, and similars	200%
931110, 931120, 931130, 931190, 931200, 931300 931910, 931992, 931999	Management of sport infrastructures, including gyms (incl. organization sport events)	200%
932100, 932910, 932930, 932990	Luna-parks, discos, night-clubs and similars	200% - 400%
949920, 949990	Organization events and other organizations	200%
960410, 960420, 960905	Wellness centers, party organization	200%
960110	Industrial laundries	100%

ANNEX 2

ATECO CODE	ACTIVITIES	PERCENTAGE
471910	Department stores	200%
471990	Drugstores	200%
475110, 475120, 475311, 475312, 475320, 475400, 476420, 477834, 475910, 475920, 475940, 475960, 475991, 475999, 476300, 477110, 477140, 477150, 477220, 477700, 477810, 477831, 4778.32, 477833, 477835, 477836, 477837, 477850, 477891, 477892, 477894, 477899, 477910, 477920, 477930	Retail of: textiles for clothing, furniture, household linen, knitting and merchandise yarns, curtains and blinds, carpets, wallpaper and floor coverings household appliances, boats, gift items, household furniture, household utensils, musical instruments, wooden articles, plastic articles for domestic use, other household articles, musical and video recordings, adult packaging, furs and leather clothing , hats, umbrellas, gloves and ties, leather goods and travel goods, watches, jewellery and silverware, office furniture, art objects, handicrafts, favors, costume jewelry, fine arts, military items, collector items, canvas, other products, second-hand books, used furniture and antiques garments and other used articles	200%
477940	Auction house	200%
478101, 478102, 478103, 478109	Retail of fruit and vegetables, fish products, meat, other products	200%
478201, 782102, 478901, 478902, 478903, 478904, 478905, 478909	Itinerant retail	200%
479910	Door-to-door sale	200%
960202, 960203, 960902, 960903, 960904, 960909	Beauty institutes and similars, services for the person	200%