

London



New York



Geneva



Greenwich



Hong Kong



Milan



New Haven



Jurisdiction overview - Italy

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A vertical image on the left side of the slide showing light trails from a road at night, curving upwards. The background of the slide is a solid dark blue color.

“Where else?”

- Gift and succession tax rates
- Taxation of investments
- Confidentiality
- Trusts
- Life insurance
- “Tax shield”

Gift and succession tax

Generous allowances	€100,000 indirect heirs €1m direct heirs
Low tax rates	4% direct heirs - 8% unrelated beneficiaries (plus SDLT)
Deemed residence	1966 Treaty
Funding of trusts	Max 8%

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Dante's Inferno...

- Income tax rates up to 43% (income exceeding €75,000) plus mandatory social contributions/pension schemes
- Additional regional or local duties/or levies applied to registered or luxury goods
- Real estate tax – “ICI”

Dante's Paradiso

0%	<ul style="list-style-type: none">• PPR Relief• Non-business gains on real estate (> 5 years)
12.5%	<p>Income from:</p> <ul style="list-style-type: none">• “non-qualified shareholdings”• Bonds [in some circumstances 27%]• investment funds

Dante's Paradiso

0%	<ul style="list-style-type: none">• PPR Relief• Non-business gains on real estate (> 5 years)
12.5% Final at source if paid through	<p>Gains from</p> <ul style="list-style-type: none">• “non-qualified shareholdings”• Bonds• investment funds• Currencies/precious metals• Futures, options, swaps, etc.• Certain payments from life insurance policies, etc.

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Confidentiality

- 12.5% tax often levied as final tax withheld at source
- Use of QIs (qualified financial intermediaries authorised in Italy) removes need for tax return (though offsetting issues)




Trusts

- Full recognition
- Express tax rules since 2007
 - Trusts akin to companies
 - Gift tax
 - Deemed residence
- Planning opportunities



Life insurance policies (excluding those granting an annuity)

- Deferral of income and gains
- Payments tax exempt or taxed at 12.5%.



Tax amnesty (“Tax Shield”)

- €80bn collected so far (according to Mr Tremonti)
- 6% until end of February
- 7% until end of April
- When should a UK resident consider it?