

How to do business in Italy

Legal considerations

Contact the DIT team at the British Consulate General in Milan to help find tax and legal advisers before entering into agreements. See the 'Resources' section of this guide.

Standards and technical regulations

Products and packaging should meet EU standards. For more details, see: www.europa.eu/youreurope/business/product/ce-mark.

Italy follows EU regulations, but it adopts more stringent ones in some sectors. This also applies to packaging and labelling. If in doubt contact the local UKTI team in Italy. See the 'Resources' section at the end of this guide.

Ente Nazionale Italiano di Unificazione (UNI) has responsibility for Italian national standards. See: www.uni.com

Comitato Elettrotecnico Italiano (CEI) is responsible for electrics, electronics and telecommunications regulations. See: www.ceiweb.it/en

[Source: Department for International Trade (DIT) (Feb 2016)]

Intellectual Property (IP)

Trademarks, designs, patents and copyright are the principal forms of Intellectual Property (IP) protection available to companies and individuals.

Having the right type of intellectual property protection helps you to stop people stealing or copying:

- the names of your products or brands
- your inventions
- the design or look of your products
- things you write, make or produce

Copyright, patents, designs and trademarks are all types of intellectual property protection. You get some types of protection automatically, others you have to apply for.

You own intellectual property if you:

- created it (and it meets the requirements for copyright, a patent or a design)
- bought intellectual property rights from the creator or a previous owner
- have a brand that could be a trade mark, eg a well-known product name

You usually will not own the intellectual property for something you created as part of your work while you were employed by someone else.

Intellectual property can:

- have more than one owner
- belong to people or businesses
- be sold or transferred

However, IP law – especially for patent protection – is not yet totally harmonised within the EU.

Applications for IP protection should be made through the Italian Patent Office of the Italian Ministry for Economic Development. See: www.uibm.gov.it/index.php/inglese

Contact the Intellectual Property Office (IPO), the official UK government body responsible for intellectual property (IP) rights including patents, designs, trademarks and copyright, for further information or advice: www.gov.uk/government/organisations/intellectual-property-office

[Source: Department for International Trade (DIT)/IPO (Feb 2016)]

Tax and customs considerations

The UK and Italy have signed a double taxation convention. The UK Government has a 30 page document “1988 Italy-UK Double Taxation Convention” which is available to download at: www.gov.uk/government/publications/italy-tax-treaties-in-force

The Italian Revenue Agency (Agenzia delle Entrate) provides more information on taxation in Italy. See: www1.agenziaentrate.gov.it/english

Value Added Tax (VAT) VAT is known as IVA in Italy. The standard rate is 22%.

A reduced IVA rate of 4% is applied to:

- basic food products
- some social services
- dailies, periodicals, books
- some seeds and fertilisers

A 10% rate is charged on tourist services and some other food products.

Check with HM Revenue and Customs (HMRC) regarding VAT refund of business expenses incurred in Italy. See: www.gov.uk/government/publications/vat-notice-723

Corporate tax The corporate tax (IRES) rate in Italy is 27.5%. This fixed rate must be paid by all resident companies on income from any source, whether earned in Italy or abroad.

There is also a regional tax on business activities called IRAP, which varies from region-to-region (4 to 6%).

Income tax Resident individuals are subject to a personal income tax (IRPEF) on their worldwide income. Non-resident individuals are only subject to tax on their Italian source income.

There are five income bands with rates from 23% (for taxable incomes up to EUR €15,000) to 43% (for those over EUR €75,000).

Customs considerations The internal market of the European Union (EU) is a single market in which the free movement of goods, services, capital and persons is assured, and in which citizens are free to live, work, study and do business.

Since its creation in 1993, the single market has opened itself more to competition, created jobs, and reduced many trade barriers. The Single Market Act (see: www.ec.europa.eu/growth/single-market/smact/index_en.htm#maincontentSec3) was put forward in two parts, in 2011 and 2012, containing proposals to further exploit the opportunities afforded by the single market, in order to boost employment and improve confidence in European business.

Therefore as a single market allowing the free movement of goods and services, no import duties are applicable.

Weights and measures should be metric and temperatures given in centigrade.

More information on customs regulations is available from the Italian Customs Agency (Agenzia delle Dogane). See: www.agenziadoganemonopoli.gov.it/wps/wcm/connect/Internet/ee

Documentation

Goods which are in free circulation within the EU can move between member states without being subject to any documentation requirements.

This does not apply to excise or controlled goods which still require documentation.

[Source: Department for International Trade (DIT)/HMRC (Feb 2016)]

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