

Let's get to work!
**Maxi tax deduction for companies that hire
on a permanent basis.**



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LAW

SUPER TAX RELIEF

Super tax relief for permanent hires.

The Minister of the Economy and Finance, in conjunction with the Minister of Labour and Social Policy, issued a Ministerial Decree dated 25 June 2024, which effectively brings into force the major tax relief set out in the Budget Law.

Specifically, for **business owners and self-employed professionals** for the tax period following the one ending on 31 December 2023, the tax reform provides for the right to an increased deduction of 120% of labour costs in the case of an increase in the number of employees with permanent contracts. The tax deduction raise up to 130% - if the people who are hired on permanent employment contracts are classified as “workers deserving extra protection” (people with disabilities, minors of working age in situations of family hardship, women with at least two underage children, young people eligible for youth employment incentives and people who used to receive the so-called citizen’s income welfare benefit who do not fulfil the conditions for access to the integration allowance government aid).

Eligibility for the relief is dependent on two conditions linked to employment levels actually increasing. Firstly, the relief is available if the number of permanent employees at the end of the tax period following the one ending on 31 December 2023 is higher than the average number of permanent employees in the previous tax period. At the same time, at the end of the tax period following the one ending on 31 December 2023, the above-mentioned increase in employment must mean a number of workers (including temporary workers) higher than the average number of workers employed in the previous tax period. In short, the relief is only available if, at the end of the tax period in which **the relief is available, the increase in the number of permanent employees is accompanied by an increase in the total number of employees.**

In terms of actually making the calculation, the Ministerial Decree notes the following:

- Employment increases due to a reorganisation (e.g. mergers or divisions) or business transfers are considered neutral
- Employees posted abroad are not counted, even if they are hired on a permanent basis for the duration of the secondment

SUPER TAX RELIEF

- A contract that is converted from fixed-term to permanent is included
- Part time workers should be included in the calculation proportionally to the number of hours worked.

The personnel costs actually incurred by the company include:

- Wages and salaries
- Social security contributions payable by the company to the various social security and insurance institutions (INPS and INAIL)
- Contributions to any supplementary pension funds other than severance pay (TFR) that are generally provided for by collective agreements.

Finally, the following income statement items are excluded from quantifying the cost:

- Meal vouchers
- Expenses for employees training
- Expenses for accommodation and meals for employees who travel on business
- Costs for company cars provided to employees for personal and business use.

CONTRIBUTION "SETTLEMENT"

Contribution "settlement".

With circular no. 69 issued on 29 May 2024, the Italian Social Security Institute (INPS) provided operational guidelines for the application of the rules governing how people can use the mechanism to make payments to cover periods when they did not pay any contributions, as reintroduced by the 2024 Budget Law for the period 2024-2025.

The option to use this mechanism is **available to employees (i.e. enrolled in AGO, that is the general mandatory social security scheme), people enrolled in the special schemes for self-employed people and the separate scheme (Gestione separata) who did not have contribution seniority on 31 December 1995 and who do not already receive a pension.**

The following are excluded: private pension funds (i.e. Casse private) for the self-employed, foreign social security systems and European Union pension funds.

The mechanism can be used to cover a total of five years of unpaid contributions, with these years not having to be consecutive. Additionally, the periods in question must be after 31 December 1995 and before 1 January 2024. They should fall between the year of the first contribution and the year of the last contribution to the social security schemes specified in the rules, not to the scheme in which one is planning to make use of the mechanism.

Only periods not subject to mandatory contributions are eligible for such payments. As a result, the mechanism cannot be used to compensate for periods during which the employee was supposed to pay social security. This exclusion necessarily applies even if the obligation to pay contributions has already lapsed.

Periods for which such payments have been made are equivalent to periods of work and are used to determine the right to a pension and the amount of the pension.

Having seniority before 1996, even if this occurs from using this mechanism, will result in the automatic cancellation of the payment with the return of the amount paid.

Pension for the people using this possibility will be calculated using "contribution system". The corresponding amount is consequently determined using the "percentage" calculation mechanism, applying the funding contribution rate in force on the date of application in the pension scheme into which the payment is made.

CONTRIBUTION "SETTLEMENT"

The amount payable is calculated on the basis of the salary subject to contributions for the 12 months immediately prior to the date of application, using the current contribution rate for the scheme in which the payment will be made, with this amount then adjusted in relation to the period of the payment.

The deadline for the application is 31 December 2025.

NEW GUIDELINE FOE EMAIL

Privacy authority: new guidelines for email management in the work environment.

In a provision issued on 6 June, the Italian Data Protection Authority issued guidelines on computer programmes and services for the management of emails of employees and the processing of the metadata from employee's emails.

In the document, the term metadata means the email addresses of the sender and recipient, the IP addresses of the servers, the times of sending, retransmission or receipt, the size of the message, the presence and size of any attachments and, in some cases, even the subject of the message.

The Authority identified a risk that computer programmes and services used to manage email in the work environment may collect and store for an extended period metadata relating to the use of email accounts used by employees.

According to the Authority, since the workers are not aware of this metadata collection and the timeframe involved, this could constitute indirect monitoring from a distance of their activities, which would have to be done in accordance with the rules set out in the workers' statute (trade union agreement or authorisation from the local labour inspectorate).

In the Authority's view, the aforementioned rules do not apply when collecting and storing metadata necessary to operate the email system is carried out for a limited period of time, in any case not exceeding 21 days. The possibility of extending the retention period is only allowed under specific conditions justifying the need for the extension and demonstrating the technical and organisational particularities of the data controller.

It is also the responsibility of the data controller to take all technical and organisational measures to:

- Ensure compliance with the principle of purpose limitation
- Monitor selective access only by authorised and properly trained personnel
- Monitor the tracking of any access to the data.

Otherwise, in the case of generalised collection and retention of email logs for a longer period, the employer will have to put in place the procedures designed to protect workers as detailed in the workers' statute.

In any case, the Authority urges data controllers/employers to verify that the collection and storage of logs is done in accordance with the principles of fairness and transparency to employees and that employees have been adequately informed about the processing of personal data related to any electronic communications concerning them.

COLLECTIVE LABOUR AGREEMENT RENEWALS

METALWORKING COLLECTIVE AGREEMENT

METALWORKING Collective labour agreement: base pay and equalizing element .

ADJUSTMENT OF BASE PAY IN JUNE 2024:

From 1 June 2024, the new base pay levels will be as follows:

Level	Base pay
A1	2.800,71
B3	2.735,18
B2	2.449,99
B1	2.283,65
C3	2.130,56
C2	1.989,38
C1	1.948,18
D2	1.906,99
D1	1.719,67

As of 1 January 2017, the increase in base pay can be absorbed by individual increases granted after that date, unless they are granted with an explicit non-absorption clause, as well as collective fixed wage increases, if any, agreed with the company after that date, with the exception of wage amounts related to the way the work is performed (e.g. overtime, shift, night, holiday allowances/increases).

The increase in base pay also applies to travel and on-call allowances as follows:

Nature of allowance	From 1 June 2024
Whole trip	49,68
Amount for midday or evening meal	12,89
Amount for accommodation	23,90

METALWORKING COLLECTIVE AGREEMENT

Level	Daily Pay			Weekly Pay		
	16 hours (WORKING DAY)	24 HOURS (FREE DAY)	24 HOURS SUNDAY/ HOLIDAY	6 DAYS	6 DAYS WITH SUNDAY/ HOLIDAY	6 DAYS WITH SUNDAY/ HOLIDAY AND FREE DAY
D1-D2-C1	5,69	8,56	9,25	37,00	37,68	40,56
C2-C3	6,78	10,64	11,41	44,52	45,29	49,15
B1 AND ABOVE	7,78	12,81	13,48	51,72	52,39	57,42

EQUALISING ELEMENT

Workers who are employed, on 1 January, at a company without any second tier agreements and who earned, in the preceding year (1 January to 31 December), only the pay elements in the National Collective Labour Agreement (workers without collective or individual extra allowances, annual bonuses or other compensation subject to contributions) must be paid a gross equalising amount of €485.00 or up to the equivalent of that amount, in cases where additional compensation is paid over and above that in the National Collective Labour Agreement. This extra amount is payable with the remuneration for June.

This amount does not affect employee severance pay.

Any portion of a month exceeding 15 days shall be calculated as an entire month, for the purposes of the equalising amount.

SMALL METALLWORKING INDUSTRY - CONFAPI COLLECTIVE AGREEMENT increase in base pay.

ADJUSTMENT OF BASE PAY IN JUNE 2024

- From 1 June 2024, the new base pay levels will be as follows:

BASE PAY		
Level	Increases from 1 June 2024	National collective agreement base pay from 1 June 2024
9Q	€ 192,68	€ 2.985,18
9	€ 192,68	€ 2.985,18
8Q	€ 173,26	€ 2.684,27
8	€ 173,26	€ 2.684,27
7	€ 159,32	€ 2.468,33
6	€ 148,50	€ 2.300,75
5	€ 138,51	€ 2.145,87
4	€ 129,30	€ 2.003,23
3	€ 123,93	€ 1.920,00
2	€ 111,70	€ 1.730,47
1	€ 101,14	€ 1.566,89

As of 1 January 2017, the increase in base pay can be absorbed by any individual increases granted after that date, unless they are granted with an explicit non-absorption clause, as well as collective fixed wage increases, if any, agreed with the company after that same date, with the exception of wage amounts related to the way the work is performed (e.g. overtime, shift, night, holiday allowances/increases).

SMALL METALWORKING INDUSTRY CONFAPI

TRAVEL AND ON-CALL ALLOWANCE

Effective from 1 June 2024, the travel and on-call allowances under the National Collective Labour Agreement also change. Below are the amounts:

Travel allowance	from 1 June 2024
Whole trip	49,68
Amount for midday or evening meal	12,90
Amount for accommodation	€24,83

Indennità di reperibilità dal 1° giugno 2024

	16h (working day)	24h (free day)	24h (holiday)	6 days	6 days with Sunday/ holiday	6 days with Sunday/ holiday and free day
Levels 1, 2, 3	5,69	8,56	9,24	37,00	37,68	40,56
Levels 4 and 5	6,78	10,63	11,41	44,52	45,29	49,15
Above level 5	7,79	12,81	13,48	51,77	52,44	57,46



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HLB, NETWORK OF THE YEAR 2024.
If unity is strength, then with 40,831 of us,
we are incredibly strong!



We're thrilled to share that HLB has been honored with the prestigious title of "NETWORK OF THE YEAR 2024" at the recent International Accounting Forum awards in London. This recognition highlights our collective hard work and the impressive growth we've achieved over the past year. Together, we make it happen.

