



**COHESION DECREE:
HIRING BONUS FOR UNDER 35s STARTING
FROM 1 SEPTEMBER 2024.**

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LAW

Hiring bonus for under 35s starting from 1 september 2024.

HIRING BONUS FOR UNDER 35

The Cohesion Policy Decree-Law (Decree-Law no. 60/2024) introduced a total exemption from social security contributions for employers who hire young people under the age of 35 between 1 September 2024 and 31 December 2025. However, these measures will only come into effect once they have been approved by the European Commission. It is therefore crucial to note that all new hires must initially be treated as 'standard' hires, with no immediate application of the relief. Only after the Commission's approval and the publication of operational guidelines by the Italian Social Security Institute (INPS) will employers be able to reclaim social security contributions already paid.

Here is a summary of this contribution relief:

UNDER 35 BONUS	Features
Benefit Period	1 September 2024 to 31 December 2025
Type of Employee	Young people under the age of 35 (up to 34 years and 364 days) who have never had an open-ended contract of employment (excluding apprenticeship contracts where the qualification was not completed). If the young person previously had an open-ended employment contract for which the employer benefited partially from the youth bonus, the new employer can only benefit from the contribution exemption for the remaining usable period.
Contract Type	- Open-ended employment contract - Change a fixed-term contract, into an open-ended one
Facility	Exemption from paying 100% of social security contributions payable by the employer, excluding National Insurance Institute for Industrial Accidents (INAIL) contributions and premiums, with a monthly cap of €500 per employee. The rate used to calculate pension benefits remains unchanged. This limit is increased to €650 per month if the young person is hired in an office or production unit located in one of the following regions: Abruzzo, Molise, Campania, Basilicata, Sicily, Apulia, Calabria or Sardinia (ZES Sud - Single Special Economic Zone for the South).
Duration of the Facility	24 months

HIRING BONUS FOR UNDER 35

Restrictions	<ul style="list-style-type: none">- The employer must not have made any collective or individual dismissals for economical reasons in the six months prior to the incentivised hiring in the same production unit in which the young person is being hired.- In the six months following the incentivised hiring, the employer may not, for economical reasons, dismiss the newly hired young worker in the same production unit, nor dismiss any other workers with the same qualifications as the newly hired young worker.- Failure to comply with these restrictions will result in revocation of the incentive and recovery of any benefits already received.
Exclusions	<p>The following cannot be hired on the incentives in question:</p> <ul style="list-style-type: none">- Domestic workers- Executive personnel- Apprenticeship contracts
Limits	<p>The exemption has the following limits:</p> <ul style="list-style-type: none">- n- The spending limits authorised by law (€34.4 million for 2024, €458.3 million for 2025, €682.5 million for 2026 and €254.1 million for 2027). INPS is delegated to monitor compliance with these spending limits;- Compliance with the procedures, territorial limits and eligibility criteria set out in the National Programme for Youth, Women and Work 2021-2027.- The exemption cannot be combined with other exemptions and/or employer contribution reductions. It may be combined with the “super deduction” provided for in Article 4 of Legislative Decree no. 216/2023.
Operational Requirements	<p>For the measure to come into effect, the following must happen:</p> <ul style="list-style-type: none">- The European Commission must grant authorisation.- INPS must issue an operational circular.

**NEW PENALTY
FIXED-TERM
CONTRACT**

New penalty framework in case of unlawful fixed-term contracts.

Decree-Law no. 131/2024 modified the consequences in cases where the court declares a fixed-term employment relationship to be unlawful, transforming it into an open-ended one.

The following shows a comparison of the old framework (until 16/09/2024) and the new one.

Scenario	Until 16/09/2024	From 17/09/2024
Challenge period	180 days from the end of the fixed-term contract	180 days from the end of the fixed-term contract
Remedy	<p>All-inclusive compensation ranging from 2.5 to 12 months' salary, based on the last salary used for calculating the severance pay (TFR), or up to 6 months' salary if a collective labour agreement provides for the hiring of workers already employed on a fixed-term basis.</p> <p>Conversion to an open-ended contract is also required.</p>	<p>All-inclusive compensation ranging from 2.5 to 12 months' salary, based on the last salary used for calculating the severance pay (TFR), WITH THE POSSIBILITY FOR THE JUDGE TO SET A HIGHER AMOUNT if the worker proves they suffered greater harm.</p> <p>The option to halve the compensation (reducing it to 6 months' salary) is removed, even if collective labour agreements provide for the hiring, including on open-ended contracts, of workers already employed on fixed-term contracts from specific lists.</p> <p>Conversion to an open-ended contract is also required.</p>

COLLECTIVE LABOUR AGREEMENT RENEWALS

TRAVEL AGENCY AGREEMENT

TRAVEL AGENCY COLLECTIVE LABOUR AGREEMENT: contractual renewal.

On 26 July 2024, a draft agreement was signed for the renewal of the Confcommercio national collective labour agreement for employees of travel and tourism companies. The agreement will enter into force on 1 July 2024 and will expire on 31 December 2027.

MINIMUM CONTRACTUAL PAY

On 1 July 2024, and for 4 further tranches in September 2025, September 2026, June 2027 and December 2027, there will be an increase in the minimum contractual pay calculated as shown in the table below.

LEVEL	consolidated pay	Timings for tranches and amounts				
		July 24	Sept. 25	Sept. 26	June 27	Dec. 27
Manager (QA)	2.210,16 €	71,26 €	57,01 €	57,01 €	42,76 €	57,01 €
Manager (QB)	2.046,20 €	65,98 €	52,78 €	52,78 €	39,59 €	52,78 €
1	1.906,44 €	61,47 €	49,18 €	49,18 €	36,88 €	49,18 €
2	1.742,47 €	56,18 €	44,95 €	44,95 €	33,71 €	44,95 €
3	1.643,37 €	52,99 €	42,39 €	42,39 €	31,79 €	42,39 €
4	1.550,69 €	50,00 €	40,00 €	40,00 €	30,00 €	40,00 €
5	1.454,28 €	46,89 €	37,51 €	37,51 €	28,13 €	37,51 €
6s	1.398,37 €	45,09 €	36,07 €	36,07 €	27,05 €	36,07 €
6	1.378,55 €	44,45 €	35,56 €	35,56 €	26,67 €	35,56 €
7	1.291,81 €	41,65 €	33,32 €	33,32 €	24,99 €	33,32 €

This increase can be absorbed, up to the relevant amount, by prepayments for future contractual increases.

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- **Bonus:** The parties agree to establish a performance bonus for employees of companies that are not covered by a company-level or territorial collective agreement. If a performance bonus agreement is not reached by 31/10/2026, the employer will pay the following amounts with the November 2027 payroll:

LEVEL	Euro
Manager A, B	186,00
1, 2, 3	158,00
4, 5	140,00
6S, 6, 7	112,00

The bonus will be fully offset by any additional individual or collective economic benefits granted after 1 July 2024 that go beyond what is provided for in the relevant national collective labour agreement.

Alternatively, the company will allocate the amount to social tools in accordance with current regulations, following a company/territory agreement. The amount is recalculated proportionally for part-time employees.

- **Hourly Reduction (ROL):** Periods of absence due to maternity leave, paternity leave, and parental leave count towards the accrual of time-off allowances.
- **Vacation Leave:** Periods of absence due to maternity leave, paternity leave, and parental leave count towards the accrual of vacation days.
- **Thirteenth Month Salary:** Periods of absence due to maternity leave, paternity leave, and parental leave count towards the accrual of the thirteenth month salary.
- **Fourteenth Month Salary:** Starting from 1 December 2027, periods of absence due to parental leave will count towards the accrual of the fourteenth month salary.
- **QUAS:** Currently, supplementary healthcare for middle managers is funded by a company contribution of €340 and an individual contribution of €50 from each manager. From 1 January 2025, the employer's contribution will increase by €20. From 1 January 2026, the employer's contribution will increase by a further €20.
- **Est Fund:** Currently, supplementary healthcare for employees is funded

TRAVEL AGENCY AGREEMENT

by a monthly contribution of €12 for 12 monthly salaries, with €10 paid by the company and €2 by each employee. From 1 January 2027, the employer's contribution will increase by €3 per month.

- **Leave for female victims of violence:** According to the law (article 24 of Legislative Decree no. 80/2015), female employees involved in certified protection programmes related to gender-based violence, verified by the social services of their municipality, anti-violence centres or women's shelters, are entitled to take leave from work for reasons related to their protection path for up to 90 working days.

During the period of leave, the employee is entitled to an allowance equal to her last salary, and this period is covered by notional contributions. The allowance is advanced by the employer and then offset against the contributions due to INPS in accordance with the procedures laid down for maternity benefits. In addition to the above legislation, the renewal of the collective labour agreement provides that this leave may be extended by a further 90 days, during which the employee is entitled to an allowance equal to 100% of her actual salary, paid by the employer.

COLLECTIVE LABOUR CONTRACT

NATIONAL COLLECTIVE LABOUR CONTRACT FOR PROFESSIONAL PRACTICES: increase in base pay.

On 1 October 2024, the second tranche of the minimum wage increase agreed in the last contract extension will come into effect. Therefore, from that date, the minimum wage amounts will increase as shown below:

Level	Minimum contractual wage as of 30/09/2024	Increase from 1/10/2024	Minimum contractual wage as of 1/10/2024
Middle Managers	2.281,51 €	63,51 €	2.345,02 €
1°	2.018,99 €	56,20 €	2.075,19 €
2°	1.758,66 €	48,95 €	1.807,61 €
3°S	1.631,29 €	45,41 €	1.676,70 €
3°	1.616,37 €	45,00 €	1.661,37 €
4°S	1.567,44 €	43,63 €	1.611,07 €
4°	1.511,28 €	42,07 €	1.553,35 €
5°	1.406,48 €	39,15 €	1.445,63 €

This increase can be absorbed, up to the relevant amount, by prepayments for future contractual increases.

WELFARE TERTIARY SECTOR

WELFARE FOR TERTIARY SECTOR EXECUTIVES – Reminder.

We take this opportunity to remind you that, from 1 January 2024, a mandatory social contribution of €1,000 per year has been introduced for the period 2024-2025, specifically for managers in the tertiary sector. This welfare contribution must be managed exclusively through the dedicated platform (CFMT) provided by Manageritalia and can only be used in one of the following four categories:

- Payments to the Mario Negri Fund
- Activating prevention packages for family members
- Purchase of a supplementary health plan at Fasdac
- Purchase of training courses for family members, including those not living in the same household, through CFMT.



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