

## **Tax credit**

The tax credit for investments in the Single SEZ of Southern Italy is governed by Article 16 of [Decree-Law No. 124 of September 19, 2023](#), converted, with modifications, by Law No. 162 of November 13, 2023 (so called “Decreto Mezzogiorno” ).

Law No. 207 of December 30, 2024 (Budget Law for 2025), in Article 1, paragraphs 485 et seq., confirmed the financing of the tax credit, allocating €2.2 billion for 2025.

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### **Access procedure for the 2025 Tax Credit**

For the year 2025, in order to benefit from the tax credit, the 2025 Budget Law, in Article 1, paragraph 486, provided that: *“Economic operators shall notify the Revenue Agency, from March 31, 2025, to May 30, 2025, of the amount of eligible expenses incurred from November 16, 2024, and those they plan to incur until November 15, 2025.”*

To retain the benefit, economic operators who submitted the above -mentioned notification *“shall send, from November 18, 2025, to December 2, 2025, an additional notification to the Revenue Agency confirming the completion, by November 15, 2025, of the investments specified in the initial notification.”*

The additional notification, under penalty of rejection, must also indicate:

- The amount of tax credit accrued in relation to actual investments.
- The related electronic invoices and the details of the certification required by the [Decree of the Minister for European Affairs, the South, Cohesion Policies, and the NRRP of May 17, 2024](#), published in the Official Gazette No. 117 of May 21, 2024.
- The amount of actual investments must not exceed that reported in the initial notification submitted between March 31, 2025, and May 30, 2025.

The Director of the **Revenue Agency**, through a provision dated January 31, 2025, has approved the notification models and additional notification models, along with related instructions, and defined the electronic submission procedures.

Regulations and practice: [Provision of January 31, 2025 - Revenue Agency](#)

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## **Beneficiaries**

The implementing decree of May 17, 2024, laying down rules for the allocation of tax credit for investments in Single SEZ of Southern Italy, establishes that all enterprises, regardless of their legal form and accounting regime, whether already operating or newly established in Single SEZ, may access the tax credit in relation to the acquisition of capital goods intended for production structures located in assisted areas of the Basilicata, Calabria, Campania, Molise, Puglia, Sardinia, and Sicily regions, as well as assisted areas in Abruzzo, as identified in the Regional Aid Map 2022-2027.

The tax credit is granted within the total expenditure limit provided by Article 16, paragraph 6, of Decree-Law No. 124 of 2023.

**Exclusions:** The incentive does not apply to enterprises operating in the steel, coal, and lignite industries, transport (except for warehousing and transport support services and related infrastructures), energy production, storage, transmission, and distribution, broadband, and the credit, financial, and insurance sectors.

Companies in liquidation or dissolution and those in financial difficulty, as defined in Article 2, point 18, of EU Regulation No. 651/2014, are also excluded from the benefit.

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## **Eligible Investments**

Eligible investments must be part of an initial investment project, as defined in Article 2, points 49, 50, and 51, of EU Regulation No. 651/2014, and carried out as per Article 16, paragraph 4, of the “Decreto Mezzogiorno”.

Eligible expenses include: (1) Purchase of new machinery, equipment, and facilities for existing or newly established production structures in Single SEZ. (2) Purchase of land and acquisition, construction, or expansion of buildings instrumental to the investment and actually used for business activities.

Limitations:

- The value of land and buildings cannot exceed 50% of the total eligible investment.
- Resale assets and consumables are excluded.
- Acquisitions between related parties (as defined in Article 2359 of the Italian Civil Code) are not eligible.

Tax credit rates:

- 40% for investments in Calabria, Campania, Puglia, and Sicily.
- 30% for investments in Basilicata, Molise, and Sardinia.
- 50% and 40% for investments in areas supported by the Just Transition Fund in Puglia and Sardinia.
- 15% for investments in assisted areas of Abruzzo.

Incentives for SMEs and large investments:

- For investments up to €50 million, the aid intensity increases by 10 percentage points for medium enterprises and 20 percentage points for small enterprises.
- For large investments exceeding €50 million, aid intensities are calculated using the adjusted aid amount methodology (EU Regulation No. 651/2014).

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## **Ways to USE**

- ◆ The tax credit can only be used for tax compensation as per Article 17 of Legislative Decree No. 241/1997, by submitting an F24 form through the **Revenue Agency's** electronic services.
- ◆ The tax credit must be reported in the tax return for the year it was granted and in subsequent years until fully utilized.
- ◆ The tax credit can be combined with de minimis aid and other state aid, provided that the maximum aid intensity allowed by EU regulations is not exceeded.

Restrictions:

- If eligible assets do not become operational within two fiscal years after acquisition, the tax credit will be recalculated.
- If assets are sold, repurposed, or moved outside of Single SEZ within five years, the tax credit will be revoked.
- Enterprises must maintain their activities in Single SEZ for at least five years after completing the investment.

Certification Requirement: To qualify for the tax credit, eligible expenses must be certified by a statutory auditor or an accredited auditing firm.

Clarifications & FAQs: General inquiries or clarification requests will be addressed through FAQs, developed in collaboration with the **Revenue Agency** upon the approval of operational guidelines.

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### **Investments in capital goods in the Marche and Umbria regions**

With specific reference to investments in capital goods carried out in the Marche and Umbria regions, [Article 3 of Law No. 171 of 18 November 2025](#) establishes that such investments may benefit from the tax credit provided for under [Article 3, paragraphs 14-octies and following, of Decree-Law No. 202 of 27 December 2024](#).

The tax credit applies to investments in capital goods referred to in [Article 16, paragraph 2, of Decree-Law No. 124 of 19 September 2023](#), and carried out **between 1 January 2025 and 15 November 2025**.

These investments must be made in areas eligible for [regional aid under Article 107\(3\)\(c\) of the Treaty on the Functioning of the European Union](#).

To access the tax credit, interested parties must notify the Italian Revenue Agency of the amount of eligible expenditure incurred between 1 January 2025 and 15 November 2025. Notifications must be submitted between 20 November 2025 and 2 December 2025, as required by Article 3, paragraph 14-novies, second sentence, of Decree-Law No. 202 of 27 December 2024.

[For further details, please consult the website of the Italian Revenue Agency.](#)