

COVID-19

Italian Revenue Agency resolution no. 21/E of 27 April 2020

Clarifications by the Italian Revenue Agency to Decree-Law no. 18 of 17 March 2020

The Italian Revenue Agency issued clarifications on the rules introduced by articles 66 and 99 of Decree-Law no. 18 of 17 March 2020 – the First Decree-Law – on the matter of tax allowances for cash donations to the Italian Government's *Dipartimento della Protezione Civile* – civil protection department (see our earlier notes).

Donations must be made by bank or post office transfer or using the payment systems regulated by article 23 of Legislative Decree no. 241/1997 (i.e., debit cards, credit cards, prepaid cards, bankers' drafts and bank checks).

Donations made in cash are not eligible for the tax allowance.

In order to qualify for the tax allowance in connection with such donations¹, the receipt of the bank or P.O. transfer, or the statement of account issued by the debit card or credit card company must provide the following information:

- ◆ the identity of the donee;
- ◆ the nature of the payment as a charitable donation;
- ◆ the reason for the donation (funding of the activities to contain and cope with the COVID-19 public health emergency).

To this effect, it is sufficient that the receipt of the bank or P.O. transfer, or the statement of account issued by the debit card or credit card company **clearly state that payment was made to one of the COVID-19 emergency dedicated accounts**².

¹ As is the case for donations of cash in general.

² **NOTA BENE:** current account with **IBAN IT8420306905020100000066387** (to raise funds to purchase personal protective equipment, ventilators, respirators, ICU equipment etc.) and current account with **IBAN IT66J0306905020100000066432**, opened by order of the head of the Italian government's civil protection department, to set up a fund for the families of the healthcare workers who died of COVID-19 in the line of duty.

IMPORTANT!

Any donations made to help contain the COVID-19 emergency to checking accounts other than the dedicated accounts³ will be eligible for tax allowance, provided that - in addition to the payment receipt - the donor is able to provide a special-purpose receipt issued by the Italian civil protection department specifying that the funds were raised to combat the COVID-19 public health emergency.

NOTA BENE

In order to obtain a tax allowance in connection with donations of cash through fund-raising intermediaries, crowdfunding platforms or the entities referred to in article 27 of Law no. 133/1999, taxpayers must obtain – in addition to the payment or transaction receipt – a declaration by the fundraising intermediary, by the manager of the crowdfunding platform or the entities referred to in Italian Prime Minister Decree of 20 June 2000, to the effect that the donation was paid into the checking accounts dedicated to the COVID-19 emergency⁴.

For additional information, please contact:

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³ Or if the receipts do not specify that the payments consisted of donations, or do not mention the recipient and the purpose of the donation.

⁴ Ministerial Resolutions no. 441/E/2008 and no. 160/E/2009 deal with donations made through employers.