

Tax credit decree for attracting foreign investments

Provisions confirmed

- The **recognized rate** is equal to **40%** of the production cost of the work spent on Italian territory; a **30%** rate is provided for costs above the line relating to non-European subjects only.
- The **tax credit** has a maximum annual limit, for individual company or group of companies, of **€20 M**; there is no maximum limit per work.
- In any case, **the national production tax credit**, when used by the same company, **is not included for the purposes of calculating the limit of €20 M per year**.
- There is no modification to the other provisions relating to the **eligible costs** incurred on Italian territory.
- The **transferability** of the tax credit was confirmed.
- Also confirmed is the **deadline of 180 days** from the conclusion of the activities within which the definitive request must be submitted.

What's new

- The costs of personnel and professional figures regulated by national collective labour agreements are eligible, for every employee, **within the limits set out in the collective agreements stipulated by the most representative employers' and trade unions' associations** increased up to a maximum of 20%.
- The requirement to include **at least one day of filming/work** on Italian territory has been eliminated (an innovation long-awaited by post-production companies).
- The benefit is granted on condition that the **eligible cost** is at least **€250 K**.
- There is now the possibility, in the presence of certain conditions, for the DGCA to remove the ban on executive production and post-production companies **owning rights in the audiovisual work**.
- Costs incurred in Italy relating to the use of **artificial intelligence** are considered ineligible, except for the use of artificial intelligence relative to special effects relating to the item "Main actors" (the provision concerns only the Italian executive producer).
- There is now an obligation to **communicate the stages of the work carried out in Italy using artificial intelligence**, in addition to the obligation to include specific clauses in the contracts between Italian executive production or post-production companies and writers, interpreters and performers of the work that permit their refusal to consent to the exploitation of their work/image/professional performance by artificial intelligence systems
- Applicants must operate in compliance with the protocol **against harassment and violence in the workplace** in the film and audiovisual sector signed by the largest employer and trade unions.
- **Payment** for the process costs is now required.