



## **ITALIAN TAX SYSTEM**

The Italian tax system is managed by the Italian Inland Revenue at national level while taxes are levied at national, regional and municipal level and can be grouped into two main categories:

Direct taxes such as on personal income (known as IRPEF – Imposta sul Reddito delle Persone Fisiche), on the income of enterprises (IRES – Imposta sul Reddito delle Società) and on regional productive activities (IRAP – Imposta Regionale sulle Attività Produttive);

Indirect taxes such as on goods, services or imports (IVA – Imposta sul Valore Aggiunto, equivalent to VAT), on real estate (IMU – Imposta Municipale sugli Immobili).

Along with the main taxes, which are applied at national level, there are also local taxes, (e.g. TASI – Tax on indivisible services).

Tax year runs from 1<sup>st</sup> January to 31<sup>st</sup> December;

All workers are subject to taxation of their income or other benefits.

The amount of taxes to be paid varies according to the type and duration of the work contract. In general, income tax is deducted at source by employers on the basis of the estimated annual income. Tax balance due is calculated at the end of each year.

In general, the tax basis depends on the type of contract (work contract, fellowship and so on)



### ***BILATERAL AGREEMENTS AGAINST DOUBLE TAXATION***

If you have your permanent residence in a country that signed an agreement against double taxation with Italy you are allowed to request to pay taxes in your country of residence.

You must provide proof of the actual payment of the taxes in your country of residence.

For doing that, please find the form D to be filled by the tax authority of your country at the following address:

[http://www.agenziaentrate.gov.it/wps/file/Nsilib/Nsi/Documentazione/Fiscalita+internazionale/Modulistica+fiscale+internazionale+\(provvedimento+del+10+luglio+2013\)/Cover+page+forms+ABCDEF/COVER+PAGE\\_ABCDEF.pdf](http://www.agenziaentrate.gov.it/wps/file/Nsilib/Nsi/Documentazione/Fiscalita+internazionale/Modulistica+fiscale+internazionale+(provvedimento+del+10+luglio+2013)/Cover+page+forms+ABCDEF/COVER+PAGE_ABCDEF.pdf)

Please bear in mind you need to have three original copies of this document:

- One is for you
- One is for the tax authority of your country (the tax administration of the country of residence)
- One is for the office of the University of Brescia that will wage you.

### ***INCOME TAX RETURN***

Taxpayers can do a tax return (dichiarazione dei redditi) each year by the end of April in order to claim their income and tax deductible expenses (i.e. medical and particular educational expenses, health insurance, etc. ) using the 730 Form (Modulo 730).