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**Italy – 2014 Quota System
in Force for Issuance of
Work Permits**

by KPMG Fides Servizi di
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On 19 December 2013, Italy enacted its annual decree setting forth the 2014 quotas that apply for different categories of foreign workers in Italy. The decree – known as the *Decreto Flussi*¹ – explains in detail all numerical limits for each category of worker/citizen permitted to enter with a relevant work permit, the timing for the submission of the work permit request, and the means for applying for a work permit. All application forms must be presented in Italian.

Why This Matters

In order to be employed in Italy, foreign citizens have to apply for a work permit.² Every year the Italian labor authorities establish a limited number of work permits available. Working visas are issued under the quota system and are therefore released in a pre-determined number, set down in the decree.

It is important that immigration and global mobility professionals with workers destined for Italy are aware of the terms of the decree, which sets out the framework, practices, and rules for the issuance of work permits to foreigners. *Note: temporary assignments (more than three months and up to two years (or in some instances, five years), depending on the terms and type of assignment are not included under the quota system and they are permitted according to Italian immigration rules following specific procedures.*

Background

Italian labor laws reflect and encourage, to a large degree, developments in Italy's labor market. They codify and support the government's employment policies and aim to satisfy the market's current needs and requirements. The laws also foresee how human resources from non-Italian sources/jurisdictions could improve the supply of labor for and enhance the Italian economy.

The quota system was introduced under Italy's immigration regime in 1998.³ With this system in place, the Italian labor authority⁴ advises the government annually on foreign employment (non-Italians working in Italy) with a view to determining the numerical limit, or quota, for the following year.

Relying on academic and other research, the Italian authorities issue a study on the labor market every three years. The *Decreto Flussi* is updated annually in order to match supply and demand in the labor market.

Applications for work permits must be submitted in Italian to the local immigration authorities via a dedicated Web site – applications are being accepted from 20 December 2013 and over the next eight months.⁵

If any quotas should remain unutilized, they may be distributed at the discretion of the Labor Minister according to labor market requirements.

Categories of Workers Covered by *Decreto Flussi*

Non-Seasonal Autonomous Workers

The Decree provides for 2,300 “units” allocated for foreign citizens who belong to the following categories (a “unit” is a “person”):

- Entrepreneurs who carry out activities in connection with the Italian economy;
- Self-employed workers belonging to a professional register or enrolled on public administration lists;
- Non-cooperative company professional stakeholders (this refers to someone who has a corporate role);
- Highly qualified artists or those of international renown;
- Foreign citizens who want to start up a company in Italy.

Subordinate and Autonomous Workers Conversion

The term “subordinate” refers to an employee and the term “autonomous” refers to a self-employer individual.

Subordinate Workers Conversion

- 6,000 study or vocational training permits to stay can be converted into subordinate workers’ permits (*permesso di soggiorno per lavoro subordinato*);
- 4,000 seasonal permits to stay can be converted into subordinate workers’ permits;
- 1,000 European long-stay permits can be converted into subordinate workers’ permits.

Autonomous Workers Conversion

- 1,000 study or vocational training permits to stay can be converted into autonomous workers’ permits (*permesso di soggiorno per lavoro autonomo*);
- 250 European long-stay permits to stay can be converted into autonomous workers’ permits.

Non-EU Employees (Non Seasonal) Coming for the EXPO 2015 in Milan

200 non-EU citizens who want to participate at the EXPO 2015 may be allowed to enter. The competent Italian authorities will publish the specific application procedures and forms to be used by March 2014.

Training

3,000 foreign citizens who have a diploma obtained abroad may be allowed to enter. There is also an additional quota of 100 units for autonomous workers or subordinates who live in Argentina, Uruguay, Venezuela, or Brazil and are of Italian origin.

Footnotes:

1 The new *Decreto Flussi* was published in *Gazzetta Ufficiale* (the Italian government's official gazette) on 19 December 2013. For the *Decreto Flussi*, see (in Italian): http://www.interno.gov.it/mininterno/export/sites/default/it/assets/files/27/2013_12_16_CIRCOLARE_FLUSSI_DPCM_25_NOVEMBRE_2013.pdf .

Also see:

http://www.interno.gov.it/mininterno/export/sites/default/it/sezioni/sala_stampa/notizie/immigrazione/2013_12_19_domande_flussi2013.html .

2 It is authorized by means of a “nulla osta” from the “Sportello Unico per l'Immigrazione” in Italy. The “permesso di soggiorno” (a residence permit) is also required for workers to work and stay in Italy.

3 Now known as the “Testo Unico sull'Immigrazione.”

4 *Ministero del Lavoro e delle Politiche Sociali.*

5 The local immigration authority is known as the “Prefettura”. For more information (in Italian), see: <http://www.interno.gov.it/mininterno/site/it/temi/immigrazione/sottotema005.html> .

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The information contained in this newsletter was submitted by the KPMG International member firm in Italy. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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