

GMS Flash Alert



Immigration Edition

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Italy - Government Takes Steps to Deal with Post-Brexit Status of U.K. Nationals

Due to the ongoing uncertainty over the timing of Brexit, the Italian government has made contingency arrangements in the event of a "no-deal Brexit."¹

The Italian government confirmed that it will fully implement the rights in article 18.4 of the Withdrawal Agreement² if the U.K. leaves the EU with a deal. It would apply a 'declaratory procedure' that will recognise the rights of all U.K. nationals legally resident in Italy before the end of the transition period (31 December 2020).

If the U.K. leaves the EU without a deal, the Italian government confirmed that it is preparing legislative measures. These should help ensure that U.K. nationals legally resident in Italy before 12 April 2019 (the assumed new Brexit date) will have the right and necessary time to obtain long-term residency status under EU Directive 2003/109. U.K. nationals will continue to enjoy rights such as access to health-care, social benefits, employment, education, and family reunification after the U.K. leaves the EU.³

WHY THIS MATTERS

After Brexit, U.K. citizens will no longer be European Union (EU) citizens and thus will no longer be able to claim residence in an EU or European Economic Area (EEA) member state on the basis of the EU treaty. As a result, they would be subject to rules and conditions similar to those required for third-country citizens in Italy and the rest of the EU. The announcements from the Italian government should help address many of the uncertainties and concerns in respect of U.K. citizens living and working in Italy in the event of a no-deal Brexit and aim to help clarify and assure their residence, immigration, health-care, social security, and other rights following Brexit.

At This Stage - Context

The date for Brexit was originally set for 29 March 2019, and was recently extended. Currently, the Brexit Withdrawal Agreement has not been approved by the U.K. parliament. The U.K. House of Commons voted on 14 March 2019, in favor of delaying the U.K.'s departure from the EU beyond 29 March 2019. European Union leaders agreed to an

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extension until 12 April 2019 and a further extension to 22 May 2019 if parliament votes to accept the Withdrawal Agreement.⁴

If exit without a withdrawal agreement occurs, the transitional period of 21 months will not apply and the EU rules will no longer be applicable to U.K. citizens.

Businesses and people affected by Brexit should (continue to) prepare for a no-deal Brexit.

Key Points of Italian Government's Announcement

Registration for U.K. Nationals in Italy

U.K. nationals living in Italy are advised to register as a resident with their local registry office (*anagrafe*) at their town hall (*comune*). This will help ensure their rights are protected after the U.K. has left the EU. Any U.K. nationals already living or intending to live in Italy for more than three months are required to register in any case.

Any U.K. nationals who have not already done so, should register as a resident before 12 April 2019.

KPMG NOTE

If they are unable to receive an appointment until after 12 April 2019, individuals are still likely to be asked to provide proof at their appointment that they were living in Italy on or before 12 April 2019. Those seeking to make an appointment to register with their local town hall should keep all evidence of doing so.

The Italian government has given the information that it is intending to implement a 'window' or 'transition period' in which to register that will last until December 2020. This is because it may be not be possible to receive a residency appointment before the U.K. leaves the EU on the 29 March 2019.

Italian Citizenship

At this moment, U.K. nationals can apply for Italian citizenship after four years of Italian residency (as for all EU citizens). For non-EU citizens, this period is, in principle, 10 years. It is at this moment unclear what the impact would be in this respect for U.K. nationals. (For prior coverage of the topic of obtaining Italian citizenship, see GMS [Flash Alert 2018-162](#), 13 December 2018.)

Health-Care

Up to 12 April 2019, U.K. nationals who are not covered by the Italian Health Service should get a free European Health Insurance Card ("EHIC"). In the event of a no-deal Brexit, the EHIC will no longer be valid and private medical insurance may be required. Broadly speaking, eligibility for the Italian Health Service ("SSN") is based on legal residence rather than social security contributions. So individuals who are currently legally resident in Italy should not see any change.

Tax

The U.K. has a double-taxation agreement with Italy so that people do not pay tax on the same income in both countries. The U.K.'s exit from the EU will not change existing double taxation arrangements for U.K. nationals living in Italy. However, there are some beneficial tax reliefs and reporting requirements which derive from EU law and these may change in future.

Driving Licence

Holders of U.K. driving licences who are resident in an EU country should exchange their U.K. licences for a driving licence from the EU country they are living in before 12 April 2019. To convert a U.K. driving licence into an Italian licence, individuals should go to the nearest Office of Motor Vehicles (*Ufficio Provinciale della Motorizzazione Civile*) or ACI (*Automobile Club Italiano*). In the event of a no-deal Brexit, holders of U.K. driving licences will be required to pass an Italian driving test.

FOOTNOTES:

1 To see (in Italian) the related Press Release from the *Ministero degli Affari Esteri e della Cooperazione Internazionale* (Italian Foreign Ministry), click [here](#).

Also, to see the "Brexit" page (in English) from the *Ministero degli Affari Esteri e della Cooperazione Internazionale*, click [here](#).

2 See "[Draft Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, as agreed at negotiators' level on 14 November 2018](#)," on the website for the European Commission.

3 To see (in Italian) the related Press Release from the *Ministero degli Affari Esteri e della Cooperazione Internazionale* (Italian Foreign Ministry), click [here](#).

Also, to see the "Brexit" page (in English) from the *Ministero degli Affari Esteri e della Cooperazione Internazionale*, click [here](#).

4 For up-to-date developments concerning the U.K.'s "Brexit" dealings with the EU, please refer to the "European Commission London Office Weekly News Round-up" and other news on the [website](#) of the Representation of the European Commission in the United Kingdom.

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* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

The information contained in this newsletter was submitted by the KPMG International member firm in Italy.

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