

GMS Flash Alert

Immigration Edition

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Italy - Investor Visa, Regularisation of Foreign Workers, Temporary Residence Permits

Italy's government has implemented a new Decree with provisions intended to simplify the process for obtaining an Investor Visa. The minimum amount to invest in order to be qualified for and obtain an Investor Visa has been decreased.¹

The Decree also regulates the possibility for non-European Union (EU) citizens whose permits have expired on or after 31 October 2019, to apply for a temporary residence permit.

The same legislative measure introduces an amnesty for the regularisation of "subordinate work" contracts with non-European Union (EU) workers based on Italian territory. In particular, the amnesty provides that employers can declare the existence of irregular employment relationships. Also, specific guidelines to help regularise those employees are provided.¹

WHY THIS MATTERS

The Italian Investor Visa is a strategic tool for the country to attract high-net worth (HNW) individuals who immigrate to Italy and invest considerable amounts of resources in specific sectors. In order encourage this, the minimum requirements have been considerably lowered in some cases.²

The country's Immigration Law also encourages employers to declare the existence of irregular employment relationships in certain sectors in order to reduce the percentage of irregular work.

For the same reasons, the Decree regulates the possibility for non-EU citizens whose permits have expired on or after 31 October 2019, to apply for a temporary residence permit. This measure will enable foreign citizens working on Italian

territory, in some categories, to regularise their stay by obtaining a temporary resident permit that allows them to live legally in Italy (and look for a job). It is possible to submit the request for the regularisation of the work activity as stipulated in the guidelines until 15 July 2020.³

Scope of Decree

The Decree will be applied only in the following employment sectors⁴:

- Agriculture, livestock farming, zootechnics, fishing, aqua-culture, and related activities,
- Caregivers for themselves or for members of their family, even if not living together, suffering from diseases or handicaps that limit their self-sufficiency,
- Housekeepers to support family needs.

Conditions and Main Aspects of the Measures

Lower Threshold for the Investor Visa

Italy's government had made available in early 2018 a resident permit specifically aimed at HNW individuals who want to invest relevant capital in specific sectors of the Italian economy, namely Italian companies or innovative start-up businesses, or who want to donate an amount of money to Italian entities and institutions working in sectors of public interest. The procedure is characterised by being digital, centralised, and with shorter processing times.

The new Decree decreases the amount required to invest to qualify and obtain an Investor Visa. Such amount is lowered from EUR 1 million to EUR 500,000 for investments in Italian companies; and it is lowered from EUR 500,000 to EUR 250,000 for investments in start-up businesses.¹

Regularisation of the Work Activity

Italian nationals, EU citizens, or non-EU citizens with a long-term resident permit acting as employers (natural persons or companies), will be enabled to declare the existence of an irregular work activity and regularise the employment relationship with foreign nationals via the special amnesty.⁵

Requirements from the Employee Side

Employees must have had biometrics registered before 8 March 2020, which proves their stay in Italy before that date. Moreover, they must not have left Italian territory from that day on. Otherwise, they need to prove their stay in Italy before 8 March 2020, via official documents issued by public offices (e.g., *Dichiarazione di presenza* or others).⁶

Requirements from the Employers' Side

Generally speaking, employers need to comply with some income requirements that vary depending on the employment sector. In addition, the employer's police clearance must not show any court pending action or accusations related to labor exploitation or illegal immigration. In the case of disabled employers who need the help of a caregiver for whom the application is submitted, the income requirement will not apply.⁷

Temporary Permit Applications

In order to promote regular employment, the Decree offers the possibility of applying for a temporary permit for those employees whose residence permits expired on or after 31 October 2019, and that have not been renewed or converted. The temporary permit will be valid only on Italian territory for six months. Before the expiration date it can be converted into a residence permit for working reasons. Renewing such permits, however, is not possible.⁸

In order to benefit from this provision, the applicant must have worked in Italy before 31 October 2019, in specific sectors (domestic work, personal assistance, agriculture, livestock farming, zootechnics, fishing, aqua-culture and related activities) and the employee has to prove a continuous stay on Italian territory from 8 March 2020.

The application needs to be submitted to the police station having jurisdiction for the city where the applicant is officially based, with some supporting documents, plus an administrative fee.⁹

FOOTNOTES:

1 *Decreto-Legge 19 Maggio 2020, N.34* as published in the *Gazzetta Ufficiale* online, see: https://www.gazzettaufficiale.it/static/20200519_128_SO_021.pdf .

2 Ibid.

3 Ibid.

4 Ibid.

5 Ibid.

6 Ibid.

7 *Decreto del Ministero dell'Interno 29 Maggio 2020, N. 137*, as published in the *Gazzetta Ufficiale* online, see: https://www.gazzettaufficiale.it/atto/stampa/serie_generale/originario .

8 *Decreto-Legge 19 Maggio 2020, N.34* as published in the *Gazzetta Ufficiale* online, see: https://www.gazzettaufficiale.it/static/20200519_128_SO_021.pdf .

9 Ibid.

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* Please note that KPMG LLP (U.S.) does not offer immigration services 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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