

Economy Profile
Italy

Doing Business 2020

Comparing Business
Regulation in
190 Economies



WORLD BANK GROUP

Economy Profile of Italy

*Doing Business 2020 Indicators
(in order of appearance in the document)*

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as postfiling processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Employing workers	Flexibility in employment regulation and redundancy cost

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of employing workers. Although *Doing Business* does not present rankings of economies on the employing workers indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, *Doing Business* offers detailed [subnational studies](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These studies provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

The first *Doing Business* study, published in 2003, covered 5 indicator sets and 133 economies. This year's study covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

To learn more about *Doing Business* please visit doingbusiness.org

Ease of Doing Business in Italy 	Region	OECD high income	DB RANK	DB SCORE
	Income Category	High income	58	72.9
	Population	60,431,283		
	City Covered	Rome		

Rankings on Doing Business topics - Italy



Topic Scores



Starting a Business (rank)	98
Score of starting a business (0-100)	86.8
Procedures (number)	7
Time (days)	11
Cost (number)	13.8
Paid-in min. capital (% of income per capita)	0.0
Dealing with Construction Permits (rank)	97
Score of dealing with construction permits (0-100)	68.3
Procedures (number)	14
Time (days)	189.5
Cost (% of warehouse value)	3.4
Building quality control index (0-15)	11.0
Getting Electricity (rank)	38
Score of getting electricity (0-100)	86.1
Procedures (number)	4
Time (days)	75
Cost (% of income per capita)	138.9
Reliability of supply and transparency of tariff index (0-8)	7
Registering Property (rank)	26
Score of registering property (0-100)	81.7
Procedures (number)	4
Time (days)	16
Cost (% of property value)	4.4
Quality of the land administration index (0-30)	26.5

Getting Credit (rank)	119
Score of getting credit (0-100)	45.0
Strength of legal rights index (0-12)	2
Depth of credit information index (0-8)	7
Credit registry coverage (% of adults)	31.1
Credit bureau coverage (% of adults)	100.0
Protecting Minority Investors (rank)	51
Score of protecting minority investors (0-100)	66.0
Extent of disclosure index (0-10)	7.0
Extent of director liability index (0-10)	4.0
Ease of shareholder suits index (0-10)	6.0
Extent of shareholder rights index (0-6)	5.0
Extent of ownership and control index (0-7)	4.0
Extent of corporate transparency index (0-7)	7.0
Paying Taxes (rank)	128
Score of paying taxes (0-100)	64.0
Payments (number per year)	14
Time (hours per year)	238
Total tax and contribution rate (% of profit)	59.1
Postfiling index (0-100)	52.4

Trading across Borders (rank)	1
Score of trading across borders (0-100)	100
<i>Time to export</i>	
Documentary compliance (hours)	1
Border compliance (hours)	0
<i>Cost to export</i>	
Documentary compliance (USD)	0
Border compliance (USD)	0
<i>Time to export</i>	
Documentary compliance (hours)	1
Border compliance (hours)	0
<i>Cost to export</i>	
Documentary compliance (USD)	0
Border compliance (USD)	0
Enforcing Contracts (rank)	122
Score of enforcing contracts (0-100)	53.1
Time (days)	1,120
Cost (% of claim value)	27.6
Quality of judicial processes index (0-18)	13.0
Resolving Insolvency (rank)	21
Score of resolving insolvency (0-100)	77.5
Recovery rate (cents on the dollar)	65.6
Time (years)	1.8
Cost (% of estate)	22.0
Outcome (0 as piecemeal sale and 1 as going concern)	1
Strength of insolvency framework index (0-16)	13.5

Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Procedures to legally start and formally operate a company (number)</p> <ul style="list-style-type: none"> • Preregistration (for example, name verification or reservation, notarization) • Registration in the economy's largest business city • Postregistration (for example, social security registration, company seal) • Obtaining approval from spouse to start a business or to leave the home to register the company • Obtaining any gender specific document for company registration and operation or national identification card 	<p>To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.</p>
<p>Time required to complete each procedure (calendar days)</p> <ul style="list-style-type: none"> • Does not include time spent gathering information • Each procedure starts on a separate day (2 procedures cannot start on the same day) • Procedures fully completed online are recorded as ½ day • Procedure is considered completed once final document is received • No prior contact with officials 	<p>The business:</p> <ul style="list-style-type: none"> -Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the limited liability form most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office. -Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city. -Performs general industrial or commercial activities such as the production or sale to the public of goods or services. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It is not using heavily polluting production processes. -Does not qualify for investment incentives or any special benefits. -Is 100% domestically owned. -Has five business owners, none of whom is a legal entity. One business owner holds 30% of the company shares, two owners have 20% of shares each, and two owners have 15% of shares each. -Is managed by one local director. -Has between 10 and 50 employees one month after the commencement of operations, all of them domestic nationals. -Has start-up capital of 10 times income per capita. -Has an estimated turnover of at least 100 times income per capita. -Leases the commercial plant or offices and is not a proprietor of real estate. -Has an annual lease for the office space equivalent to one income per capita. -Is in an office space of approximately 929 square meters (10,000 square feet). -Has a company deed that is 10 pages long.
<p>Cost required to complete each procedure (% of income per capita)</p> <ul style="list-style-type: none"> • Official costs only, no bribes • No professional fees unless services required by law or commonly used in practice 	<p>The owners:</p> <ul style="list-style-type: none"> -Have reached the legal age of majority and are capable of making decisions as an adult. If there is no legal age of majority, they are assumed to be 30 years old. -Are in good health and have no criminal record. -Are married, the marriage is monogamous and registered with the authorities. -Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.
<p>Paid-in minimum capital (% of income per capita)</p> <ul style="list-style-type: none"> • Funds deposited in a bank or with third party before registration or up to 3 months after incorporation 	

Starting a Business - Italy

Standardized Company

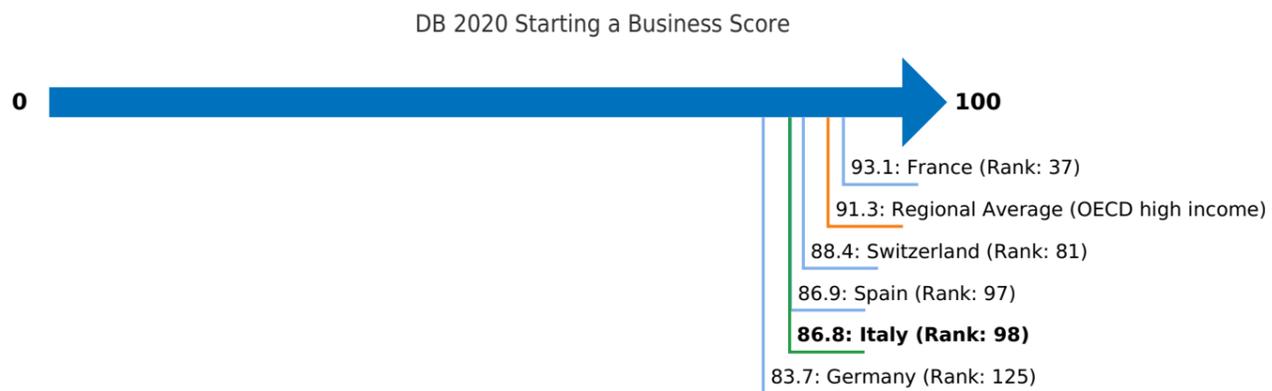
Legal form	Società a responsabilità limitata (Srl)
Paid-in minimum capital requirement	EUR 1
City Covered	Rome

Indicator	Italy	OECD high income	Best Regulatory Performance
Procedure - Men (number)	7	4.9	1 (2 Economies)
Time - Men (days)	11	9.2	0.5 (New Zealand)
Cost - Men (% of income per capita)	13.8	3.0	0.0 (2 Economies)
Procedure - Women (number)	7	4.9	1 (2 Economies)
Time - Women (days)	11	9.2	0.5 (New Zealand)
Cost - Women (% of income per capita)	13.8	3.0	0.0 (2 Economies)
Paid-in min. capital (% of income per capita)	0.0	7.6	0.0 (120 Economies)

Figure - Starting a Business in Italy - Score

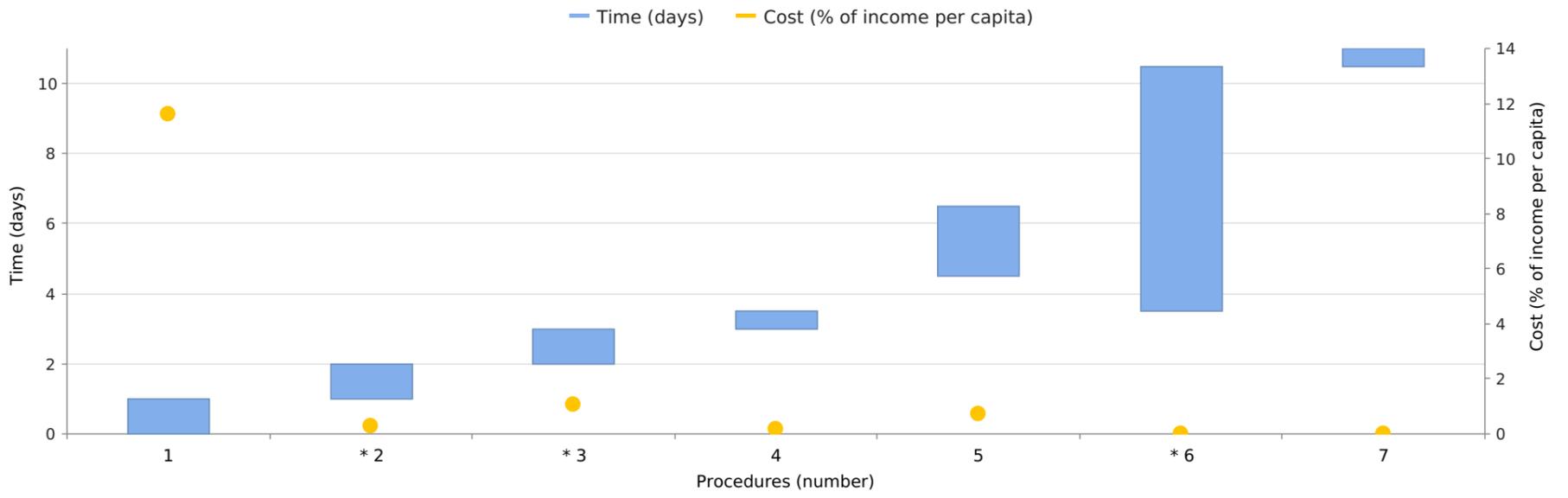


Figure - Starting a Business in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure - Starting a Business in Italy - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in Italy - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Execute a public deed of incorporation and company bylaws before a public notary and pay registration tax <i>Agency</i> : Notary Public</p> <p>A public deed of incorporation (atto costitutivo), including the company's bylaws (statuto), must be drafted and executed before a public notary by the quota holders or their authorized representatives. The notary drafts company bylaws pursuant to legal provisions governing limited liability company (Srl) governed by Article 2463 of the Italian Civil Code. The cost of the forms and stamp duties, as well as the registration tax, due within 10 days of incorporation, is paid to the notary public.</p> <p>The Ministry of Justice of Italy adopted the Law no. 140/2012 that eliminated the fixed notary fees, but still maintains the notary fee guidance as percentage of company's share capital. For companies with capital from €25,001 to €400,000, notary fee can range from 0.86% to 6.9% (average reference value is capital of €212,500 and notary fee in amount of 1.4%).</p> <p>In addition to the notary fee, companies pay registration fee and stamp duty. The registration fee is regulated by the Presidential Decree no. 131/1986 and the stamp duty is regulated by the Presidential Decree no. 642/1972.</p> <p>As of 20 July 2016, deed of incorporation and company bylaws can be executed without the assistance of a Notary Public for "innovative startups". In order to qualify as "innovative startup", the company needs to have, among other things, as exclusive/predominant corporate purpose, provision of "innovative services". The said documents are executed on the basis of standards provided by the Ministry of Economic Development and is possible through the platform provided on the website startup.registroimprese.it. Starting from 22 June 2017, the company may modify its standard bylaws by using the same simplified procedure on the website startup.registroimprese.it.</p>	1 day	approximately EUR 3,000 (notary fees; can vary from 0.86% to 6.9% of the company's start-up capital) + EUR 200 (registration fee) + EUR 156 (stamp duty)
⇒ 2	<p>Purchase corporate and accounting books <i>Agency</i> : Notary or Register of Enterprises (Registro delle Imprese)</p> <p>According to Article 2478 of the Italian Civil Code, a limited liability company (Srl) must keep the following corporate books: a minute book of board of directors' meetings, a minute book of quota-holders' meetings, and if appointed, a minute book of board of Statutory Auditors' (Collegio Sindacale) meetings. All are subject to authentication. Article 2477 of the Italian Civil Code, as modified by article 379, 1° paragraph, of Legislative Decree no. 14 of 12 January 2019, provides that the appointment of the Board of Statutory is compulsory when the company:</p> <ul style="list-style-type: none"> (i) drafts consolidated financial statements; (ii) controls companies which are subject to external audit, or (iii) for two consecutive fiscal years exceeds even just one of the following parameters: <ul style="list-style-type: none"> 1) the total assets on the balance sheet of the company are equal to EUR 2,000,000 (and not EUR 4,400,000 as in the past), 2) its profits from sales and activities are equal to EUR 2,000,000 (and not EUR 8,800,000 as in the past), 3) the company has hired in the average 10 employees in a financial year. <p>According to Article 2214 of the Italian Civil Code, any business must also keep two accounting books: the journal book and the inventory book. Authentication of the accounting books is not required.</p> <p>All books are available in standard format at stationery stores or through a notary public. However, entrepreneurs can also use a loose-leaf book at no additional cost. Since 2009, business founders have had the option to keep all corporate books and accounting books in electronic format. In this case, a digital time stamp and electronic signature must be put on the books annually. The cost to register electronic books depends on Ministerial Decree from June 17, 2014.</p>	1 day (simultaneous with previous procedure)	EUR 16 stamp fee for each 100 pages (2 books), EUR 25 registration fee per book (2 books)
⇒ 3	<p>Pay government tax (fee) to authenticate corporate and accounting books <i>Agency</i> : Tax Revenues Authority (Agenzia delle Entrate)</p> <p>Government tax (fee) is assessed by the Office of Revenue to authenticate corporate and accounting books (tassa di concessione governativa). The initial payment is paid at the time of incorporation via a postal service (bollettino postale). Subsequent annual payments are transmitted electronically by F24 form.</p>	1 day (simultaneous with previous procedure)	EUR 309.87 (if the capital is under EUR 516,456.90) or EUR 516.46 (if the capital exceeds EUR 516,456.90)

4	<p>Activation and Registration of the P.E.C (i.e. the “Certified e-mail”) <i>Agency</i> : Email service providers</p> <p>Under Italian Law Decree No. 185 of 29 November 2008 (converted into law 2/09), all companies are required to have a certified e-mail (PEC). Said requirement is immediate and must be communicated to the Companies’ Register throughout the relevant incorporation procedure. Failure to communicate PEC results in a suspension of the registration process in the Companies’ Register.</p> <p>Article 65, paragraph 7 of Legislative Decree 217/2017 establishes that, as from 1 January 2019, article 48 of Legislative Decree 82/2005 (the so-called Digital Administration Code), concerning the legal validity of the certified electronic e-mail, is repealed. At the same time, article 3-bis of Legislative Decree 82/2005, as amended by Legislative Decree 217/2012, introduces the digital domicile, i.e. an e-mail address, as chosen by the interested subject, linked to a certified e-mail service or a qualified certified electronic delivery service valid for the purposes of electronic communications having legal force (available at: http://www.gazzettaufficiale.it/dettaglio/codici/amministrazioneDigitale).</p>	Less than one day (online procedure)	EUR 50
5	<p>Register company incorporation, and receive tax identification number, VAT number, and register with Social Security Administration (INPS) and Accident Insurance Office (INAIL) <i>Agency</i> : Register of Enterprises (Registro delle Imprese)</p> <p>Applicants must electronically file a single notice (Comunicazione Unica) with the Register of Enterprises, which will automatically register the company for tax identification number, VAT number, and process the company with Social Security Administration (INPS) and Accident Insurance Office (INAIL). The applicant must attach the forms requested by the Register of Enterprises for the registration, the Italian Tax Authorities for immediate starting of business, and by INPS and INAIL for the registration with these Administrations.</p> <p>Immediately upon registration, the company receives a reference number for the registration procedure, the receipt of the filing of the Single Notice, the tax identification number and the VAT number. The company receives confirmation of registration with the Register of Enterprises typically within 1-2 days, though technically the maximum time is 5 business days. The company receives INAIL documentation and INPS documentation within a few hours of registration.</p> <p>The company will receive all notices, communications, and receipts of filing at the Company’s certified email address.</p>	2 days	EUR 120 (membership fees) + EUR 90 (registration fee with chamber of commerce)
⇒ 6	<p>Obtain the accreditation for providing information about employees <i>Agency</i> : ANPAL</p> <p>The accreditation with ANPAL platform is required in order to allow employers established in the region of Lazio to comply with the mandatory employment notifications. The process is as follows:</p> <p>(i) The employer shall submit a specific form (https://co.anpal.gov.it/co/registrazione/), providing identification data, legal representative data, the registered office, the responsible for the employment procedure, and email address (at which ANPAL will use for subsequent communications);</p> <p>(ii) The help desk of ANPAL will send -to the employer an email with the request for specific documents and the instruction to submit them;</p> <p>(iii) Once ANPAL has received all the information/documents, the help desk of ANPAL will send a final email to the employer with the ID and password to have access to the ANPAL platform.</p> <p>Detailed instructions for the accreditation are available at https://co.anpal.gov.it/download/accreditamento.pdf</p>	1 week	no charge
7	<p>Notify the competent Labor Office (DPLMO) of the employment of workers <i>Agency</i> : Competent Employing Office (Centro per l’impiego)</p> <p>Business founders must notify the Territorial Labor Office (Ispettorato Territoriale del Lavoro - ITL) about hiring personnel one day before the employee in question begins working at their company. Registration can be done online through the portal of the National Agency for the Active Politics (ANPAL) at www.co.anpal.gov.it</p>	Less than one day (online procedure)	no charge

⇒ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2019. [See the methodology for more information](#)

What the indicators measure

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Submitting all required notifications and receiving all necessary inspections
- Obtaining utility connections for water and sewerage
- Registering and selling the warehouse after its completion

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes

Building quality control index (0-15)

- Quality of building regulations (0-2)
- Quality control before construction (0-1)
- Quality control during construction (0-3)
- Quality control after construction (0-3)
- Liability and insurance regimes (0-2)
- Professional certifications (0-4)

Case study assumptions

To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.

The construction company (BuildCo):

- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.
- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.

The warehouse:

- Will be used for general storage activities, such as storage of books or stationery.
- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.
- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

The water and sewerage connections:

- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.
- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.
- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

Dealing with Construction Permits - Italy

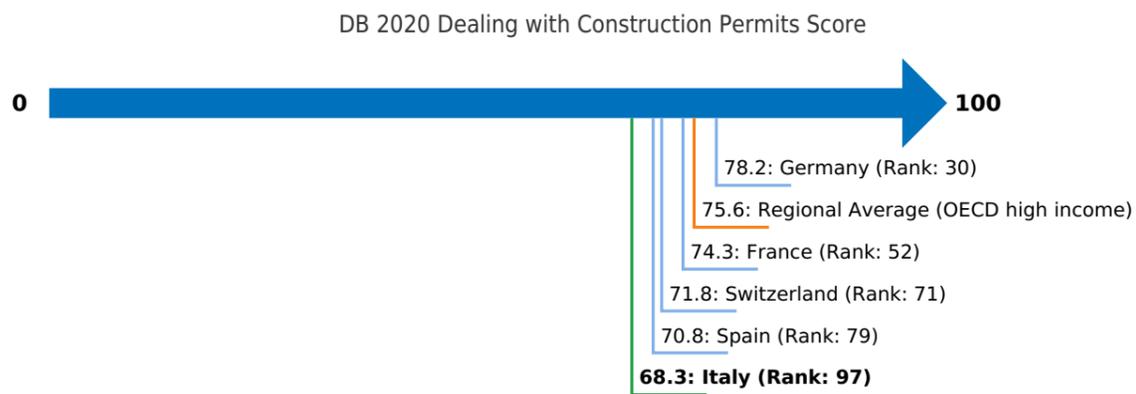
Standardized Warehouse

Estimated value of warehouse	EUR 1,467,994		
City Covered	Rome		
Indicator	Italy	OECD high income	Best Regulatory Performance
Procedures (number)	14	12.7	None in 2018/19
Time (days)	189.5	152.3	None in 2018/19
Cost (% of warehouse value)	3.4	1.5	None in 2018/19
Building quality control index (0-15)	11.0	11.6	15.0 (6 Economies)

Figure - Dealing with Construction Permits in Italy - Score

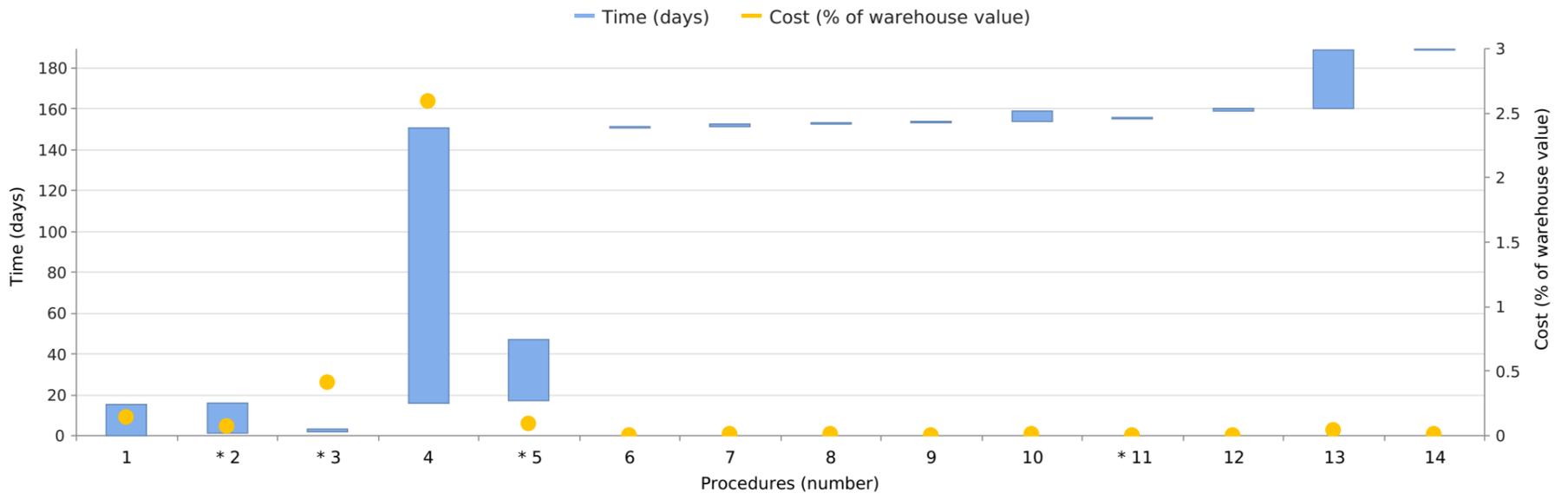


Figure - Dealing with Construction Permits in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

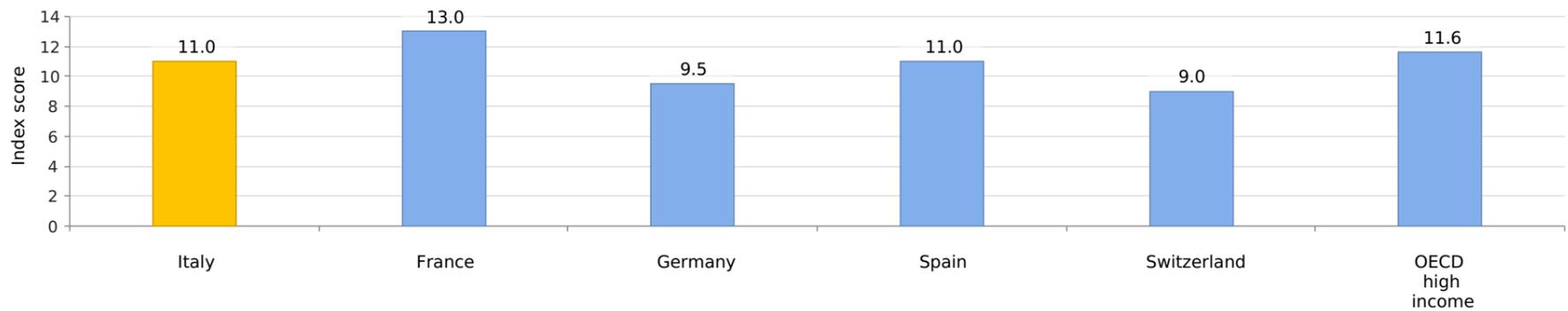
Figure - Dealing with Construction Permits in Italy - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Dealing with Construction Permits in Italy and comparator economies - Measure of Quality



Details - Dealing with Construction Permits in Italy - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
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1	<p>Obtain geo-technical study of the land <i>Agency: Private licensed company</i> A soil test is a necessary step for development of the project. The soil investigation helps to determine the bearing capacity of the land, which helps to determine the load capability, the type and depth of foundation required. The soil test allows the engineer to draft the structural project plan. The soil test is submitted to the Civil Engineering Department to obtain clearance of the structural project plan.</p>	15 days	EUR 2,000
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⇒ 2	<p>Obtain topographic survey of the land plot <i>Agency: Private licensed company</i> A topographic survey of the land plot must be obtained prior to developing the architectural plans of the warehouse.</p>	15 days	EUR 1,000
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⇒ 3	<p>Hire an independent engineer to test structure <i>Agency: Authorized Independent Engineer</i> According to Art. 67, DPR.380, BuildCo must appoint an engineer or an architect to test the structures once the structural works have been finalized. The engineer or architect must not be directly involved in the project and must have been enrolled in the professional register for at least 10 years.</p>	1 day	EUR 6,000
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4	<p>Obtain building permit <i>Agency: Department of Urban Planning and Implementation (PAU), Municipality of Rome</i> The application for a building permit is filed with the Department of Urban Planning and Implementation (PAU), Municipality of Rome. BuildCo must file the following documents: - Proof of title of ownership to the property for which the building permit is requested; - Project design drawings signed by an engineer or an architect, including the drawings relating to electric utilities, air conditioning systems, sewerage and water connections and fire protection devices. - The PAU may also request a clearance from the Fire Department and from the Public Health Agency.</p>	135 days	EUR 38,061
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The minimum term required for the issuance of the building permit is 90 days (where the applicant has submitted all the correct documents and the competent agency has not asked for integration of documents and/or small variations to the project). In practice, if there are requests for variation/integration, the Municipality takes more time to issue the building permit.

The fees for the issuance of the building permit are calculated based on the building value and on the urbanization costs sustained by the Municipality. The fee based on building value must be paid no later than 60 days after the completion of the building; the fee based on urbanization costs must be paid upon issuance of the building permit.

The Law Decree No. 70 of May 13, 2011 has introduced the "silence is consent" rule for issuing building permits. Specifically, if the Municipality does not reply within the deadline indicated by law, the entrepreneur is entitled to start construction activities (unless there are restrictions on the land/building for historical, landscape or cultural reasons). For complex projects, the Municipality must reply within 150 days from the receipt of the application (such time does not consider any extension of the time necessary for any request of integration or changes to the project by the competent office).

⇒ 5	<p>Obtain seismic authorization</p> <p><i>Agency</i> : Regional Technical Office (Genio Civile)</p> <p>Under the Lazio Regional Regulation No. 14 of July 13, 2016, the application to obtain the seismic authorization (nulla osta) must be done online to Civil Engineering Department (Genio civile), by using the so-called "open genio" platform. Applications delivered by hand are not accepted. The Civil Engineering Department checks for the compliance of the project with the technical provisions set forth by the competent administration through an internal control committee and issues the seismic authorization. In practice, BuildCo waits for the approval of architectural plans before submitting the structural project plan; this is made to avoid changing the latter due to potential modifications required by competent offices to the former.</p> <p>The Regional Office "Genio Civile" checks for the compliance of the project with the technical provisions set forth by the competent administration through an internal control committee and issues the seismic authorization.</p> <p>Structural projects are randomly selected for control during the first ten days of the month following application. Projects that are not selected are automatically authorized. However, the applicant must wait until a formal letter of seismic approval is received. The letter arrives approximately within two weeks.</p> <p>For projects selected for control, the procedure lasts at least 60 days.</p>	30 days	EUR 1,316
6	<p>Submit notification of commencement of works</p> <p><i>Agency</i> : Telematic One-Stop Shop for Construction (SUET), Municipality of Rome</p> <p>Before starting construction, BuildCo must submit a notification of commencement of construction to the Telematic One-Stop Shop for Construction (SUET), Municipality of Rome, as well as to Genio Civile (both online), according to Art.15, DPR 380. The form must include information about the developer, the date when construction will start, the name of the Works Director and the Director responsible for safety, as well as a self-certification of payment regularity to professionals (DURC). Works must start within 1 year after obtaining the building permit.</p>	0.5 days	no charge
7	<p>Report closure of structural works</p> <p><i>Agency</i> : Regional Technical Office (Civil Engineering)</p> <p>After structural works have been finalized, the work site director must provide test results for the structural material used to build the structure (Art. 65, DPR 380). In the case of reinforced concrete, the testing must be done on three samples taken on each day that concrete is poured and on one sample for each steel per file used in the structure. The testing is based on per files traction and compression resistance and must be done by an authorized testing lab. The work-site director delivers the report to the external engineer/architect who has 60 days to test the structures and subsequently submits the results to the civil engineering department.</p>	1 day	EUR 137
8	<p>File certified notification of starting activity (SCIA) for fire security</p> <p><i>Agency</i> : Fire Department</p> <p>A certified notification of starting activity (SCIA) for fire security is a declaration produced by BuildCo that the building is in compliance with all fire safety regulations. It is submitted online to the Fire Department through certified mail (PEC). Alternatively, it can be submitted to the One-Stop Shop for Productive Activities (SUAP). For a warehouse containing books, the cost will be EUR 216 as per the D.P.R. 151/11 (Presidential Decree 151/11 of August 1, 2011. See activity No. 34.1.B for warehouses containing books).</p>	0.5 days	EUR 216
9	<p>Receive final inspection by the Fire Department</p> <p><i>Agency</i> : Fire Department</p> <p>The Municipal Fire Department conducts inspections according to the category in which the warehouse is listed. There are 80 different types of activities and all activities are classified in three categories: A, B and C from the lowest to the highest risk of fire. The category depends on the type of activity, the size of the warehouse and the number of people expected to frequently use the building. The Municipal Fire Department conducts the inspection based on the categories. Inspections are conducted in 15% of the cases for category A; 50% of the cases for category B (which the case study warehouse falls under); and 100% of the cases for category C. As a result of the inspection, the Fire Department may ask for changes in the fire safety system (Presidential Decree 151/11 of August 1, 2011. See activity No. 34.1.B for warehouses containing books).</p>	1 day	no charge
10	<p>Register the building</p> <p><i>Agency</i> : Revenue Agency, Rome Territorial Office</p> <p>BuildCo is required to register the warehouse before reporting the closure of works and filing the occupancy certificate. The applicant interacts with the local territorial office, within the revenue agency, through two platforms that are managed at the national level. First, BuildCo records the new map using "Docfa" software and second, BuildCo registers the warehouse using "Pregeo" software. After registration, BuildCo receives a cadastral code that has to be submitted for the occupancy certificate.</p>	5 days	EUR 159
⇒ 11	<p>Apply for water and sewerage connection</p> <p><i>Agency</i> : Rome Water Company (ACEA SpA)</p> <p>BuildCo shall contact the water authority to obtain the water and sewerage connection.</p>	1 day	no charge

12	<p>Receive on-site inspection and estimation of water and sewerage installation costs</p> <p><i>Agency</i> : Rome Water Company (ACEA SpA)</p> <p>Rome Water Company (ACEA SpA) comes to conduct a physical inspection of the construction and to see whether the building is ready for water connection. The company also estimates the cost of connecting to water and sewerage system, which in BuildCo's case, is EUR 600.</p>	1 day	no charge
13	<p>Obtain water and sewerage connection</p> <p><i>Agency</i> : Rome Water Company (ACEA SpA)</p> <p>After conducting the inspection and estimating the costs, Rome Water Company (ACEA SpA) connects BuildCo to water and sewerage systems.</p>	29 days	EUR 600
14	<p>File a certified report for occupancy</p> <p><i>Agency</i> : Department of Urban Planning and Implementation (PAU), Municipality of Rome</p> <p>Within 15 days of the building's completion, BuildCo must submit the following documents for the occupancy certificate (SCA), including:</p> <ul style="list-style-type: none"> - The cadastral registration; - The builder's statement attesting the compliance of the building with the original project; - Statements of the independent experts involved in testing structures; - Connections to public utilities; - Clearance from Fire Department. <p>The Municipality has 30 days to require additional documents in case something is missing; however, occupancy of the building is valid just after submission (pursuant to Law DLGS 222/2016 which replaced article 25 of DPR 380/01 regulating the issuance of the building permit).</p>	0.5 days	EUR 150

→Takes place simultaneously with previous procedure.

Details - Dealing with Construction Permits in Italy - Measure of Quality

	Answer	Score
Building quality control index (0-15)		11.0
Quality of building regulations index (0-2)		2.0
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge; They must be purchased.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		0.0
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	By law, there is no need to verify plans compliance; Civil servant reviews plans.	0.0
Quality control during construction index (0-3)		2.0
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Inspections by in-house engineer; Inspections by external engineer or firm; Inspections at various phases.	1.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are always done in practice.	1.0
Quality control after construction index (0-3)		3.0
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, external engineer submits report for final inspection.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		2.0
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company; Owner or investor.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company; Insurance is commonly taken in practice.	1.0
Professional certifications index (0-4)		2.0
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	There are no specific requirements.	0.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)

Minimum number of years of experience; University degree in engineering, construction or construction management; Being a registered architect or engineer.

2.0

⚡ Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

Price of electricity (cents per kilowatt-hour)*

- Price based on monthly bill for commercial warehouse in case study

*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor in the ranking on the ease of getting electricity.

Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

The monthly consumption:

- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

Getting Electricity - Italy

Standardized Connection

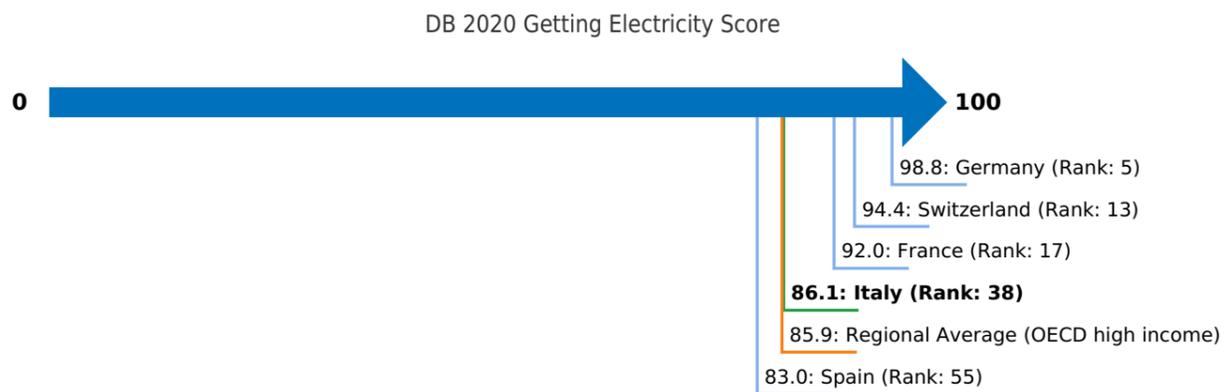
Name of utility	Areti
Price of electricity (US cents per kWh)	16.8
City Covered	Rome

Indicator	Italy	OECD high income	Best Regulatory Performance
Procedures (number)	4	4.4	3 (28 Economies)
Time (days)	75	74.8	18 (3 Economies)
Cost (% of income per capita)	138.9	61.0	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	7	7.4	8 (26 Economies)

Figure - Getting Electricity in Italy - Score

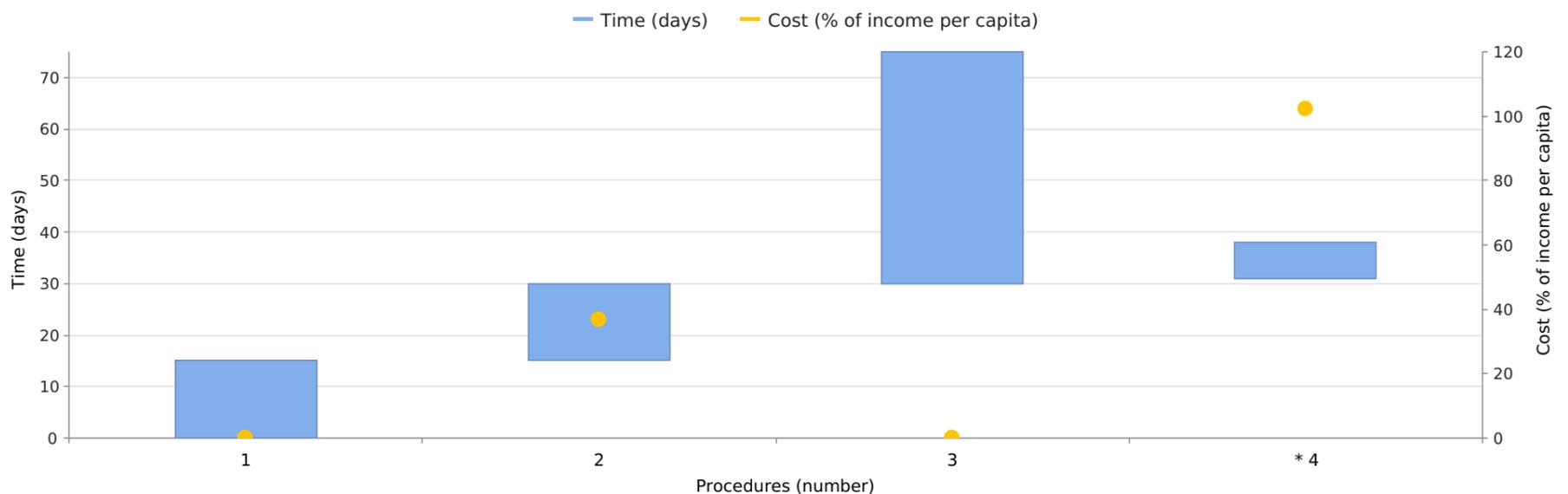


Figure - Getting Electricity in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

Figure - Getting Electricity in Italy - Procedure, Time and Cost

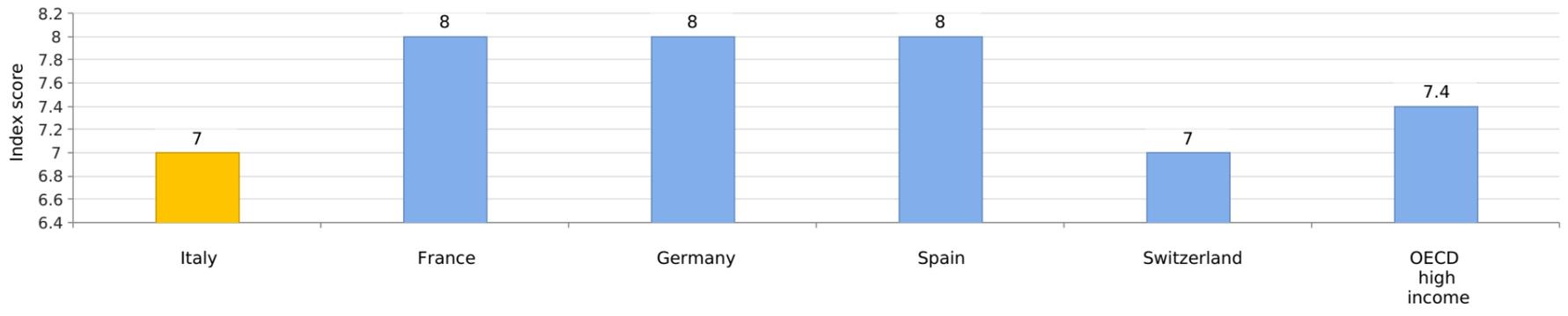


*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures

reflected here, see the summary below.

Figure - Getting Electricity in Italy and comparator economies - Measure of Quality



Details - Getting Electricity in Italy - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Submit application and await for site inspection <i>Agency: Areti</i> The client chooses a supplier among those available in the market. The selected supplier will be the interface between the client and the utility throughout the whole process. The supplier and the utility communicate with each other through a dedicated online platform. It is also possible to apply directly to Areti. Deeds authenticated by notary acts are not requested.</p>	15 calendar days	EUR 0
2	<p>Receive external site inspection and pay cost estimate <i>Agency: Areti</i> Areti performs the inspection of the site and establishes the technical conditions for the connection, together with a cost estimate for the works. Once the customer has accepted the estimate and paid the related costs, Areti provides the necessary authorizations and plans the activities necessary to establish the new connection (engaging an external contractor to carry out the connection works, provisioning the necessary materials, etc.).</p>	15 calendar days	EUR 10,791.78
3	<p>Obtain external works from utility, meter installation and electricity flow <i>Agency: Areti</i> The utility obtains the necessary authorization for the road works from the competent local authority and carries out the external connection works for the customer. The average time to obtain the authorization is one month, and the external works are usually carried out in 10-12 days.</p> <p>All materials from the connection point at the medium voltage distribution grid to the feeding of the customer in the secondary transformer station, including the meter, are provided and maintained by Areti.</p>	45 calendar days	EUR 0
⇒ 4	<p>Purchase and install secondary transformer <i>Agency: Electrical Contractor</i> The customer's electrical contractor is responsible for setting up his own secondary transformer station (which has to provide the energy transformation from medium voltage to low voltage), the medium voltage cable connection from Areti feeding station to the client's station, as well as the installation of the low voltage end-user plant. The cost of a secondary transformer station and of the medium voltage cable connection depends on the technical solution of the installation.</p>	7 calendar days	EUR 30,000

⇒ Takes place simultaneously with previous procedure.

Details - Getting Electricity in Italy - Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	7
Total duration and frequency of outages per customer a year (0-3)	2
System average interruption duration index (SAIDI)	1.3
System average interruption frequency index (SAIFI)	2.2
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	3.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	https://www.ilportaleofferte.it/portaleOfferte/it/confronta_offerte.page
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of property value)

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0-6)
- Geographic coverage index (0-8)
- Land dispute resolution index (0-8)
- Equal access to property rights index (-2-0)

Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban (that is, on the outskirts of the city but still within its official limits) area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Perform general commercial activities.

The property (fully owned by the seller):

- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone (that is, on the outskirts of the city but still within its official limits), and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

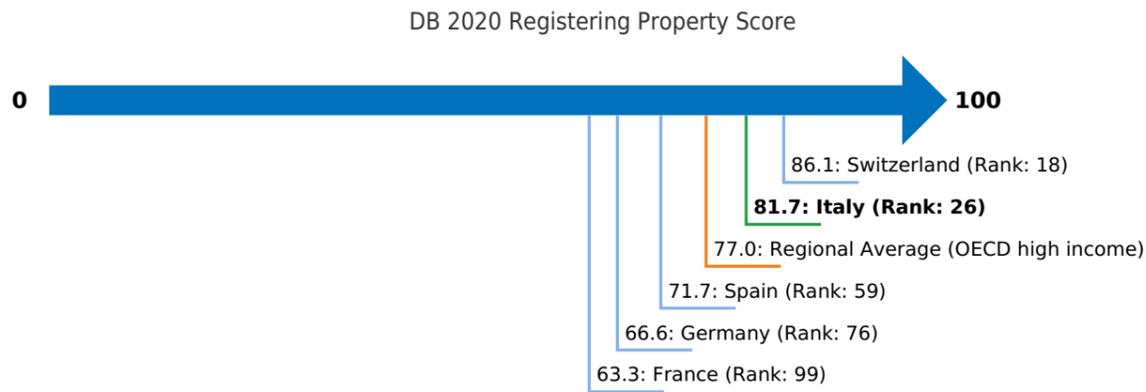
Registering Property - Italy

Indicator	Italy	OECD high income	Best Regulatory Performance
Procedures (number)	4	4.7	1 (5 Economies)
Time (days)	16	23.6	1 (2 Economies)
Cost (% of property value)	4.4	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	26.5	23.2	None in 2018/19

Figure - Registering Property in Italy - Score

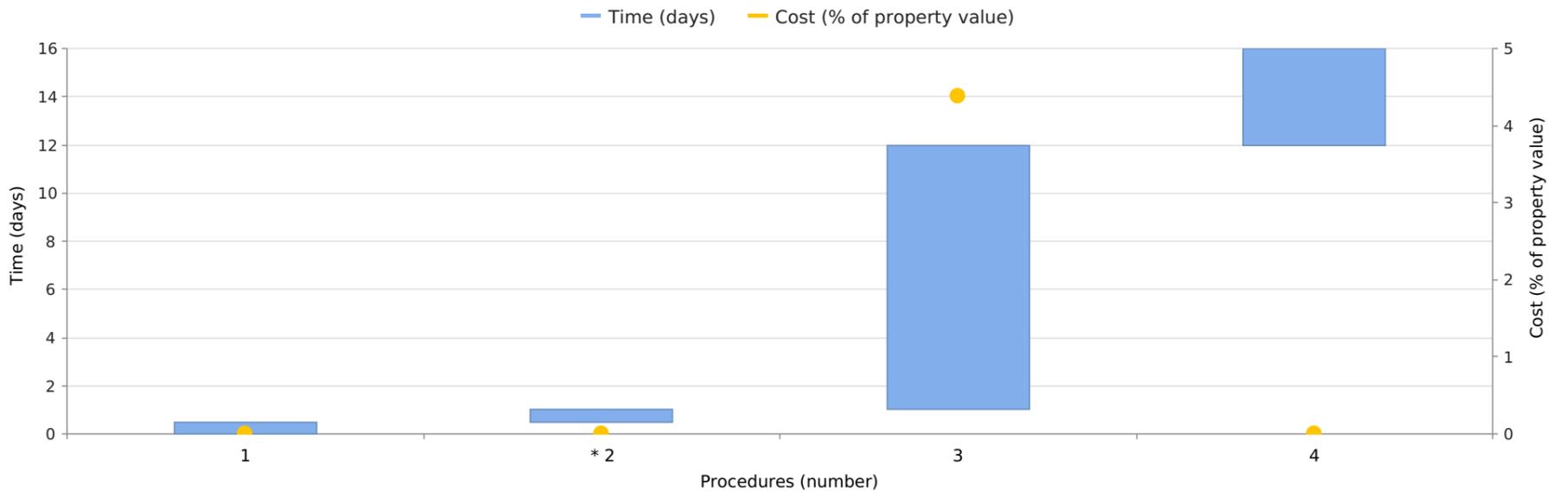


Figure - Registering Property in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

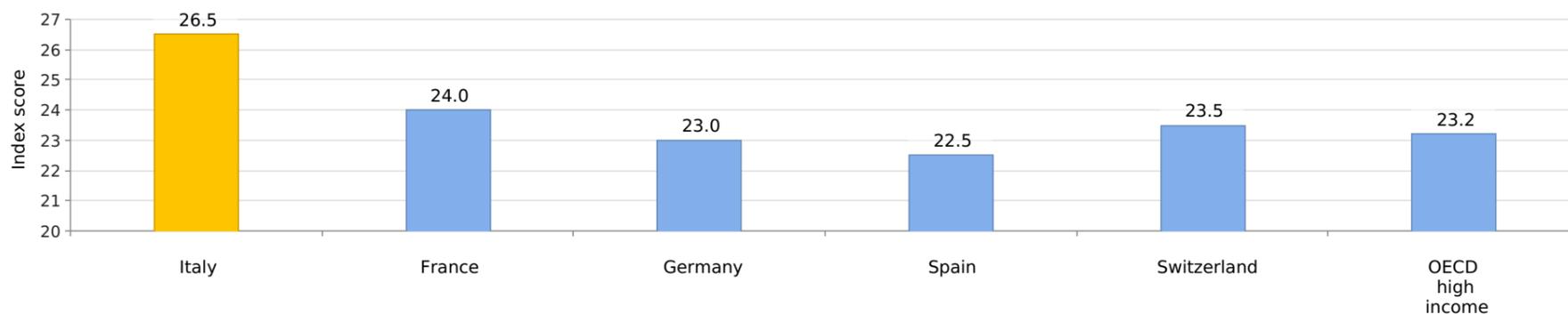
Figure - Registering Property in Italy - Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (<http://doingbusiness.org/en/methodology>). For details on the procedures reflected here, see the summary below.

Figure - Registering Property in Italy and comparator economies - Measure of Quality



Details - Registering Property in Italy - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	<p>Notary public conducts the necessary verifications for the transaction through Notartel <i>Agency</i> : Notartel</p> <p>The notary public obtains all the needed due diligence certificates required for the transaction and verifying the identity of the parties. The notary will conduct the following verifications through Notartel, a web platform which enables the notary to directly access the databases of the Land Registry, the Cadastre, and the Commercial Registry:</p> <ul style="list-style-type: none"> (i) Title and mortgage search (ispezione ipotecaria) , in the Land Registry's database, stating who the owner is and any rights that third parties have on the property (if any); (ii) Cadastral search (visura catastale) , from the Cadastre, stating the physical characteristics of the property. <p>The notary then proceeds to:</p> <ul style="list-style-type: none"> (i) verify the title ownership chain for a period of at least twenty years up to the last deed dated before the twenty years period (continuità delle trascrizioni), to ensure the full ownership of the seller; (certificates of the property dated 20 years back or more may not be available through the online service as they are still to be loaded); (ii) verification that the property is registered both in the Land Registry and in the Cadaster in the same way; (iv) Receive from the parties the following documents: (a) acts which authorized the construction of the property; (b) seller's declaration of conformity between the property and its description in the Cadastre, with the the cadastral identification number, plus reference to the building plans (planimetria) filed at the Cadastre together with the declaration, made by the owner, of the conformity of the existing building to the cadastral data and building plans filed at the Cadastre (the so called conformità catastale). In the event of failure to comply with these requirements, the deed will be null and void. (c) Seller's declaration that the property corresponds to the Municipality's building records and that no unauthorized building operations were undertaken on the property, (d) the so called "Certificato di agibilità", a certificate which guarantees that the property has the legal characteristics necessary to satisfy the contractual object. 	Less than one day, online	Included in procedure 3
⇒ 2	<p>Notary verifies the powers of relevant signatories via the Company Registry <i>Agency</i> : Company Registry ("Registro imprese" online)</p> <p>Using the Companies Registry's web-based platform, the notary will search the company, check whether it appears as active, and obtain certificates stating that the parties have the needed powers to complete a property transfer on behalf of their companies.</p> <p>Through the Companies' Registry, it is possible to access information related to companies, including its by-laws, BoD, powers granted to the directors (delega organica) or PoAs granted for particular purposes (procuratori ad acta) which have been registered in the Companies Registry. Such information provided by the Companies Registry is of public trust (pubblica fede), and it is the notary that certifies the power of the parties after checking the corporate information provided by the Companies Registry. The notary will receive the documentation attesting the powers of the parties in relation to the transfer of the property in those cases where the directors and/or attorneys are vested with powers for special purposes, and whose scope is therefore narrowly identified. Please note that in such case the powers mentioned above usually are not registered within the Companies Registry.</p>	Less than one day, online	Included in procedure 3
3	<p>Notary drafts and executes the deed of sale <i>Agency</i> : Notary</p> <p>Once the notary or his/her staff made all verifications, it proceeds to draft the deed of sale that usually is circulated with the parties for their comments. Once a final version is agreed upon, the parties sign, and the notary stipulates the deed. During stipulation, the parties pay the official fees, and the buyer pays the notary charges.</p>	11 days	EUR 64,239.76; (EUR 5000 (Notary's fees without VAT) + EUR 230 (Imposta di Bollo) + EUR 200 registration tax (Imposta di Registro) + 3% of property value (Imposta Ipotecaria) + 1% of property value (Imposta Catastale) + EUR 35 (Tassa Ipotecaria) + EUR 55 (Diritti Catastali per Voltura))

4	<p>Registration of the deed at the Land Registry and Cadastral Office</p> <p><i>Agency</i> : Land Registry and Cadastral Office</p> <p>The notary files the deed of sale and the transcription note online using the “Modello Unico Informatico (MUI)”. The transcription note can be submitted only electronically, while the attached deed can be submitted either electronically or in paper, but the majority do so electronically. The transcription note is a summary of the deed and once is submitted, the notary receives a receipt. A registrar checks the notes submitted, and if they are correct, the change of ownership will be publicly available in the registry the same day (if submitted in the morning) or the next day (if submitted in the afternoon). The cadastral records will automatically be updated as well.</p> <p>It is mandatory for the notary to file the documents within 30 days of the signature of the contract. Otherwise, the notary will be fined. With a single electronic transmission digitally signed by a notary, the following information is sent: (i) the data concerning the payment of taxes (debited from bank account), (ii) the offices of destination, i.e. Tax Agency for tax registration, Land Agency for the Land Registry and Cadastral office (jointly),; (iii) the certified copy of the deed with its attachments. Taxes are credited directly to the central Revenue Office, and the various offices retain the competence to verify the correctness of the payment. The notary gets online receipts of the different Procedures and payments made.</p> <p>In the case of a warehouse used for commercial purposes, sold by a company that is not in the construction business the cadastral tax is equal to 1% of the sale price, according to the law 248 of 2006, and the transcription tax is equal to 3% of the sale price. Italian VAT law applicable to commercial properties states that the sale of a commercial property is generally VAT exempt, unless (i) in the cases mandatorily provided for by the Italian tax law (ii) if the seller has elected for the VAT regime. In any case, the transfer of a commercial property where both the seller and the purchaser are Italian companies is subject to a fixed registration tax rate. The Land registry and cadastre are 2 different databases but managed by the same government agency since 2008-2009. The Land Registry has the purpose of rendering deeds enforceable towards all third parties. Until a deed has been registered in the Land Registry, it is only enforceable between the parties thereto.</p> <p>The Italian Land Registry system is based on the principle of continuity of the registrations (“continuità delle trascrizioni”). It means that an individual or an entity may sell property only if the relative deed of purchase has been registered beforehand in the Land Registry.</p>	4 days	Included in procedure 3
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⇒ Takes place simultaneously with previous procedure.

Details - Registering Property in Italy - Measure of Quality

	Answer	Score
Quality of the land administration index (0-30)		26.5
Reliability of infrastructure index (0-8)		8.0
Type of land registration system in the economy:	Deed Registration System	
What is the institution in charge of immovable property registration?	Agenzia delle Entrate - Ufficio Provinciale del Territorio della Provincia di Roma	
In what format are past and newly issued land records kept at the immovable property registry of the largest business city of the economy—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there a comprehensive and functional electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Agenzia delle Entrate - Ufficio Provinciale del Territorio della Provincia di Roma	
In what format are past and newly issued cadastral plans kept at the mapping agency of the largest business city of the economy—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Different databases but linked	1.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	Yes	1.0
Transparency of information index (0-6)		4.5
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available—and if so, how?	Yes, in person	0.0
Link for online access:		
Is the applicable fee schedule for any type of property transaction at the agency in charge of immovable property registration in the largest business city made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	https://www.agenziaentrate.gov.it/wps/content/Nsilib/Nsi/Cittadini/Fabbricati+e+terreni/Consultazione+dati+catastali+e+ipotecari/	
Does the agency in charge of immovable property registration agency formally commit to deliver a legally binding document that proves property ownership within a specific timeframe –and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and independent mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	Yes	1.0
Contact information:	http://www.agenziaentrate.gov.it/wps/content/Nsilib/Nsi/Contatta/Reclami%2C+elogi+e+suggerimenti/	
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	Yes	0.5
Number of property transfers in the largest business city in 2018:	33662.0	

Who is able to consult maps of land plots in the largest business city?	Anyone who pays the official fee	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	https://www.agenziaentrare.gov.it/wps/content/Nsilib/Nsi/Schede/FabbricatiTerreni/Visura+catastale/Costi+dell+servizio/?page=consulatacatipimp	
Does the cadastral/mapping agency formally specify the timeframe to deliver an updated cadastral plan—and if so, how does it communicate the service standard?	No	0.0
Link for online access:		
Is there a specific and independent mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	Yes	0.5
Contact information:	http://www.agenziaentrare.gov.it/wps/content/Nsilib/Nsi/Contatta/Reclami%2C+elogi+e+suggerimenti/Reclami+elogi+e+suggerimenti++Entrate/	
Geographic coverage index (0-8)		8.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the economy formally registered at the immovable property registry?	Yes	2.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Are all privately held land plots in the economy mapped?	Yes	2.0
Land dispute resolution index (0-8)		6.0
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Legal basis:	Articles 2643 (Deeds subject to registration) and 2644 (Effects of the registration) of the Italian Civil Code (Royal Decree 262 of 16 March 1942, as subsequently amended and integrated)	
Is the system of immovable property registration subject to a state or private guarantee?	Yes	0.5
Type of guarantee:	State guarantee	
Legal basis:	Articles 2643 (Deeds subject to registration) and 2644 (Effects of the registration) of the Italian Civil Code (Royal Decree 262 of 16 March 1942, as subsequently amended and integrated)	
Is there a specific, out-of-court compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Legal basis:		

Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Notary;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Notary;	
Is there a national database to verify the accuracy of government issued identity documents?	Yes	1.0
What is the Court of first instance in charge of a case involving a standard land dispute between two local businesses over tenure rights for a property worth 50 times gross national income (GNI) per capita and located in the largest business city?	Tribunale Ordinario di Roma, Quarta Sezione Civile (Contenzioso Immobiliare)	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 1 and 2 years	2.0
Are there publicly available statistics on the number of land disputes at the economy level in the first instance court?	No	0.0
Number of land disputes in the economy in 2018:		
Equal access to property rights index (-2-0)		0.0
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Strength of legal rights index (0-12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

Depth of credit information index (0-8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

Credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

Credit registry coverage (% of adults)

- Number of individuals and firms listed in credit registry as a percentage of adult population

Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

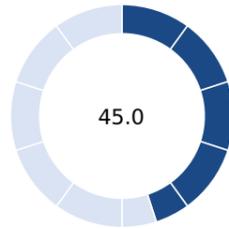
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit - Italy

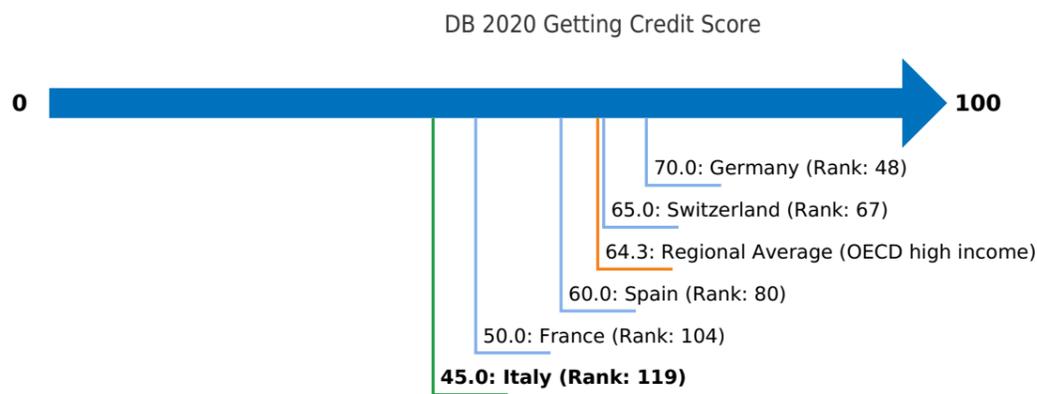
Indicator	Italy	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	2	6.1	12 (5 Economies)
Depth of credit information index (0-8)	7	6.8	8 (53 Economies)
Credit registry coverage (% of adults)	31.1	24.4	100.0 (2 Economies)
Credit bureau coverage (% of adults)	100.0	66.7	100.0 (14 Economies)

Figure - Getting Credit in Italy - Score



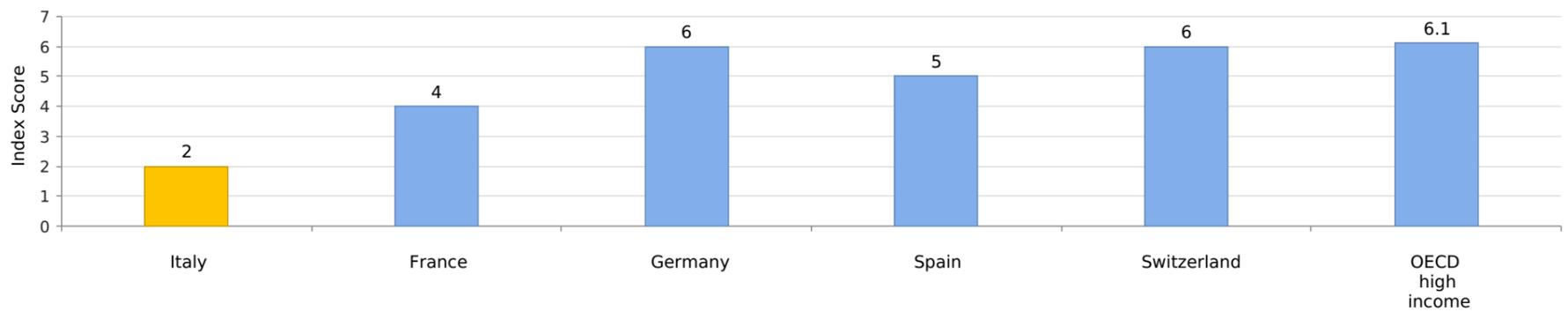
Score - Getting Credit

Figure - Getting Credit in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

Figure - Legal Rights in Italy and comparator economies



Details - Legal Rights in Italy

Strength of legal rights index (0-12)

2

Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy? No

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral? No

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral? No

May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets? Yes

Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered? Yes

Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name? No

Does a notice-based collateral registry exist in which all functional equivalents can be registered? No

Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party? No

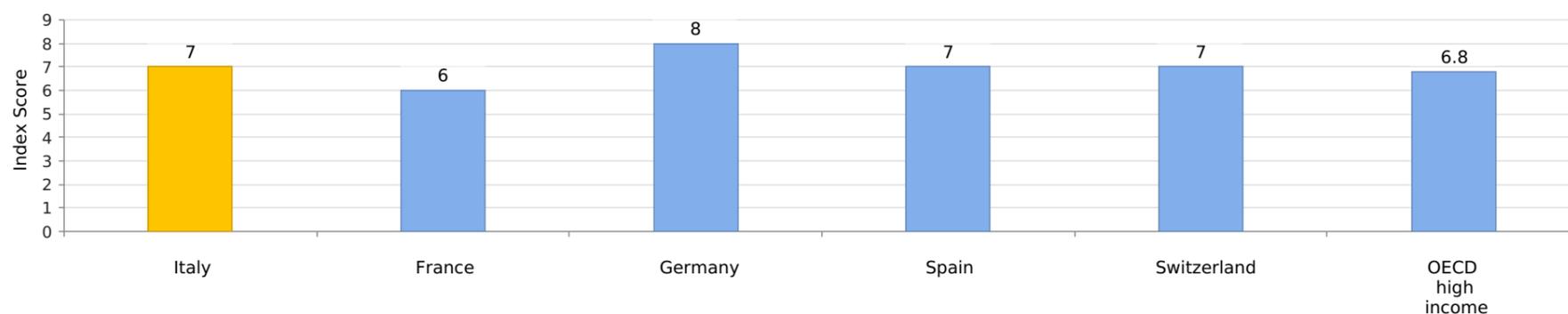
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure? No

Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated? No

Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it? No

Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt? No

Figure - Credit Information in Italy and comparator economies



Details - Credit Information in Italy

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	Yes	1
Are both positive and negative credit data distributed?	Yes	Yes	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	No	No	0
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	Yes	Yes	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	No	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	Yes	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	Yes	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Total Score ("yes" to either public bureau or private registry)			7

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	43,680,587	10,265,884
Number of firms	7,068,874	1,638,316
Total	50,749,461	11,904,200
Percentage of adult population	100.0	31.1

Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

- **Extent of disclosure index (0-10):** Disclosure, review, and approval requirements for related-party transactions
- **Extent of director liability index (0-10):** Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, disqualification from managerial position(s) for one year or more, rescission of the transaction)
- **Ease of shareholder suits index (0-10):** Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- **Extent of conflict of interest regulation index (0-30):** Sum of the extent of disclosure, extent of director liability and ease of shareholder suits indices
- **Extent of shareholder rights index (0-6):** Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0-7):** Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0-7):** Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0-20):** Sum of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0-50):** Sum of the extent of conflict of interest regulation and extent of shareholder governance indices

Case study assumptions

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange.
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.
- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.
- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.
- Is a manufacturing company with its own distribution network.

The transaction involves the following details:

- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

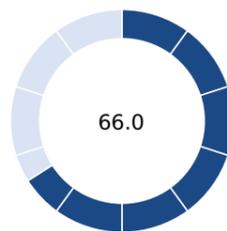
Protecting Minority Investors - Italy

Stock exchange information

Stock exchange	Borsa Italiana
Stock exchange URL	http://www.borsaitaliana.it
Listed firms with equity securities	345
City Covered	Rome

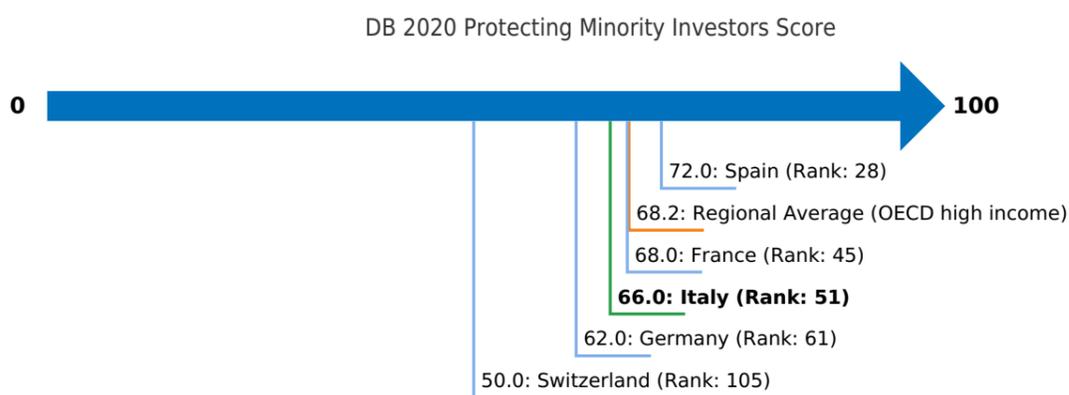
Indicator	Italy	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	7.0	6.5	10 (13 Economies)
Extent of director liability index (0-10)	4.0	5.3	10 (3 Economies)
Ease of shareholder suits index (0-10)	6.0	7.3	10 (Djibouti)
Extent of shareholder rights index (0-6)	5.0	4.7	6 (19 Economies)
Extent of ownership and control index (0-7)	4.0	4.5	7 (9 Economies)
Extent of corporate transparency index (0-7)	7.0	5.7	7 (13 Economies)

Figure - Protecting Minority in Italy - Score



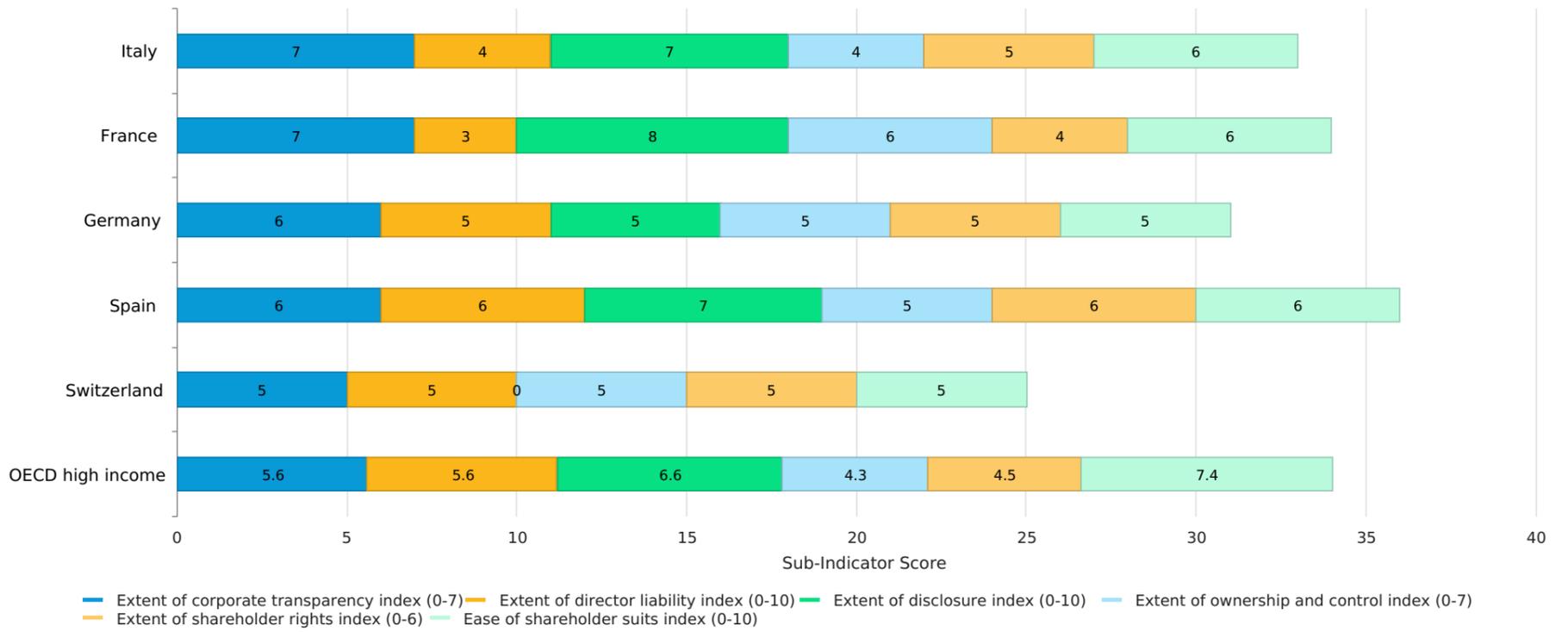
Score - Protecting Minority Investors

Figure - Protecting Minority Investors in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure - Protecting Minority Investors in Italy and comparator economies - Measure of Quality



Details - Protecting Minority Investors in Italy - Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-30)		
Extent of disclosure index (0-10)		7.0
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	Shareholders or board of directors including interested parties	1.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Extent of director liability index (0-10)		4.0
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if negligent	1.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer? (0-2)	Liable if negligent	1.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	No	0.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Only in case of fraud or bad faith	0.0
Ease of shareholder suits index (0-10)		6.0
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	Yes	1.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	No	0.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	Yes	1.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-20)		
Extent of shareholder rights index (0-6)		5.0
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes	1.0
Do shareholders elect and dismiss the external auditor?	Yes	1.0
Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Extent of ownership and control index (0-7)		4.0

Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	Yes	1.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	No	0.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	No	0.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Extent of corporate transparency index (0-7)		7.0
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	Yes	1.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2019 covering for the Paying Taxes indicator calendar year 2018 (January 1, 2018 - December 31, 2018). [See the methodology for more information.](#)

What the indicators measure

Tax payments for a manufacturing company in 2018 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

- Collecting information, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

Total tax and contribution rate (% of commercial profits)

- Profit or corporate income tax
- Social contributions, labor taxes paid by employer
- Property and property transfer taxes
- Dividend, capital gains, financial transactions taxes
- Waste collection, vehicle, road and other taxes

Postfiling Index

- Time to comply with VAT refund (hours)
- Time to obtain VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo is a medium-size business that started operations on January 1, 2017. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2018). Taxes and mandatory contributions are measured at all levels of government.

The VAT refund process:

- In June 2018, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2018.

The corporate income tax audit process:

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

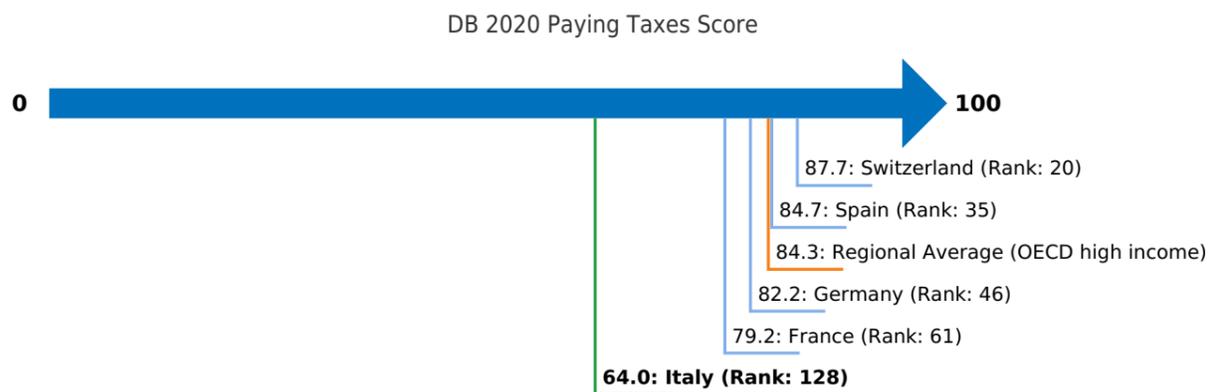
Paying Taxes - Italy

Indicator	Italy	OECD high income	Best Regulatory Performance
Payments (number per year)	14	10.3	3 (2 Economies)
Time (hours per year)	238	158.8	49 (3 Economies)
Total tax and contribution rate (% of profit)	59.1	39.9	26.1 (33 Economies)
Postfiling index (0-100)	52.4	86.7	None in 2018/19

Figure - Paying Taxes in Italy - Score

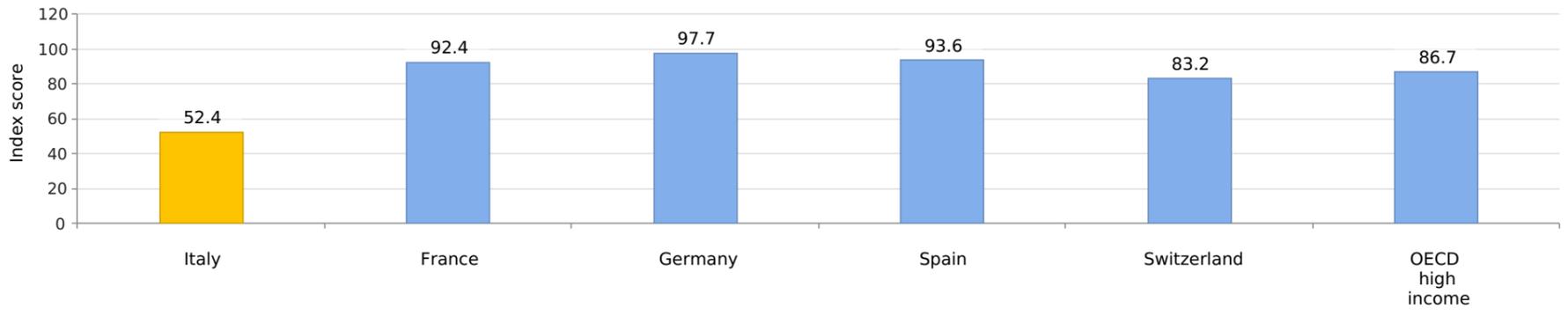


Figure - Paying Taxes in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure - Paying Taxes in Italy and comparator economies - Measure of Quality



Details - Paying Taxes in Italy

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Employer paid - Social security contributions	1.0	online	169.0	26.56%-31.38%	gross salaries	34.29	
Corporate income tax (IRES)	1.0	online	39.0	24%	taxable profit	11.90	
Employer paid - Mandatory contribution for work termination (TFR)	0.0	jointly		7.61%-7.81%	gross salaries	8.61	
Regional tax on productive activities (IRAP)	1.0	online		3.9%	difference between taxable revenues and deductible costs	2.71	
Tax on real estate (IMU)	1.0	online		1.06%	cadastral value of property	1.29	
Tax on interest	0.0			26%	interest income	0.67	included in other taxes
Chamber of commerce duties	1.0	online		EUR 373 + various rates	previous year turnover	0.13	
Municipal service tax (TASI)	1.0	online		0.08%	cadastral value of property	0.10	
Fixed tax on legal and fiscal registries	1.0			EUR 516	fixed fee	0.03	
Tax on check transactions	1.0			EUR 100	fixed fee	0.01	
Stamp duty on contracts	1.0			various rates	pages of contracts	0.00	small amount
Fuel tax	1.0				included into fuel price	0.00	small amount
Insurance tax	1.0			various rates	insurance premium	0.00	small amount
Advertising tax	1.0			various rates	type of advertising	0.00	small amount
Employee paid - Social security contributions	0.0	jointly		9.39%-9.49%	gross salaries	0.00	withheld
Value added tax (VAT)	1.0	online	30.0	22%	value added and land	0.00	not included
Vehicle tax	1.0	online		various rates	vehicle KW	0.00	small amount
Totals	14		238			59.1	

Details - Paying Taxes in Italy - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	14.6
Labor tax and contributions (% of profit)	42.9
Other taxes (% of profit)	1.6

Details - Paying Taxes in Italy - Measure of Quality

	Answer	Score
Postfiling index (0-100)		52.4
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	Yes	
Restrictions on VAT refund process	none	
Percentage of cases exposed to a VAT audit (%)	50% - 74%	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	42.0	16.0
Time to obtain VAT refund (weeks)	63.0	0.0
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	0% - 24%	
Time to comply with a corporate income tax correction (hours)	5.0	93.6
Time to complete a corporate income tax correction (weeks)	No tax audit per case study scenario	100

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.

N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as $22 \times 24 = 528$ hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

Assumptions of the case study:

- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Trading across Borders - Italy

Indicator	Italy	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	0	12.7	1 (19 Economies)
Cost to export: Border compliance (USD)	0	136.8	0 (19 Economies)
Time to export: Documentary compliance (hours)	1	2.3	1 (26 Economies)
Cost to export: Documentary compliance (USD)	0	33.4	0 (20 Economies)
Time to import: Border compliance (hours)	0	8.5	1 (25 Economies)
Cost to import: Border compliance (USD)	0	98.1	0 (28 Economies)
Time to import: Documentary compliance (hours)	1	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	0	23.5	0 (30 Economies)

Figure - Trading across Borders in Italy - Score

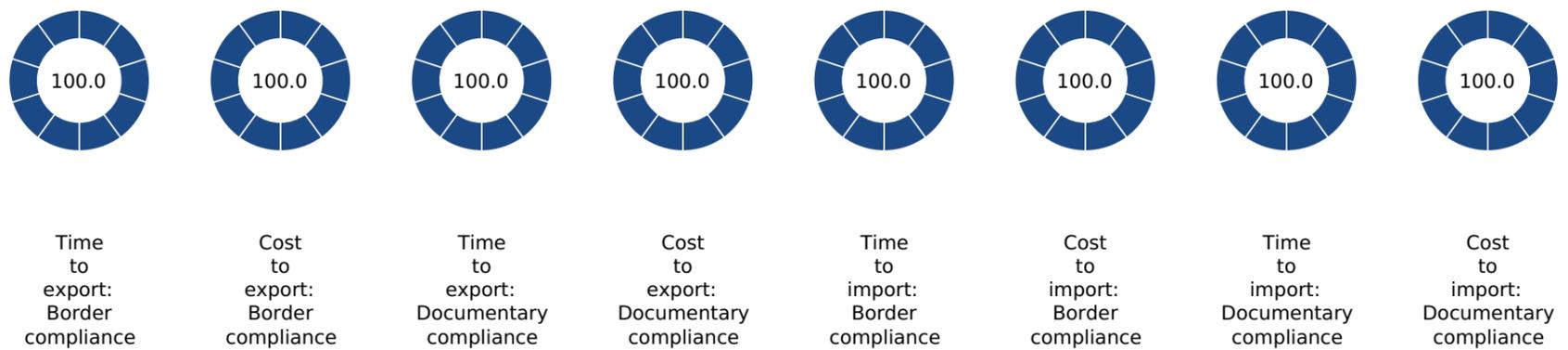
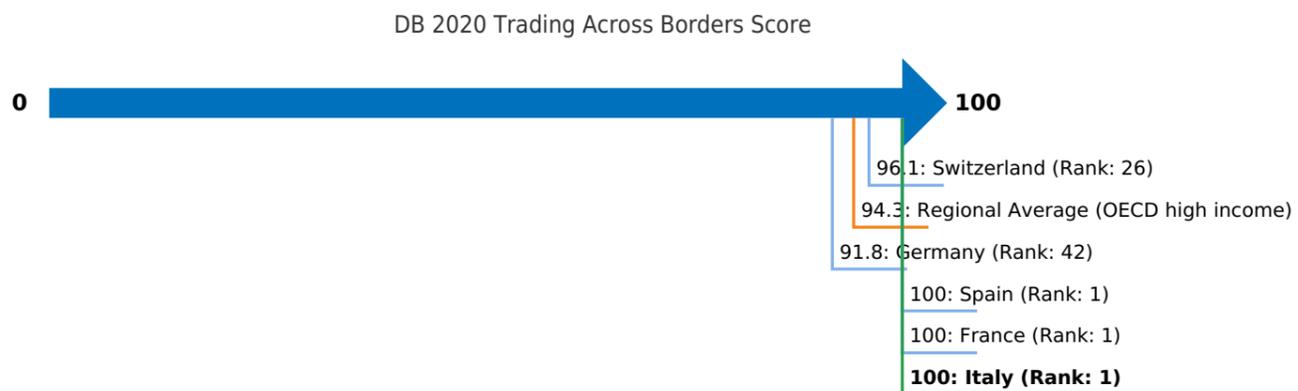
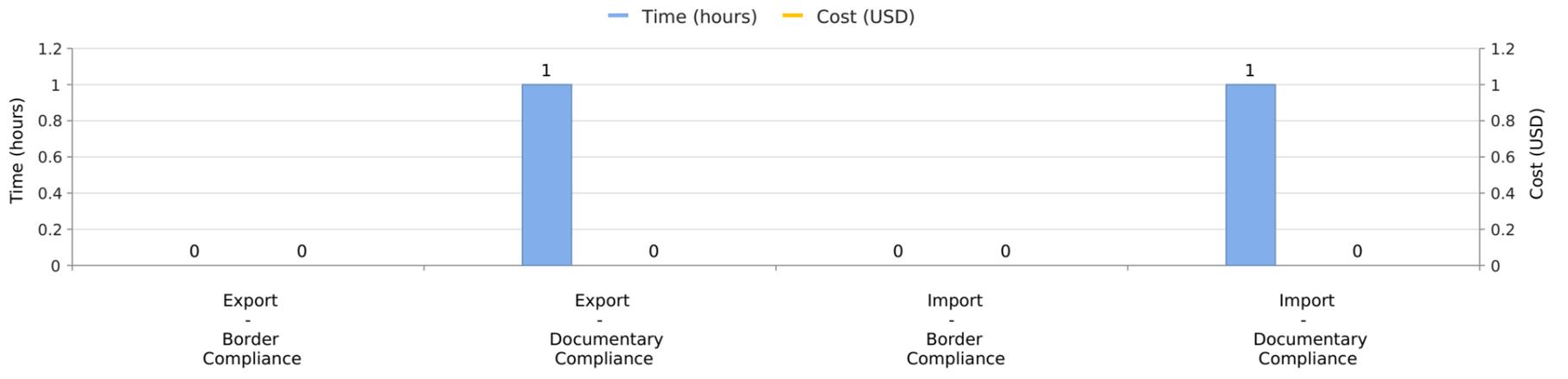


Figure - Trading across Borders in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure - Trading across Borders in Italy - Time and Cost



Details - Trading across Borders in Italy

Characteristics	Export	Import
Product	HS 84 : Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	HS 8708: Parts and accessories of motor vehicles
Trade partner	Germany	Germany
Border	Italy- Austria border crossing	Italy- Austria border crossing
Distance (km)	722	722
Domestic transport time (hours)	12	12
Domestic transport cost (USD)	1225	1225

Details - Trading across Borders in Italy - Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	0.0	0.0
Export: Clearance and inspections required by agencies other than customs	0.0	0.0
Export: Port or border handling	0.0	0.0
Import: Clearance and inspections required by customs authorities	0.0	0.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	0.0	0.0

Details - Trading across Borders in Italy - Trade Documents

Export**Import**

CMR waybill

CMR waybill

Commercial invoice

Commercial invoice

Packing list

Packing list

Intrastat

Intrastat

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Time required to enforce a contract through the courts (calendar days)

- Time to file and serve the case
- Time for trial and to obtain the judgment
- Time to enforce the judgment

Cost required to enforce a contract through the courts (% of claim value)

- Average attorney fees
- Court costs
- Enforcement costs

Quality of judicial processes index (0-18)

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

Case study assumptions

The dispute in the case study involves the breach of a sales contract between two domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

To make the data on the time and comparable across economies, several assumptions about the case are used:

- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The Buyer orders custom-made furniture, then fails to pay alleging that the goods are not of adequate quality.
- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
- The Seller sues the Buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000 whichever is greater.
- The Seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
- The claim is disputed on the merits because of Buyer's allegation that the quality of the goods was not adequate.
- The judge decides in favor of the seller; there is no appeal.
- The Seller enforces the judgment through a public sale of the Buyer's movable assets.

Enforcing Contracts - Italy

Standardized Case

Claim value	EUR 57,010
Court name	Rome District Court
City Covered	Rome

Indicator	Italy	OECD high income	Best Regulatory Performance
Time (days)	1120	589.6	120 (Singapore)
Cost (% of claim value)	27.6	21.5	0.1 (Bhutan)
Quality of judicial processes index (0-18)	13.0	11.7	None in 2018/19

Figure - Enforcing Contracts in Italy - Score

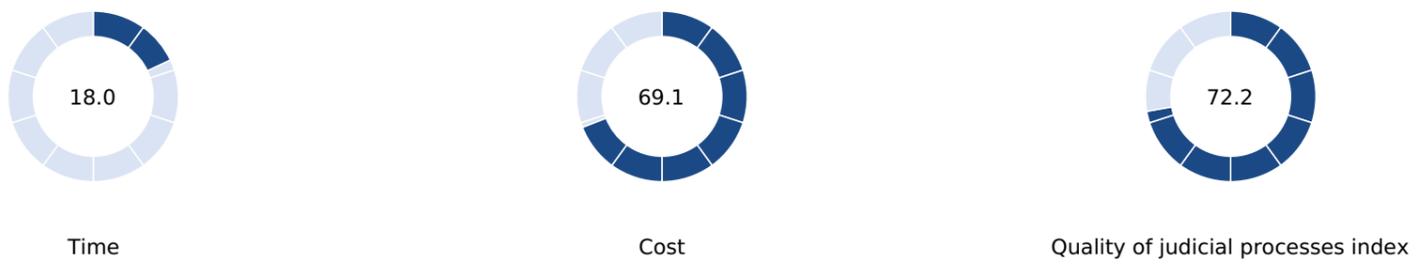


Figure - Enforcing Contracts in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure - Enforcing Contracts in Italy - Time and Cost

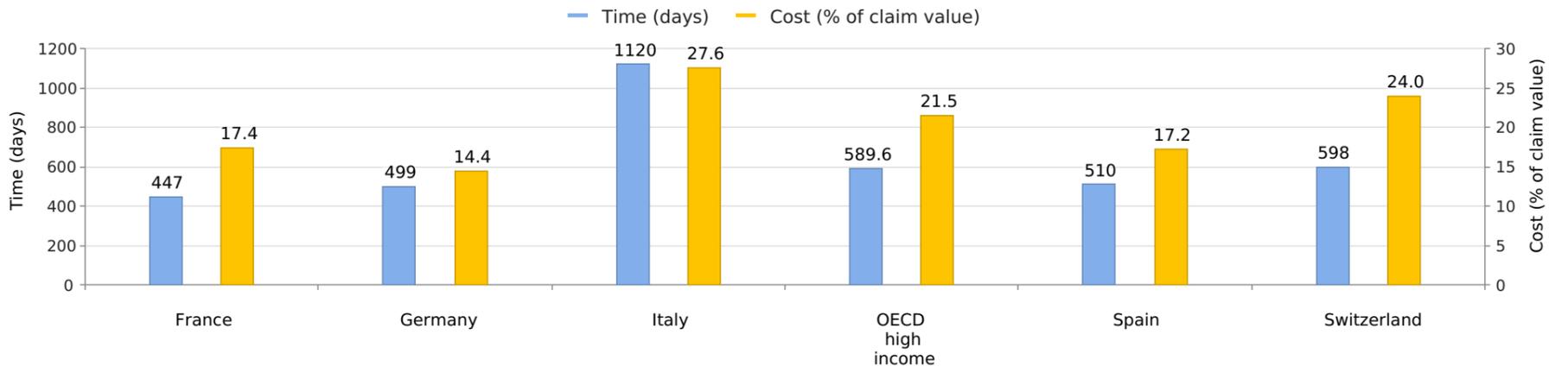
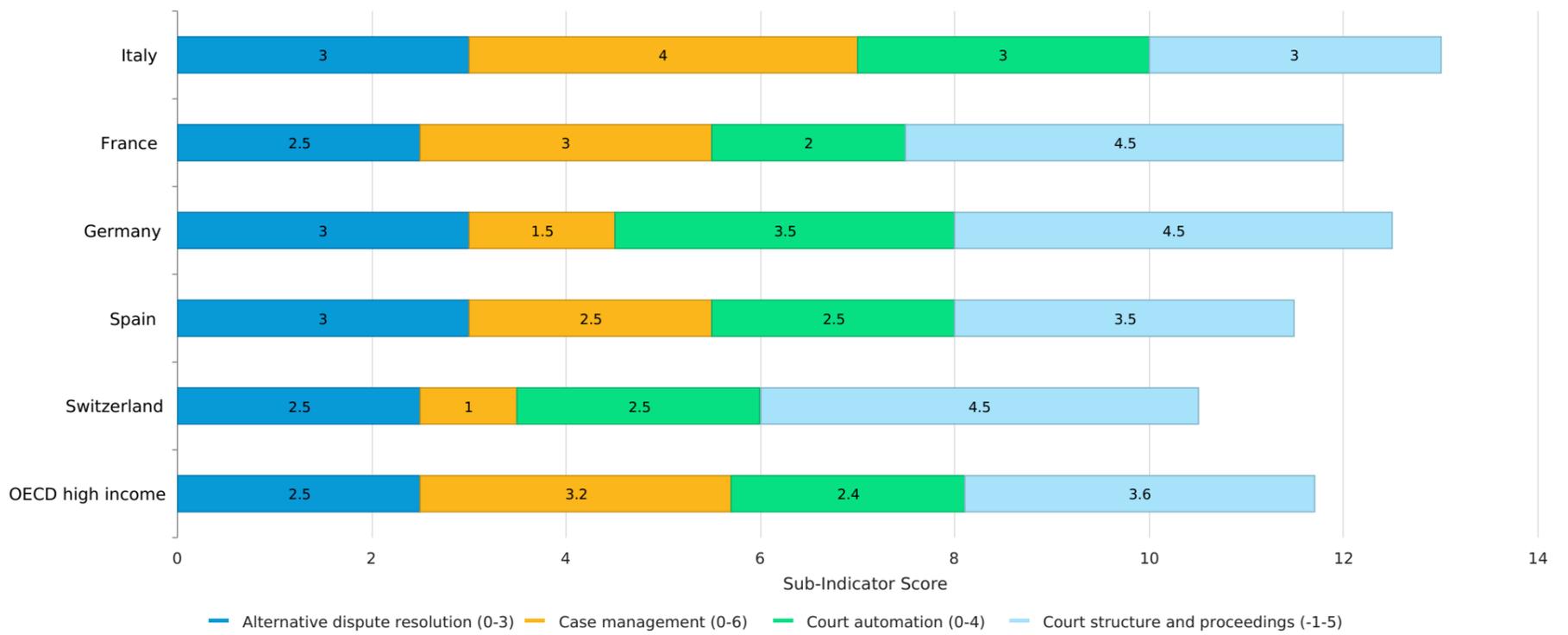


Figure - Enforcing Contracts in Italy and comparator economies - Measure of Quality



Details - Enforcing Contracts in Italy

	Indicator
Time (days)	1120
Filing and service	10
Trial and judgment	840
Enforcement of judgment	270
Cost (% of claim value)	27.6
Attorney fees	19
Court fees	3.9
Enforcement fees	4.7
Quality of judicial processes index (0-18)	13.0
Court structure and proceedings (-1-5)	3.0
Case management (0-6)	4.0
Court automation (0-4)	3.0
Alternative dispute resolution (0-3)	3.0

Details - Enforcing Contracts in Italy - Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		13.0
Court structure and proceedings (-1-5)		3.0
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	0.0
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, but manual	0.5
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		4.0
1. Time standards		1.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	Yes	
1.c. Are these time standards respected in more than 50% of cases?	Yes	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	Yes	1.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	Yes	1.0
Court automation (0-4)		3.0
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	Yes	1.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	Yes	1.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		0.0
4.a. Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	No	
Alternative dispute resolution (0-3)		3.0
1. Arbitration		1.5
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	

2. Mediation/Conciliation	1.5
2.a. Is voluntary mediation or conciliation available?	Yes
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects (for example, definition, aim and scope of application, design)?	Yes
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes

Resolving Insolvency

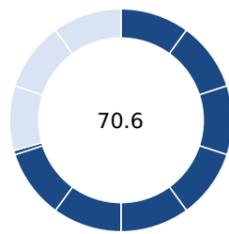
Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure	Case study assumptions
<p>Time required to recover debt (years)</p> <ul style="list-style-type: none"> • Measured in calendar years • Appeals and requests for extension are included <p>Cost required to recover debt (% of debtor's estate)</p> <ul style="list-style-type: none"> • Measured as percentage of estate value • Court fees • Fees of insolvency administrators • Lawyers' fees • Assessors' and auctioneers' fees • Other related fees <p>Outcome</p> <ul style="list-style-type: none"> • Whether business continues operating as a going concern or business assets are sold piecemeal <p>Recovery rate for creditors</p> <ul style="list-style-type: none"> • Measures the cents on the dollar recovered by secured creditors • Outcome for the business (survival or not) determines the maximum value that can be recovered • Official costs of the insolvency proceedings are deducted • Depreciation of furniture is taken into account • Present value of debt recovered <p>Strength of insolvency framework index (0- 16)</p> <ul style="list-style-type: none"> • Sum of the scores of four component indices: • Commencement of proceedings index (0-3) • Management of debtor's assets index (0-6) • Reorganization proceedings index (0-3) • Creditor participation index (0-4) 	<p>To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:</p> <ul style="list-style-type: none"> - A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties. - The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater. - The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise. <p>In addition, <i>Doing Business</i> evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.</p>

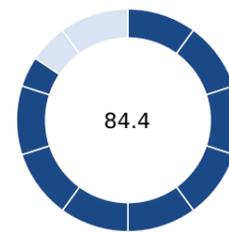
Resolving Insolvency - Italy

Indicator	Italy	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	65.6	70.2	92.9 (Norway)
Time (years)	1.8	1.7	0.4 (Ireland)
Cost (% of estate)	22.0	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	1
Strength of insolvency framework index (0-16)	13.5	11.9	None in 2018/19

Figure - Resolving Insolvency in Italy - Score

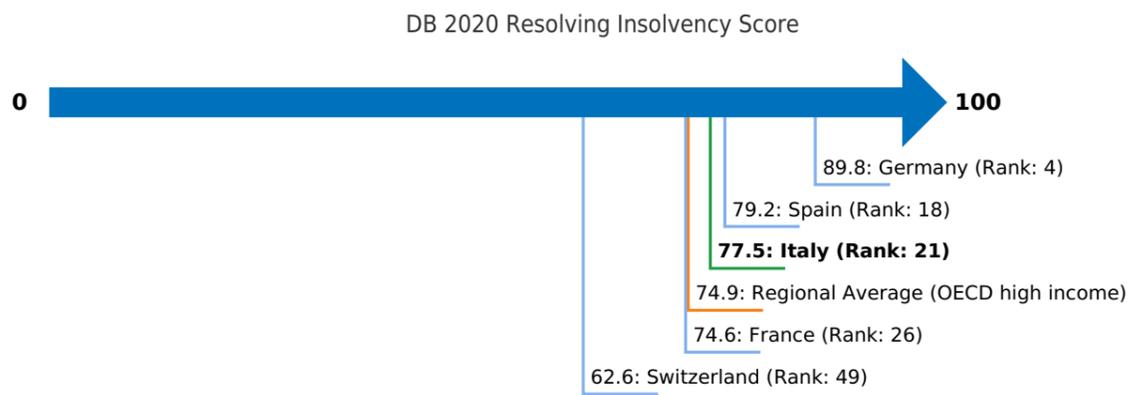


Recovery rate



Strength of insolvency framework index

Figure - Resolving Insolvency in Italy and comparator economies - Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure - Resolving Insolvency in Italy - Time and Cost

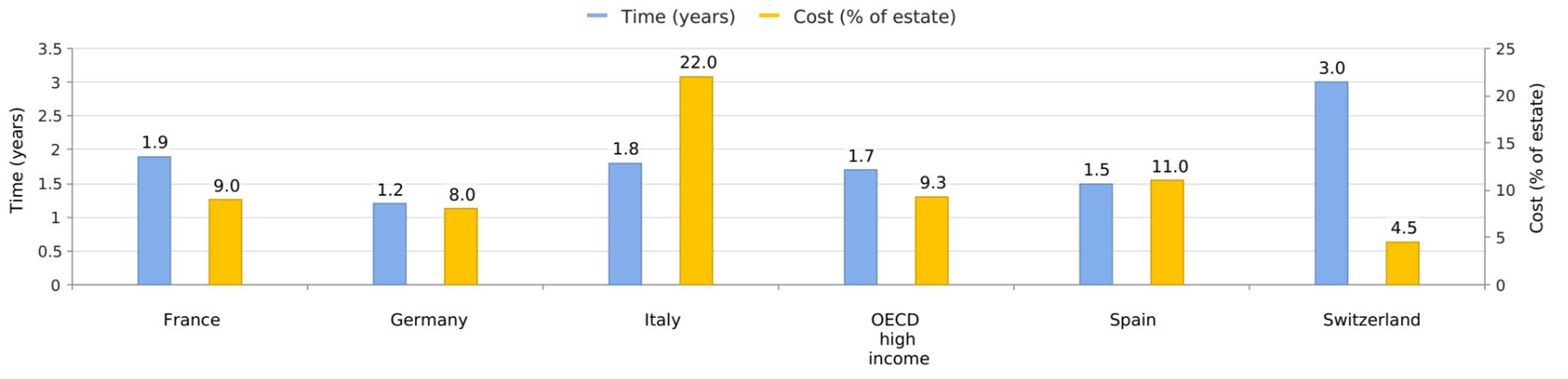
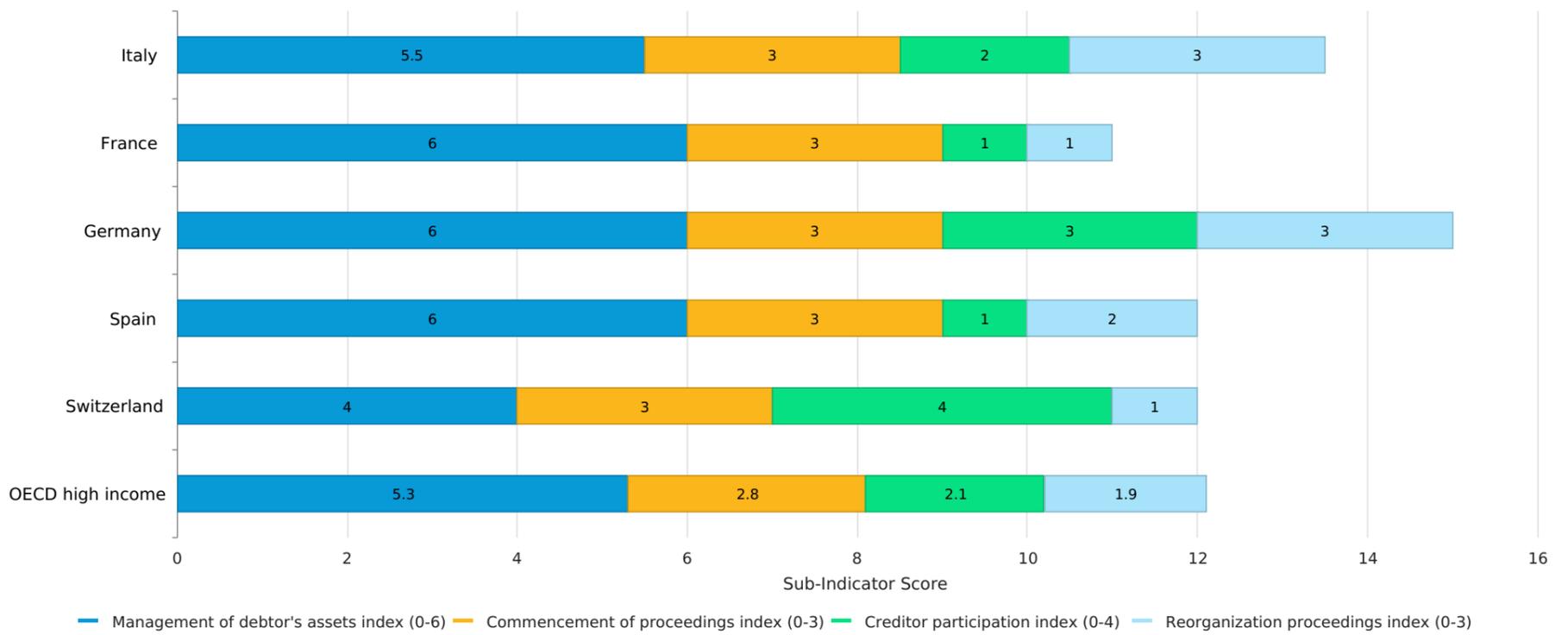
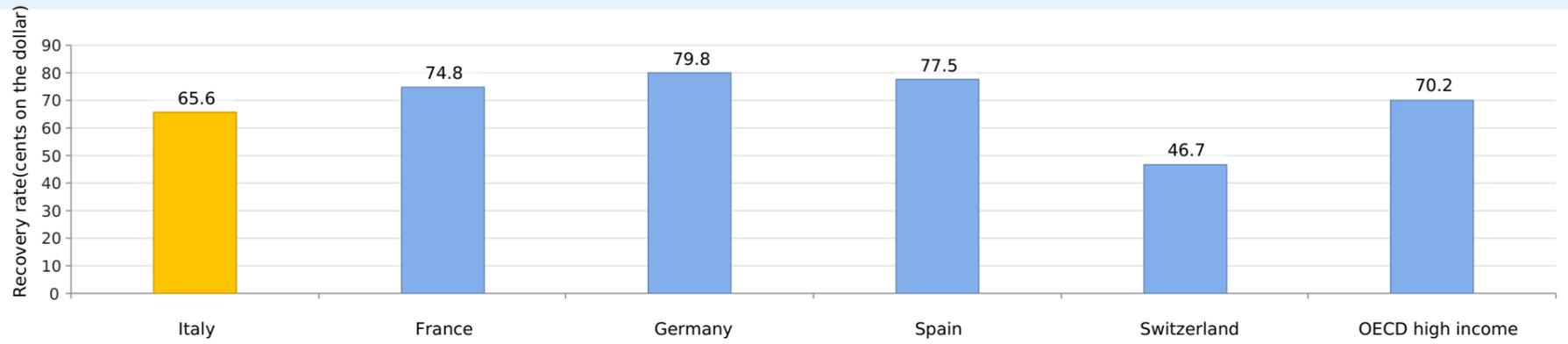


Figure - Resolving Insolvency in Italy and comparator economies - Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure - Resolving Insolvency in Italy and comparator economies - Recovery Rate



Details - Resolving Insolvency in Italy

Indicator	Answer	Score
Proceeding	liquidation (after an attempt at reorganization)	Mirage will file for reorganization (concordato preventivo) and benefit from the automatic stay. Reorganization is the procedure that appears more suitable, as it helps preserve the business' continuity and therefore the value of the business and assets. In light of the severe financial distress of Mirage and the negative expected cash flow for 2016 and 2017, there is the risk that the reorganization is not successfully completed and, consequently, it is converted into liquidation. In addition, currently the number of liquidation procedures in Italy continue to increase whereas the number of reorganizations decreases.
Outcome	going concern	Selling the business as a going concern is the only way to maximize the value of the assets, so the creditors will be interested in a going concern sale. This principle is still valid in case of bankruptcy.
Time (in years)	1.8	Under article 160 and followings of the Italian Bankruptcy Code, a solvent company in financial difficulty may enter into a composition with creditors ("concordato preventivo"). To enter into such procedure the debtor is required to file restructuring plan with the competent bankruptcy court. After the filing, the bankruptcy court assesses the documents and the feasibility of the plan as proposed in the course of the hearing. The court issues a decree which admits the company into a composition with creditors' procedure. A delegated judge and a commissioner are appointed to handle the procedure. Under the case assumptions stated in the survey, the creditors are not likely to approve the plan and the procedure will be converted into the "fallimento" - a liquidation procedure. The aim of the fallimento is to satisfy the creditors' rights and to remove the insolvent enterprise from the market. The fallimento starts when the company is deemed to be insolvent. A receiver is appointed by the competent court to manage the liquidation proceedings. The receiver must collect and sell the debtor's assets under the judge's direction and the creditors' surveillance. The competent bankruptcy court also appoints a judge who will be entitled to direct the proceeding and to resolve upon creditor's claims. Insolvency proceedings will not take less than 1.8 years because of the large number of procedural steps required. Additionally, due to the financial crisis, the number of insolvency cases filed in Italy has increased, which put an additional burden on the courts.
Cost (% of estate)	22.0	Majority of expenses are made up of attorney's fees (around 10% of the value of the estate) and fees of insolvency representatives (up to 10% of the value of the estate). The remaining 2% is divided between court fees, cost of notification and fees of other professionals involved in the insolvency proceedings (accountants, assessors, etc.).
Recovery rate (cents on the dollar)		65.6

Details - Resolving Insolvency in Italy - Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		13.5
Commencement of proceedings index (0-3)		3.0
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(a) Yes, a creditor may file for both liquidation and reorganization	1.0
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework? (a) Debtor is generally unable to pay its debts as they mature (b) The value of debtor's liabilities exceeds the value of its assets	(a) Debtor is generally unable to pay its debts as they mature	1.0
Management of debtor's assets index (0-6)		5.5
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(a) Yes over all pre-commencement creditors, secured or unsecured	0.5
Reorganization proceedings index (0-3)		3.0
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	Yes	1.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	Yes	1.0
Creditor participation index (0-4)		2.0
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	No	0.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Employing Workers

Doing Business presents detailed data for the employing workers indicators on the *Doing Business* website (<http://www.doingbusiness.org>). The study does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2019. [See the methodology for more information.](#)

What the indicators measure

Hiring

(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the maximum probationary period; (iv) minimum wage; (v) ratio of minimum wage to the average value added per worker.

Working hours

(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) length of paid annual leave.

Redundancy rules

(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether the law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost

(i) notice period for redundancy dismissal; (ii) severance payments, and (iii) penalties due when terminating a redundant worker. Data on the availability of unemployment protection for a worker with one year of employment is also collected.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:

- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:

- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Employing Workers - Italy

Details - Employing Workers in Italy

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	No
Maximum length of a single fixed-term contract (months)	12.0
Maximum length of fixed-term contracts, including renewals (months)	24.0
Minimum wage applicable to the worker assumed in the case study (US\$/month)	2033.2
Ratio of minimum wage to value added per worker	0.5
Maximum length of probationary period (months)	2.0
Working hours	
Standard workday	6.6
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	15.0
Premium for work on weekly rest day (% of hourly pay)	30.0
Premium for overtime work (% of hourly pay)	15.0
Restrictions on night work?	No
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	26.0
Paid annual leave for a worker with 5 years of tenure (working days)	26.0
Paid annual leave for a worker with 10 years of tenure (working days)	26.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	26.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	Yes
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	Yes
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	Yes
Priority rules for redundancies?	Yes
Priority rules for reemployment?	Yes
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure (weeks of salary)	2.9
Notice period for redundancy dismissal for a worker with 5 years of tenure (weeks of salary)	4.3
Notice period for redundancy dismissal for a worker with 10 years of tenure (weeks of salary)	6.4
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure, in weeks of salary)	4.5
Severance pay for redundancy dismissal for a worker with 1 year of tenure (weeks of salary)	0.0
Severance pay for redundancy dismissal for a worker with 5 years of tenure (weeks of salary)	0.0

Severance pay for redundancy dismissal for a worker with 10 years of tenure (weeks of salary)	0.0
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure, in weeks of salary)	0.0
Unemployment protection after one year of employment?	Yes

Business Reforms in Italy

From May 2, 2018 to May 1, 2019, 115 economies implemented 294 business regulatory reforms across the 10 areas measured by Doing Business. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ = *Doing Business* reform making it easier to do business. ✗ = Change making it more difficult to do business.

DB2020

Employing Workers: Italy changed regulations pertaining to fixed-term contracts.

DB2019

✗ **Paying Taxes:** Italy made paying taxes more costly by introducing lower exemptions on social security contributions paid by employers for employees hired between January 1, 2016, and December 12, 2016.

DB2018

✓ **Getting Electricity:** Italy made getting electricity easier by streamlining the application process and reducing the time for the external works and meter installation.

✓ **Paying Taxes:** Italy made paying taxes less costly by temporarily exempting employers from social security contributions. Italy also made paying taxes easier by abolishing the VAT communication form.

DB2017

✓ **Paying Taxes:** Italy made paying taxes easier by allowing full cost of labor to be deductible for regional tax on productive activities (IRAP) purposes, as well as updating coefficients used for calculation of tax on real estate (IMU) and municipal service tax (TASI). Furthermore, electronic system for preparing and paying labor taxes was improved.

DB2016

✓ **Enforcing Contracts:** Italy made enforcing contracts easier by introducing a mandatory electronic filing system for court users, simplifying the rules for electronic service of process and automating the enforcement process.

Employing Workers: Italy adopted the Jobs Act, which simplifies redundancy rules and encourages out-of-court reconciliation, reducing the time and cost for resolving labor disputes. The new legislation also broadens the coverage of unemployment insurance.

DB2015

✓ **Starting a Business:** Italy made starting a business easier by reducing both the minimum capital requirement and the paid-in minimum capital requirement and by streamlining registration procedures.

Employing Workers: Italy relaxed the conditions for using fixed-term contracts but reduced their maximum duration to 36 months.

DB2014

✓ **Registering Property:** Italy made transferring property easier by eliminating the requirement for an energy performance certificate for commercial buildings with no heating system.

✓ **Enforcing Contracts:** Italy made enforcing contracts easier by regulating attorneys' fees and streamlining some court proceedings.

✓ **Resolving Insolvency:** Italy made resolving insolvency easier through an amendment to its bankruptcy code that introduces a stay period for enforcement actions while the debtor is preparing a restructuring plan, makes it easier to convert from one type of restructuring proceeding to another, facilitates continued operation by the debtor during restructuring and imposes stricter requirements on auditors evaluating a restructuring plan.

DB2013

✓ **Getting Electricity:** Italy made getting electricity easier and less costly by improving the efficiency of the utility Acea Distribuzione and reducing connection fees.

✓ **Registering Property:** Italy made transferring property easier by digitizing cadastral maps of properties and making the maps available to notaries online.

DB2012

✓ **Resolving Insolvency:** Italy introduced debt restructuring and reorganization procedures as alternatives to bankruptcy proceedings and extended further rights to secured creditors during insolvency proceedings.

DB2011

✓ **Starting a Business:** Italy made starting a business easier by enhancing an online registration system.

DB2010

Employing Workers: Italy allowed the use of fixed-term contracts for permanent tasks.

DB2009

- ✓ **Starting a Business:** Italy made starting a business easier by making it possible to carry out all required procedures through a single notice.
- ✓ **Paying Taxes:** Italy made paying taxes less costly for companies by reducing the corporate income tax (IRES) rate and the regional tax on productive activities (IRAP) rate.

Employing Workers: Italy increased the notice period for redundancy dismissals.

DB2008

- ✓ **Resolving Insolvency:** Italy enhanced its insolvency process through new legislation that gives trustees greater discretion in liquidating assets and grants creditors the right to propose arrangements for other creditors to take over distressed assets, which may shorten the liquidation procedure.

Doing Business 2020 is the 17th in a series of annual studies investigating the regulations that enhance business activity and those that constrain it. It provides quantitative indicators covering 12 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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