



Update of the Italian white list

23 August 2016

The Italian government has taken another step forward in the process of turning the Italian tax system in a friendly environment for foreign investors. With the publication of a highly anticipated ministerial decree, the list of jurisdictions allowing a satisfactory exchange of tax information with the Italian administration – the so-called "white list" – has been updated with more than 50 States and territories. The new list includes those jurisdictions that in the last few years have concluded with Italy a treaty or a tax information exchange agreement, but that so far had not formally been recognized by the tax authorities as "cooperative" jurisdictions. Among the most eye-catching additions there are those territories widely utilised by foreign operators – such as Bermuda, Cayman Islands, Guernsey, Jersey, Isle of Man, Cook Islands and British Virgin Islands – but also a number of jurisdictions which have become strategic in the last decades for industrial and financial operators – such as Hong Kong, Nigeria or Switzerland. A full list of the white listed jurisdictions can be found [here](#).

At the same time, the ministerial decree gives the power to the authorities to remove any of the jurisdictions currently included in the list, where any of such jurisdictions may prove to be, within the practical enforcement of the exchange of information, actually non-cooperative – i.e. in case of failure of the actual exchange of information.

From a practical standpoint, this update has widened the number of persons which can now benefit from a number of tax holidays under Italian law. In particular, among the most important,

- beneficial owners and institutional investors resident or established in white-listed jurisdictions receive free of tax interest and proceeds paid on the

following financial instruments:

- Italian treasury bonds
 - bonds issued by the so-called "large" issuers (i.e. banks and public companies)
 - corporate bonds (whether listed or subscribed exclusively by professional investors)
 - units or shares of undertakings for collective investment in transferable securities, such as investment funds and SICAV's
 - repo's and securities lending
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- institutional investors (such as credit funds) established in white-listed jurisdictions are able to lend to Italian business under medium/long-term financings without suffering any withholding tax
 - undertakings for collective investments (OICR's) and pension funds established in white-listed jurisdiction receive proceeds from Italian real estate investment funds and SICAF's free of any tax charge.

The above is a brief list of the practical consequences of the update of the white list.

If you are interested in obtaining more information or discussing any of the above, please contact:

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