Two-Year Preventive Agreement –
Amendments to Legislative Decree No. 81 of June 12, 2025

1 INTRODUCTION

The regulations regarding the two-year preventive agreement (TPA), established by Legislative Decree No. 13 of February 12, 2024, have been amended by Legislative Decree No. 81 of June 12, 2025, which contains supplementary and corrective provisions concerning tax compliance, the two-year preventive agreement, tax justice, and tax penalties.

Effective Date

Legislative Decree No. 81/2025 came into force on June 13, 2025, the day after its publication in the Official Gazette No. 134 of June 12, 2025.

2 ABOLITION OF THE TPA FOR FLAT-RATE TAX REGIME SUBJECTS

Article 7 of Legislative Decree No. 81/2025 repeals Articles 23 to 33 of Legislative Decree No. 13/2024, which regulated the two-year preventive agreement (TPA) for taxpayers under the flat-rate tax regime pursuant to Law No. 190/2014.

Effectiveness of the repeal

The repeal of the aforementioned regulations takes effect from January 1, 2025.
Therefore, the applicability of the TPA for taxpayers under the flat-rate regime was limited solely to the 2024 tax year.

3 SEPTEMBER 30 DEADLINE FOR ADHERENCE TO THE TPA

Article 11 of Legislative Decree No. 81/2025 postpones the deadline for adhering to the two-year preventive agreement, for ISA taxpayers:

- to September 30 for those with a tax period coinciding with the calendar year;
- or to the last day of the ninth month following the end of the tax period for those with a tax period not coinciding with the calendar year.

The previous deadline was set at July 31 (or the last day of the seventh month following the end of the tax period for taxpayers with a non-calendar year tax period).

4 NEW GROUNDS FOR EXCLUSION AND TERMINATION FROM THE TPA

Article 9 of Legislative Decree No. 81/2025 introduces additional grounds for exclusion and termination from the TPA affecting professionals engaged in self-employed professional activities.
These new provisions aim to link, for the purposes of the two-year preventive agreement, professionals who individually declare self-employed professional income and professional associations, professional firms, and lawyers’ partnerships in which such professionals participate.
Essentially, if one wishes to adhere to the TPA, this decision must be made collectively by all parties—both the individual professionals and the collective entity; similarly, if, following adherence, a partner or member or the collective entity ceases to apply the agreement, it also ceases for the other parties.

4.1 NEW GROUNDS FOR EXCLUSION

Professionals who, with reference to the tax year prior to the one to which the proposal relates, individually declare self-employed professional income and simultaneously participate in a professional association, professional firm, or lawyers’ partnership are excluded from the two-year preventive agreement. Exclusion does not occur if the association or firm to which they belong adheres to the TPA for the same tax periods as the individual partner or member.

Professional associations, professional firms, and lawyers' partnerships are also excluded from the TPA if all partners or members, who individually declare self-employed professional income, do not also adhere to the TPA for the same tax periods.

4.2 NEW GROUNDS FOR TERMINATION

The two-year preventive agreement (TPA) terminates starting from the tax period in which:

- the professional who individually declares self-employed income and the professional association, professional firm, or lawyers' partnership in which they participate do not determine the income based on the agreement proposal for the same tax periods adhered to by the partner or member;
- the professional association, professional firm, or lawyers' partnership and one of the partners or members who individually declare self-employed income do not determine the income based on the agreement proposal for the same tax periods to which the association or firm adheres.

4.3 APPLICATION OF THE NEW GROUNDS FOR EXCLUSION AND TERMINATION

The new grounds for exclusion and termination apply starting from the options to adhere to the TPA 2025-2026 exercised from June 13, 2025 (the effective date of Legislative Decree No. 81/2025).

5 AUTHENTIC INTERPRETATION OF THE NOTION OF CONTRIBUTION

Legislative Decree No. 13/2024 establishes as grounds for exclusion (to be verified before adherence) and termination (to be verified after adherence) of the two-year preventive agreement the completion of merger, demerger, or contribution operations.

Article 10 of Legislative Decree No. 81/2025 specifies that only contribution operations involving a business or a business branch are relevant. Consequently, contributions of cash and/or shares are not relevant for exclusion from the TPA.

Application of the provision

This interpretative provision can be applied not only to the TPA 2025-2026 but also to the TPA 2024-2025.

6 LIMITS TO THE ESTIMATION OF TPA PROPOSALS

Article 14 of Legislative Decree No. 81/2025 introduces limits on income and net production value proposals within the two-year preventive agreement. These adjustments to the income and production value estimation mechanisms have been integrated into the software "Il tuo ISA 2025 CPB" version 1.0.1 dated June 11, 2025.

Specifically, proposals addressed to taxpayers with high ISA scores cannot exceed the following limits, calculated by considering the income declared in the tax period prior to the one to which the proposal refers, adjusted according to the items listed in Articles 15 and 16 of Legislative Decree No. 13/2024:

- 10% for taxpayers with an ISA score of 10;
- 15% for taxpayers with an ISA score equal to or greater than 9 but less than 10;
- 25% for taxpayers with an ISA score equal to or greater than 8 but less than 9.

If the proposal made considering these limits is lower than the reference values for the various productive sectors established by the TPA calculation methodology, the above limitations do not apply.

7 DEDUCTION OF INCREMENTAL LABOR COST

The business and self-employed income indicated in the TPA model to obtain the proposal from the Revenue Agency for subsequent periods is based on the income determined in the income sections of the REDDITI model. This value must be adjusted, upwards or downwards, by certain items explicitly indicated in Articles 15 and 16 of Legislative Decree No. 13/2024.
A similar procedure must be followed during the periods in which the TPA is effective to determine the income and production value effectively subject to taxation.

That said, Article 13 of Legislative Decree No. 81/2025 adds to the list of items to be adjusted the increase in labor costs for new hires, granted pursuant to Article 4 of Legislative Decree No. 216/2023.
This integration applies both to self-employed income and business income.

Application of the provision
The provision applies from the options exercised for adherence to the TPA 2025-2026.

8 LIMITS ON THE SUBSTITUTE TAX ON AGREED HIGHER INCOME

Article 8 of Legislative Decree No. 81/2025 introduces a limitation on the use of the substitute tax on the agreed higher income.
Specifically, it is established that the substitute tax rates on the income increase (applicable at the ordinary rates of 10%, 12%, or 15%, depending on the ISA score) may be applied up to an excess limit not exceeding €85,000.00.
For any amount exceeding €85,000.00, the following rates apply:

- 43% rate for IRPEF taxpayers;
- 24% rate for IRES taxpayers.

8.1 PARTNERSHIPS AND PROFESSIONAL ASSOCIATIONS

For partnerships and professional associations under the tax transparency regime, exceeding the €85,000.00 threshold is assessed at the level of the partnership or association, regardless of the excess portion attributed to individual partners or members.

8.2 APPLICATION OF THE PROVISION

The limits related to the substitute tax on the agreed higher income apply starting from the adhesions to the TPA 2025-2026 exercised from June 13, 2025 (the effective date of Legislative Decree No. 81/2025).

9 NON-PAYMENT OF TAXES RESULTING FROM THE TPA

Failure to pay the taxes arising from adherence to the two-year preventive agreement constitutes grounds for termination of the TPA. Termination occurs when the non-payment emerges following automated checks pursuant to Article 36-bis of Presidential Decree No. 600/1973.
It is recalled that termination causes, if they occur, result in the cessation of the TPA for both tax periods for which the proposal was formulated.

Article 15 of Legislative Decree No. 81/2025 supplements the termination cause related to non-payment of taxes, specifying that termination does not occur if payment of taxes is made within 60 days from the notification of the corrective notice.