

Annual SME Law (Law No. 34 of March 11, 2026) – Key Updates

1 INTRODUCTION

With Law no. 34 of 11.3.2026, published in the *Official Gazette* no. 23.3.2026 n. 68, the "Annual Law on Small and Medium-sized Enterprises" was issued.

The provisions of Law no. 34 of 11.3.2026 entered into force on 7.4.2026, the fifteenth day following its publication in the *Official Gazette*.

The main changes contained in Law no. 34 of 11.3.2026 are analysed below.

2 SUSPENSION OF THE TAXATION OF PROFITS INVESTED IN NETWORK CONTRACTS

With art. 1 of Law 34/2026, the suspension of taxation is re-proposed, upon the occurrence of certain requirements, for profits that are invested in business networks.

The rule follows Article 42, paragraph 2-quarter of Legislative Decree 78/2010, which introduced, until the 2012 tax year, the suspension of taxation for the profits for the year allocated to the common fund or to the assets intended in order to carry out, within the following financial year, the investments envisaged by the common network programme.

2.1 TEMPORAL SCOPE OF APPLICATION

The tax relief applies from the tax period in progress to 31.12.2026 and up to the tax period in progress on 31.12.2028 (tax periods 2026, 2027 and 2028, for "solar" subjects).

15 million euros per year have been allocated for the facilitation.

2.2 STAKEHOLDERS

Only companies that adhere to a network contract that does not provide for the recognition of legal subjectivity (so-called "contract network") can benefit from the suspension of profit taxation.

2.3 OBJECTIVE REQUIREMENTS

For the purposes of suspension of taxation, the profits must be transferred, alternatively, to the common capital fund or to the assets allocated to the business, with the aim of allowing, within the following financial year, the implementation of the investments envisaged in the common network programme.

The common network program must have been, prior to the transfer of profits, certified by bodies that are an expression of business associations, the requirements of which will be identified with a subsequent decree of the Ministry of Enterprise and *Made in Italy*, with which the public bodies that can also certify the programs will also be identified.

The subsidized profits, which cannot exceed the limit of one million euros per year, must be set aside in a special reserve, which must be announced in the Notes to the Financial Statements, which cannot be used, under penalty of forfeiture of the subsidy, in subsequent years for purposes other than to cover operating losses or in the event that adherence to the network contract ceases.

2.4 HOW TO USE THE FACILITY

The tax relief applies only when paying the balance of income taxes for the tax period relating to the year to which the accrued profits refer.

Redetermination of advance payments

For the following tax period, the advance payment of direct taxes must be calculated by taking as a reference the taxes of the previous period that would have originated without the suspension of the taxation of profits.

2.5 IMPLEMENTING MEASURE

A subsequent decree of the Ministry of Enterprise and *Made in Italy* will define the criteria and methods for implementing the facility in question, also in order to ensure compliance with the spending limit.

3 SUBSTITUTE TAXATION FOR HOLDERS OF FOREIGN PENSIONS - INCREASE IN THE THRESHOLD OF INHABITANTS OF THE MUNICIPALITY OF DESTINATION

Article 26, paragraph 1 of Law 34/2026 amended Article 24-ter of the TUIR, which regulates the 7% substitute taxation regime on foreign-source income of foreign pensioners who move to the Regions of Central and Southern Italy.

The amendment aims to extend the number of municipalities to which potential interested parties can move to benefit from the benefits.

3.1 MAXIMUM POPULATION INCREASE FROM 20,000 TO 30,000 INHABITANTS

The benefit is due against the transfer of residence to one of the Municipalities belonging to the territory of the Regions of Sicily, Calabria, Sardinia, Campania, Basilicata, Abruzzo, Molise and Puglia, or to one of the Municipalities included among those affected by seismic events and indicated in Annexes 1, 2 and 2-bis of Legislative Decree 189/2016, or to one of the Municipalities affected by the seismic events of 6.4.2009, having a population not exceeding a certain threshold. As a result of the changes in question, this threshold is raised from 20,000 to 30,000 inhabitants. The other characteristics of the facilitation regime remain unchanged.

3.2 EFFECTIVE DATE

There is no specific effective date for the changes made.

It could be hypothesized that the new provisions for transfers of tax residence carried out, pursuant to art. 2 of the TUIR, from 2026 (tax period in progress as of 7.4.2026, date of entry into force of Law 34/2026): reasoning in this way, people who moved in the first 3 months of the year 2026 could also be facilitated, who, like those who move before the beginning of July, acquire Italian tax residence from 2026 pursuant to the aforementioned Article 2.

If, on the other hand, the date of transfer of residence pursuant to art. 43 of the Italian Civil Code, transfers in the first 3 months would remain subject to compliance with the old threshold of 20,000 inhabitants of the destination municipality.

4 INCENTIVES TO ENCOURAGE THE GENERATIONAL TURNOVER OF EMPLOYEES

Art. 6 of Law 34/2026 introduces, for the two-year period 2026-2027 and for a maximum total number of 1,000 workers close to retirement, a measure that gives permanent employees, hired by private companies employing up to 50 employees, the right to transform the employment relationship from full-time to *part-time*.

The exercise of this option, which is possible until the first useful date of the start of the pension, is accompanied by the granting, until 31.12.2027 or the date of actual retirement if earlier and within the required expenditure limits, of certain contributory benefits.

4.1 REQUIREMENTS

The workers targeted by the measure in question must be in possession of:

- of a contribution seniority prior to 1996;
- the requirements suitable for obtaining, by 1.1.2028, access to the old age or early retirement pension.

4.2 BENEFITS

The option in question can be exercised until 31.12.2027, or the date of actual retirement if earlier, and is accompanied by the granting of certain benefits, such as:

- the integration of contribution payments, up to the amount of remuneration not received as a result of the transformation of the employment contract;
- notional pension coverage for periods of reduced work performance;
- a contribution exemption of 100% of the share of social security contributions for disability, old age and survivors (IVS) payable by the worker, up to a maximum limit of € 3,000.00.

The recognition of these benefits is subject to the simultaneous full-time and permanent hiring, even subsidized, of a worker not older than 34 years for each worker affected by the reduction in hours.

4.3 OPERATIONAL REQUIREMENTS

Workers who meet the above requirements can request the transformation of the employment relationship from full-time and permanent to a part-time relationship, with a reduction in working hours of between a minimum of 25% and a maximum of 50%.

These workers must agree with the employer, through a deed with a certain date, on the methods of carrying out the service, including through elastic or flexible clauses referring to the week or month.

Subsequently, the *part-time* worker will be granted the aforementioned 100% contribution exemption, in relation to the salary actually received, up to a maximum of € 3,000.00 recalculated on a monthly basis, starting from the date of transformation of the part-time employment relationship and until 31.12.2027, or the effective date of retirement, whichever is earlier.

The calculation rate of pension benefits remains unchanged.

5 HEALTH AND SAFETY FOR *SMART WORKING PERFORMANCE*

Article 11 of Law 34/2026 intervenes on the obligations of the employer in terms of safety at work for services carried out in agile mode (so-called "*smart working*").

By introducing paragraph 7-bis to art. 3 of Legislative Decree 81/2008 (Consolidated Law on safety at work), it is provided that for work carried out in agile mode in work environments that do not fall within the legal availability of the employer, the latter fulfils all safety obligations compatible with this way of working, in particular those relating to the use of video terminals, with the delivery to the worker and to the workers' safety representative of a written notice, the obligation to deliver which was in any case already in force (art. 22 of Law 81/2017).

The delivery of this information must take place at least once a year; it identifies the general risks and specific risks associated with the performance of the service in agile mode.

5.1 OBLIGATIONS OF THE WORKER

The employee's obligation to cooperate in the implementation of the prevention measures prepared by the employer to deal with the risks associated with the performance of the service outside the company premises remains unaffected.

5.2 SANCTIONING REGIME

Violation of this information obligation is punishable pursuant to art. 55 co. 5 letter c) of Legislative Decree 81/2008, therefore with imprisonment from 2 to 4 months or with a fine from 1,200.00 to 5,200.00 euros.

6 TRAINING ACTIVITIES DURING PERIODS OF REDUNDANCY FUND

Art. 10 co. 1 letter b) of Law 34/2026 intervenes with reference to the obligation to train workers in the field of safety at work, amending art. 37 paragraph 4 of Legislative Decree 81/2008 and providing for the application of this obligation also for periods of redundancy fund (CIG).

Art. 37 paragraph 4 of Legislative Decree 81/2008, in the previous wording, established that specific training and training were mandatory on:

- the establishment of the employment relationship or the start of employment in the case of temporary employment;
- the transfer or change of duties;
- the introduction of new work equipment or new technologies, new substances and dangerous mixtures.

With Law 34/2026, a new case is added in the presence of which the training obligation is triggered, represented by periods of redundancy fund (CIG), both in the event of suspension and reduction of working hours.

7 REGISTRATION WITH INPS OF EMPLOYERS AND AGRICULTURAL SELF-EMPLOYED WORKERS

Art. 10 par. 3 of Law 34/2026 introduces some administrative simplifications for agricultural businesses concerning, in particular, the submission of the application for registration with INPS of self-employed workers and employers.

In detail, the registration of agricultural employers and agricultural self-employed workers can be submitted directly to INPS, rather than through the single communication (ComUnica) referred to in art. 9 of Legislative Decree 7/2007 (conv. L. 40/2007).

The procedural novelty will not be limited to the registration procedure alone, but will also apply in the event of changes or cessation of business activity.

Implementation of the new arrangements

INPS will have to prepare the necessary changes to implement this option.

Consequently, the right to submit the application for registration of agricultural employers and agricultural self-employed workers directly to INPS is not immediately operational, but it will be necessary to wait for the implementing provisions of INPS.

8 EXEMPTION FROM THE INSURANCE OBLIGATION FOR FORKLIFTS AND AGRICULTURAL MACHINERY

Article 9 of Law 34/2026 extended the exceptions relating to the insurance obligation provided for by Article 122-bis, paragraph 1 of Legislative Decree 209/2005, with reference to certain machinery, also to the railway, port, airport and agricultural sectors.

8.1 WAIVER OF THE INSURANCE OBLIGATION

Art. 122 of Legislative Decree 209/2005 provides for a generalized obligation to insure against civil liability towards third parties, referred to in art. 2054 of the Italian Civil Code, of vehicles circulating on the ground if used in accordance with the function of the vehicle as a means of transport at the time of the accident.

By way of derogation from this obligation, the subsequent Article 122-bis, paragraph 1 excludes from the insurance obligation vehicles that are formally withdrawn from circulation and those whose use, due to a measure adopted by the competent Authority in accordance with the regulations in force, is temporarily or permanently prohibited.

8.2 DEROGATIONS FOR RAILWAY, PORT AND AIRPORT UNDERTAKINGS

The exemption from the insurance obligation is also extended:

- to the trolleys, intended, pursuant to art. 58 co. 2 letter c) of Legislative Decree 285/92, as vehicles intended for the handling of things, which:
 - are not enrolled;
 - operate within company areas, plants, warehouses or warehouses;
- vehicles used only in areas not accessible to the public in railway, port and airport areas, covered by an insurance policy for civil liability towards third parties other than compulsory insurance.

It is also provided that due to the derogation, the obligation to indemnify the Guarantee Fund pursuant to art. 283 of Legislative Decree 209/2005 when liability towards third parties, for accidents occurring in the areas indicated, is covered by voluntary insurance or contracted under special provisions.

8.3 DEROGATIONS FOR AGRICULTURAL ENTERPRISES

The derogation is also extended to wheeled or tracked agricultural machinery intended for use in agricultural and forestry activities:

- which are not registered or do not have a certificate of technical suitability for circulation;
- who operate only within agricultural land, farms or spaces for internal use not accessible to the public;
- provided that they are covered by an insurance policy for civil liability towards third parties other than compulsory insurance.

Also in this case, the obligation to indemnify the Guarantee Fund referred to in art. 283 of Legislative Decree 209/2005 when liability towards third parties, for accidents occurring in the areas indicated, is covered by voluntary insurance or contracted under special provisions.

9 FIGHT AGAINST FAKE *ONLINE REVIEWS*

Articles 18-22 of Law 34/2026 contain a series of provisions that aim to combat the phenomenon of fake *online reviews*, guaranteeing reviews that are "*reliable and coming from those who have actually used or purchased the product, performance or service*".

9.1 SCOPE

The scope of application of the provisions on the fight against fake *online reviews* concerns reviews:

- relating to products, services offered by catering companies and tourism facilities located in Italy, including accommodation and spa facilities;
- as well as relating to any form of tourist attraction offered on the Italian territory.

9.2 REQUIREMENTS FOR THE LAWFULNESS OF *ONLINE REVIEWS*

An *online review* is considered lawful provided that:

- is issued within 30 days from the date of use of the product or use of the service to which it refers;
- comes from the natural person who has actually and personally used the services or performances, with the clarification that the *online review* accompanied by tax documentation is presumed to be authentic;
- it corresponds to the type of product used or to the characteristics of the structure that offers it;
- does not represent the result of discounts or promises thereof, nor of benefits and other advantages on the part of the supplier or its intermediaries.

The *online review* is, on the other hand, illegal:

- in the absence of the requirements listed above;
- and, in any case, when 2 years have passed since its publication, due to its lack of topicality.

9.3 REPORTING OF ILLEGAL REVIEWS

The legal representative of the reviewed property or his delegate can report reviews that do not comply with the above lawfulness requirements:

- in the manner prescribed by art. 16 § 2 of the European Regulation 19.10.2022 n. 2065 on digital services;
- in order to obtain their removal.

9.4 PROHIBITION OF PURCHASE AND TRANSFER OF *ONLINE REVIEWS*

It is forbidden to purchase and transfer for any reason, even between entrepreneurs and intermediaries, *online reviews*, appreciations or interactions, regardless of their subsequent dissemination. Compliance with the aforementioned prohibition on the purchase and sale of *online reviews* is overseen by the Competition and Market Authority, which is granted the investigative and sanctioning powers referred to in Article 27 of Legislative Decree 206/2005 (Consumer Code), without prejudice to the profiles of criminal liability.

9.5 GUIDELINES AND MONITORING

The Competition and Market Authority has the task of:

- to draw up, with its own provision, specific Guidelines that guide companies in the adoption of suitable measures to ensure compliance with the requirements of lawfulness of reviews, after hearing the Authority for Communications Guarantees and the Guarantor for the protection of personal data, as well as the Ministry of Enterprise and *Made in Italy* and the Ministry of Tourism;
- carry out annual monitoring on the application of the new provisions and on the phenomenon of the spread of illegal reviews, reporting to the Chambers.

In addition, for the purpose of strengthening the activity to combat illegal reviews, the associations representing catering companies and structures in the tourism sector established in Italy may request recognition of the qualification of reliable reporter pursuant to art. 22 of the aforementioned European Regulation no. 2065 of 19.10.2022.

9.6 EFFECTIVE DATE

The new provisions apply to reviews published from 7.4.2026 (date of entry into force of Law 34/2026), while they have no effect with respect to reviews already published previously.

10 REFERENCE TO CRAFTSMANSHIP IN ADVERTISING

Art. 16 of Law 34/2026 amended art. 5 of Law 443/85 (framework law for crafts), establishing that no company may adopt, as a company, sign or trademark, or in the promotion of its products or services marketed, a name in which there are references to craftsmanship and the craftsmanship of products or services, if it is not registered in the register of artisan enterprises and does not directly produce or manufacture the products and services advertised or offered for sale, qualifying them as artisanal.

The same prohibition applies to consortia and consortium companies between companies that are not registered in the separate section of the register of craft enterprises.

Penalties

In the event of violation of the aforementioned provisions, the offenders are imposed by the competent regional authority an administrative sanction consisting of the payment of a sum of money equal to 1% of the company's turnover. This sanction:

- in any case, it cannot be less than 25,000.00 euros for each violation;
- it is imposed in compliance with the procedures set out in Law 689/81.