To the clients:

Subject: 730/2025 Form - simplified tax return

From 30 April 2025 to 30 September 2025, employees and retirees in possession of specific income categories earned in the year 2024 will be able to submit the 730/2025 form - simplified tax return.

The declaration can be submitted to the Revenue Agency (pre-completed tax return), through a Caf (Tax Assistance Centre), through a professional or a withholding agent (pre-completed or ordinary tax return).

The Revenue Agency makes the pre-completed tax return available in the dedicated area of its website (www.agenziaentrate.gov.it). In this dedicated web area, the taxpayer may use both the ordinary filling-in mode and the simplified and guided mode of submission of the pre-completed 730 declaration.

It is possible to complete the 730/2025 **jointly**, if both spouses meet just certain incomes (e.g. retirees or employees) and if at least one of them can use the 730 form.

It is not possible to use the joint procedure if the declaration is submitted on behalf of incompetent persons, including minors, or in the event of one of the spouses' death occurred before the tax return was submitted.

Major new features

Below are some of the main new features contained in the 2025 form:

- **new types of tax return** have been added, such as income subject to separate taxation and substitute tax and from land revaluation (part M) and capital gains of financial nature (part T), while from this year, income subject to separate taxation must be indicated in part M instead of part D;
- on one hand, the income brackets and IRPEF rates have been reduced to three and, on the other hand, both **the deductions** for employment income and the deductions for expenses have been **reshaped;**
- for the years 2024 and 2025, the **rental and agrarian incomes** of farmers and Iap (Professional Agricultural Entrepreneur), considered jointly, do not fully contribute or partially contribute to the formation of the total income;

- income from short term rentals is subject to the flat tax at a **rate of 26%** in the case of an option for this kind of regime (the rate is **reduced to 21%** for income from short term rentals relating to a property unit identified by the taxpayer in the tax return);
- income from employment performed abroad in a border area or in other countries bordering the national territory, on a continuous basis and as exclusive object of the relationship, by resident persons, participates to the total income for the amount **exceeding € 10.000;**
- From 31 July 2024, amateur and professional sports work **may not generate** income intended as self-employment.
- the income produced by **workers relocating to Italy who transfer their tax residence to Italy** as of the 2024 tax year contribute to the formation of the overall income limited to 50% of their amount (40% of their amount in the existence of a minor child or in the case of a child's birth or the adoption of a minor during the period of use of the regime) under certain conditions;
- for expenses incurred in 2024 that are covered by the Superbonus, exceptions aside, the **70% deduction** percentage applies, and, for expenses incurred from 1 January 2024, the deduction is spread over **10 equal instalments** by the tax assistance provider, while, for Superbonus expenses incurred from 1 January 2023 to 31 December 2023 it is possible to choose for the deduction to be spread over 10 equal annual instalments by submitting a supplementary declaration to that submitted for the 2023 tax period by the deadline for submitting the tax return for the 2024 tax period;
- the Ivie (tax on value of foreign real estate located abroad) rate is set at **1,06%** and that of Ivafe, for financial assets held in countries or territories with a privileged regime, the rate is **4 per thousand per year.**

The ordinary 2025 form
As an alternative to the pre-completed 730 form made available by the Revenue Agency, the taxpayer may use the ordinary 730 form or the Redditi form.

It should be clarified that, in any case, if the taxpayer for whom the Revenue Agency has prepared the pre-completed 730 form, has received in 2024 **other incomes that cannot be declared with the 730 form** (e.g., business income), he cannot make use of the pre-completed 730 form, but has to submit the ordinary Redditi form or amend the pre-completed Redditi form. Basically, **VAT holders may NOT submit the 730 form.**

In the event the Revenue Agency has not prepared the pre-completed 730 form (for example, because it does not have any data to be reported in the tax return), the taxpayer must possibly submit the tax return in the ordinary way by means of the 730 form, or the Redditi form, unless the taxpayer falls within exemption cases.

Refunds and deductions

In the case of **employed taxpayer**, starting from the **July** month salary**,** the employer or national insurance makes the refunds concerning Irpef and other taxes resulting from the 730-4 form, due by way of balance and first advance payment relating to Irpef, to the flat tax, regional and municipal Irpef surcharges, 20% advance payment on certain income subject to separate taxation, advance payment of the municipal Irpef surcharge, and substitute tax on performance bonuses.

For **retirees,** these operations are carried out from the month of **August** or September.

If the salary paid in the month is insufficient, the remainder, increased by the interest expected for cases of insolvency, will be withheld in the following months until the end of the tax period.

In November, the withholding of the sums due by way of a second or single instalment of advance payment relating to IRPEF and the flat tax is made.

However, if the taxpayer requests that the second or single instalment of advance payment relating to Irpef and the flat tax to be withheld to a lesser extent than the amount indicated in the settlement statement, or not to be made, the taxpayer must notify the withholding agent in writing by 10 October, indicating, under his/her own responsibility, the amount that he supposes to be due.

In case of a pre-completed or ordinary 730 submitted **without a withholding agent**, if a **debt occurs** from the submitted declaration, the Caf or the professional transmits the F24 form electronically to the Revenue Agency or, alternatively, by the tenth day before payment's deadline, delivers the completed F24 form to the taxpayer, who shall make the payment at any bank counter, post office or collection agent, or electronically using the online services of the Revenue Agency or the banking and postal system.

Vice versa, if **a credit emerges** from the submitted declaration without a withholding agent, the refund relating to Irpef and the related additional taxes, as the refund relating to the flat tax and the substitute tax on performance bonuses is carried out from the month of December directly by the tax authorities.

Checks on the pre-completed version

Checks on tax-deductible expenses and deductible expenses of the pre-completed version of the 730/2025 form are differentiated according to, whether the form is submitted without changes **or with changes that affect income or Irpef** and depending on whether the 730 form is submitted directly through the website of the Revenue Agency through a withholding agent, through a Caf or a qualified professional.

If the pre-completed 730 is **submitted directly** through the website of the Revenue Agency or to the tax withholding agent without making any changes, documentary checks will not be carried out on tax-deductible expenses and deductible expenses that have been communicated to the Revenue Agency, whereas, in the event of changes affecting the determination of income or tax, on the charges communicated to the Revenue Agency that are modified, with respect to the pre-completed declaration, documentary checks will be carried out only on the documents that determined the change.

When the pre-completed 730 is submitted **through a Caf or a professional** without changes, no formal checks are carried out on the data relating to the charges indicated in the pre-completed declaration provided by third parties, whereas, in the event of changes affecting the determination of income or tax, documentary checks will be carried out against the Caf or the professional also on tax-deductible expenses and deductible expenses that have been communicated to the Revenue Agency, except for healthcare expenses, for which the formal check is carried out only on the expenses' documents not indicated in the pre-completed declaration.

Documentary checks may concern the data communicated by the withholding agents by means of the CU (Single Certification).

The Revenue Agency can always ask the taxpayer for the necessary documents **to verify** whether the **subjective requirements** to benefit from certain concessions are met (e.g. the actual use of the property as a main residence within one year from the purchase, in the case of the deduction of interest payable on the mortgage loan for the purchase of the main residence).

Obligated taxpayers

The taxpayer is obliged to submit the 730/2025 form if he/she earned income in the year 2024 and does not fall within the exemption cases expressly provided for.

The declaration nevertheless must be submitted if additional Irpef taxes have not been withheld or have been withheld to a lesser extent than the amount due and if only income has been received from the rental of buildings for which the flat tax has been chosen.

The declaration may also be submitted in the case of an exemption to declare any expenses incurred or benefit from deductions or to request refunds relating to credits or overpayments resulting from previous years' tax returns or advance payments made for 2024.

Taxpayers who received at least one of the following incomes in 2024 may use the pre-completed or ordinary 730 form: employment income and income assimilated to employment income, income from land and buildings, capital income, self-employment income for which a VAT number is not required (e.g., self-employment services not usually exercised), miscellaneous income, some of the income subject to separate taxation and substitute tax and the data relating to the revaluation of land indicated in part M, as well as capital gains of a financial nature indicated in part T.

Finally, 730 form may also be used by persons who fulfil the obligations relating to the monitoring of foreign assets of a financial or patrimonial nature by way of ownership or other common law and/or who are required to pay the relevant taxes (VAT, Ivie and Crypto-Asset Tax), who fill in part W.

Exempted or excluded taxpayers

In general, a taxpayer is **exempted** from filing the tax return if he meets **two requirements**:

- is not obliged to keep accounting records;
- has income for which a tax not exceeding EUR 10.33 is due.

Those having to submit the 2025 Redditi form and that **cannot use the pre-completed or ordinary 730 form** are taxpayers who :

- in 2024 received income from the production of agro-energy that is not considered to be agrarian income or business income, even in the form of a shareholding, or self-employment income for which a VAT number is required or self-employment income to which, for income tax purposes, Article 50 of Tuir, that is miscellaneous income not included among those indicated in part D, lines D4 and D5, or income from trusts as beneficiary;
- they must also submit one of the following declarations: VAT, IRAP, 770 form;
- they use tax credits for income earned abroad other than those referred to in line G4;
- in 2024 they received income from pensions ex Article 49, paragraph 2, letter a), of the Tuir paid by foreign entities, transferring their residence in Italy to one of the municipalities

belonging to the South Italy territory, with a population not exceeding 20.000 inhabitants, located in the regions of southern Italy and the islands (Sicily, Calabria, Sardinia, Campania, Basilicata, Abruzzo, Molise and Apulia)

- must fill in the State Aid Assessment, except for farmers under the exemption regime who are beneficiaries only of tax credits to be used exclusively for offsetting in F24 form;
- allocate more than 4 flats for short term rental.

Charges and expenses

Expenses incurred in the year 2024 that give entitlement to a **tax deduction** or an **income deduction** (e.g., social security contributions mandatory by law) must be reported in part E.

With respect to expenses for which the 19% tax deduction is available, as of the 2020 tax year, the deduction is available provided the expense is incurred by bank or postal payment or by other traceable payment systems.

The provision does not apply to deductions for expenses incurred in connection with the purchase of medicines and medicale devices, as well as deductions for healthcare services provided by public structures or private ones credited to the National Health Service.

The taxpayer proves the use of payment's traceable means with paper evidence of the transaction/payment (e.g., ATM receipt, bank statement), or, failing that, the use of payment's traceable means may be documented by means of an annotation on the invoice, tax receipt or commercial document, by the recipient of the sums transferring the good or performing the service.

The 19% deduction for medical expenses only applies to the part exceeding the sum of Euro 129,11.

9 April 2025 | Dr. Angelo Pisciotta