

iGlobal Law 2024 Annual Alert : Italy

Legal Change	Effective Date	Action required
<p>Hiring incentives for specific categories of employees</p> <p>A new income support measure called "Inclusion Allowance" will be available for low-income employees. Employers hiring employees benefitting of the Inclusion Allowance are entitled to:</p> <ul style="list-style-type: none"> - a 100% social security discount up to EUR 8.000, for up to 12 months if the employee is hired with an open-ended employment or apprenticeship contract. Except for disciplinary dismissals, if the employer dismisses the employee within 24 months following the hiring date, it will be required to pay back all the social security contributions normally due plus sanctions; and - a 50% social security discount up to EUR 4.000, for up to 12 months in case the employee is hired on a fixed-term basis, when certain conditions are met. 	January 1 st 2024	No specific action required.
<p>Fixed-term employment agreements</p> <p>The new law provides that, when fixed-term employment agreements have a duration (including extensions) between 12 and 24 months, or are renewed regardless their duration, the employer must indicate a specific business need that justifies the fixed duration of the agreement. These reasons may only be:</p> <ul style="list-style-type: none"> - those provided for by collective bargaining agreements (CBA); and - replacement of absent employees. <p>Upon the condition that no rules are provided under applicable CBAs, the parties can agree in writing on other, different business needs – to be evaluated carefully on a case-by-case basis in order to minimize the risk of conversion of the employment relationship into one on a permanent basis.</p>	Only for agreements executed between 5 th May 2023 and 30 th April 2024.	If you intend to hire on a fixed-term contract in this period of time, check that you are abiding by the new provisions.
<p>Smart working: extension for parents with children under 14</p> <p>An amendment to the law provides for the extension until - March 31st 2024 - of the right to work in agile mode (so-called <i>smart working</i>) for</p>	Ongoing until March 31 st 2024	No specific action at this time.

employees in the private sector with at least one child under 14 years of age, provided that:

- in the household there is no parent who is a beneficiary of income support instruments, in the event of suspension or cessation of work and that there is no non-working parent;
- agile working is compatible with the characteristics of work performance.