

ITALY: NEW INCENTIVES TO ENCOURAGE THE HIRING OF WOMEN AND YOUNGER INDIVIDUALS

Italy has introduced tax incentives to encourage the permanent open-ended hiring between September 1st 2024 and December 31st 2025.

Who will the incentives apply to?

The incentives will apply for employers who are hiring:

- Individuals under 35 years of age who have not before had an employment of this type (this is still awaiting on EU approval);
- Disadvantaged women (victims of domestic violence, women from low employment areas or for work in economic sectors with marked gender gaps).

What is the incentive?

- 100% relief for a period of 24 months, from employer social security contributions (including INAIL premiums), subject to specific conditions and limits.

The main conditions of the incentive

- For qualifying individuals, it must be their first full-time employment;
- For women, they must have been without regularly paid employment for at least 24 months (or 6 months for those living in southern Italy – Single Special Economic Zone);
- Relief is limited to between EUR 500 and 650 per month for each qualifying worker;
- Managerial staff do not qualify;
- There must be no economic dismissals in the relevant production or employment unit in the 6 months before and 6 months after each qualifying hiring.