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1. Decree „Cura Italia“: short focus on integration fund and suspension of terminations

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For all VAT-subjects

Hereby a short analysis of recent provisions regarding integration fund and suspension terminations of employment relationships.

C.I.G.O., F.I.S., C.I.G.S. and special fund

Employers that suspend or stop their working activity due to events inherent the epidemic emergency may apply to the ordinary wages integration fund (*Cassa Integrazione Guadagni Ordinaria*, or *C.I.G.O.*) or to the ordinary replacement remuneration fund with the notation "Covid 19 emergency"

Reference period is from 23 February 2020 onwards and for a period of 9 weeks, to be used within August 2020. Deadlines and procedures of the trade union agreements (articles 14 and 15 of Law 148/2015) do not apply, except for information, consultation and joint examination, which must take place, also by telematic means, within the three days following the request. The request must be made before the end of the 4th month following the month in which the suspension or reduction of work activity was implemented.

The payment can be performed by direct payment from INPS. The beneficiaries are those employees who were registered as employees of the applicant company on 23 February 2020.

Companies already benefitting from the extraordinary integration fund or the solidarity allowance (FIS) can also, due to the epidemic, apply for ordinary integration funds as described above, for a maximum period of 9 weeks. The granting is subject to the cancellation of the already existing compensations.

Furthermore, article 22 provides that regions and the autonomous provinces may grant special allowances from integration funds, always with a maximum duration of 9 weeks.

Sectors concerned are private employers, agricultural and fishing activities, the third sector and religious bodies. In this case, too, notification to the trade unions is necessary (unless the employer has less than 5 employees), which can also be entered via web.

Our firm is therefore in any case at your disposal for any assistance in the activation phases of the provided integration fund.

It is generally possible to act on the assumption of the case hypotheses briefly summarized as follows:

- **Industrial companies** (identified with CSCINPS – starts with the number 1): this concerns industrial companies including construction and stone processing companies which can access the ordinary integration fund (CIG);
- **Commercial enterprises, professional firms, tourism** etc. (identified with CSCINPS – starts with the number 7) with more than 5 employees (with correct crediting of the part-time employees) are subject to the competence of the wage integration fund FIS (Fondo Integrazione Salariale) – ordinary remuneration. The number of employees shall be verified in every single case.
- **corporations of the Autonomous Province Bolzano** have a specific FIS, for whose affiliation the mandatory assignation of the activation code 6P is foreseen, which must be verified by the local advisor. If the company operating on the Bolzano territory has not activated the code 6P, it falls under the ordinary FIS and has access to the ordinary remuneration for the year 2020 also if employing between 6 and 15 employees. The Decree “Salva Italia” (“Save Italy”) had already provided for the ordinary FIS-remuneration for all corporations with more than 5 employees. An analogous FIS has been established for the Autonomous Province Trento, whose assigned activation code is 7V, with the peculiarity that the access to the ordinary remuneration is subject to the previous use of the holidays matured and not yet utilised by the employees.
- **Craftsmen, exception made for construction companies** have access to the bilateral solidarity fund of the craftspeople (Fondo di Solidarietà Bilaterale dell’Artigianato

FSBA) which distributes the ordinary remuneration. The fund only intervenes after the verification of the regularity of the company's contribution payments.

- **Construction/Stone processing companies:** see industrial companies.

Further companies not included in the before mentioned application ranges may access, after the mandatory verifications, the special integration fund as seen above.

Terminations for cause for objective reasons

The Decree Cura Italia has suspended both the initiation of collective termination procedures and the already ongoing procedures. In addition, a ban on termination for cause for objective reasons has been imposed on all employers, including those with less than 4 employees. The ban is effective for a period of 60 days from the date of entry into force of the Decree. During such period only terminations for cause and for subjective reasons are admissible.

To this purpose please note that the provision does not punish the terminating employer: in such case the termination would be considered void, since against the law.

Bonus for employees working at companies' place

Finally, we would like to point out that the Decree Cura Italia provides for a bonus of Euro 100.00 in favour of employees with a total income from employee work of max. Euro 40,000.00 in the previous year. This bonus does not contribute to the income accumulation and shall be calculated proportionally to the number of working days worked at the company's place in March (and isn't therefore due to no one dislocated in smart working). Employers automatically recognise the allowance only for March and starting with the remuneration paid in April, and in any case within the end of the compensatory operations at the end of the year.

Our firm, by the means of our lawyer specialized in labour law, is at your disposal for (i) any assistance in preparing the necessary documents for the trade union consultation and the application for the integration fund and (ii) any possible clarification and further explanations.



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