



Depreciable goods - adjustments to input VAT deduction

Country - Italy

Submission Date - 31/10/2018

According to the article 19-bis2 of the Italian VAT Act, in case of changes of the VAT treatment regarding certain transactions of depreciable goods, the deduction of the respective VAT should also be adjusted and, in case of immovable property, within a period of 10 years.

The Italian Tax Authorities clarified, in Ruling Answer No. 3, that where an immovable property is purchased upon the conclusion of a leasing contract, by exercising the option available, the 10-year period begins on this date.

We remain at your disposal if you wish further information or analysis.