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To whom it may concern

Reggio Emilia, July 10, 2026

MEMORANDUM N. 32/2026

Insight

Subject: Hyper-depreciation 2026

1. Introduction and Regulatory Context

The 2026 Budget Law (**Law No. 199 of December 30, 2025, Art. 1, paras. 427–436**) has reintroduced the **hyper-depreciation** mechanism, which consists of increasing the acquisition cost of capital assets for the purposes of calculating depreciation allowances and finance lease payments, exclusively for the purposes of determining income taxes.

The measure effectively replaces the previous tax credits for investments in capital goods 4.0 (pursuant to Law 178/2020) and Transition 5.0 and is characterized by a significantly more complex procedural framework compared to the previous incentives, with the introduction of a system involving five electronic filings with the GSE and a general requirement for a certified technical appraisal for any investment amount.

Summary of Regulatory References
Art. 1, paragraphs 427–436, Law No. 199 of December 30, 2025 (2026 Budget Law) — primary legislation
Art. 7, Decree-Law No. 38 of March 27, 2026, converted into Law No. 88 of 2026 (Tax Decree) – elimination of the "Made in the EU" requirement and admission of CPB
Ministerial Decree of May 7, 2026 (MiMIT-MEF) – implementing provisions (published on the MiMIT website on June 11, 2026; registered with the Court of Auditors on May 18, 2026)
Ministerial Decree of June 10, 2026 (MiMIT) – Launch of the GSE platform (preliminary notifications effective June 12, 2026)

1.1 Key changes compared to previous measures

- **Cost-increase** mechanism (hyper-depreciation), no longer a tax credit: the deduction is applied off-balance-sheet through a reduction in the tax return

- Requirement for a **certified technical appraisal for all investments**, with no exemption threshold (the option for the legal representative to self-certify for amounts under €300,000 has been eliminated)
- System of **five mandatory notifications to the GSE**: three to access the benefit and two periodic monitoring reports
- **The GSE platform** will be active as of 12:00 p.m. on June 12, 2026, for the submission of preliminary notifications
- Elimination of the requirement that assets be manufactured within the **European Union** ("Made in the EU"), effective retroactively as of January 1, 2026
- The surcharge takes effect upon submission of the **completion notice**, not upon interconnection of the asset
- **Exclusion of SaaS** (Software as a Service) **software**—currently under regulatory review
- Eligibility for entities participating in **a two-year composition** with creditors (with specific calculation methods)

2. Scope of Application

2.1 Eligible Parties

This tax incentive is available exclusively to **business owners who make eligible investments in capital assets** intended for production facilities located within the territory of the State. This includes, regardless of legal status, company size, or sector of activity:

- Individuals engaged in commercial activities (including family businesses and marital partnerships)
- General partnerships and limited partnerships
- Corporations (SpA, SapA, SrL, cooperatives, and mutual insurance companies)
- Public and private entities, other than corporations, whose sole or principal purpose is commercial activity, as well as commercial trusts
- Non-commercial entities with respect to the commercial activity they carry out
- Permanent establishments within the territory of the State of non-resident entities

Entities participating in a **two-year composition-with-creditors agreement (CPB)** are also eligible for this benefit, with the clarification that the hyper-depreciation allowance is not taken into account in determining the income subject to the agreement; rather, it is subject to a specific adjustment both when completing the CPB form and during the periods in which the agreement is in effect (Art. 7, para. 3-bis, Decree-Law 38/2026, as converted, which amended Article 16 of Legislative Decree 13/2024).

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2.2 Excluded Parties

- **Self-employed individuals and professionals:** this relief is reserved for those with business income
- **Taxpayers under the flat-rate regime** (Law 190/2014) and substitute regimes (e.g., tonnage tax)
- **Companies in financial distress:** voluntary liquidation, bankruptcy, compulsory administrative liquidation, composition with creditors without business continuity, other insolvency proceedings under Legislative Decree 14/2019 or special laws
- **Companies subject to disqualification sanctions** under Legislative Decree 231/2001 for the relevant time period

3. Eligible Investments

Investments made from **January 1, 2026**, through **September 30, 2028**, in the following two broad categories—which are independent and distinct from one another—are eligible for tax incentives:

3.1 Tangible and Intangible Assets 4.0 (Annexes IV and V, Law 199/2025)

New capital goods included in the new lists in Annexes IV (tangible assets) and V (intangible assets) to Law 199/2025, **which are integrated with the company's production management system or supply chain**. The new annexes update and expand upon the previous Annexes A and B of Law 232/2016.

3.1.1 Tangible Assets 4.0 (Annex IV)

The assets are grouped into four main categories:

- **Group I** - Capital equipment controlled by computerized systems and/or managed via sensors and actuators (machining tools for material removal, lasers, forming, assembly, robots, additive manufacturing machines, automated warehouses, etc.)
- **Group II** - Systems for ensuring quality and sustainability (measurement systems, in-process monitoring, material inspection, RFID traceability, machine monitoring)
- **Group III** - Devices for human-machine interaction and for improving ergonomics and Industry 4.0 safety (ergonomic workstations, exoskeletons, wearable devices, HMI interfaces, augmented and virtual reality (AR/VR))
- **Group IV (new)** - Capital goods for data processing, storage, and transmission: HPC/AI infrastructure, edge computing, private 5G networks, enterprise Wi-Fi 6/6E/7, OT/IT security infrastructure (industrial firewalls, IDS/IPS, backup/disaster recovery)

The assets of Group IV are subject to a specific (ad hoc) interconnection regime: they must be interconnected with the company's information systems and functionally intended for the execution of software listed in Annex V or for supporting the assets of the other groups listed in Annex IV.

Exclusions specified by Group IV: personal computers, laptops, tablets, and personal productivity devices; printers, scanners, and office peripherals; home

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networking equipment; non-integrated storage systems; and assets for administrative, accounting, and office automation activities not related to operational processes.

3.1.2 Intangible Assets 4.0 (Annex V)

Software, systems, platforms, applications, algorithms, and digital models that support digital transformation. The list has been significantly expanded compared to the previous Annex B and includes, among other things: PLM/PDM/MES/SCADA software, IoT systems, AI/ML platforms, Digital Twin, cybersecurity, EMS systems for energy management, generative AI (LLM), Agentic AI, MLOps, Process Mining, Carbon Footprint, and Digital Product Passport.

SaaS Software - Disclaimer: The tax relief provision does not include the specific provision that previously allowed cloud access fees to be deducted as intangible assets. As things stand, software provided on an "as-a-service" basis is therefore excluded. The MIMIT has stated that regulatory solutions for their inclusion are currently being evaluated, subject to the availability of funding.

3.2 Assets for the self-generation of energy from renewable sources for self-consumption (renewable energy systems)

New tangible capital assets used for the self-generation of energy from renewable sources intended for self-consumption, including remote self-consumption (pursuant to Article 30, paragraph 1, subparagraph a), no. 2, of Legislative Decree 199/2021), including energy storage systems. **Unlike Transition 5.0, these are not investments "driven" by 4.0 investments**: they are eligible for tax incentives on their own.

- **Photovoltaic systems:** exclusively modules with cells manufactured in the EU (cell efficiency ≥ 23.5%) or modules manufactured in the EU consisting of bifacial heterojunction or tandem silicon cells manufactured in the EU (cell efficiency ≥ 24%). This territorial restriction survived the elimination of the "Made in the EU" requirement under Decree-Law 38/2026
- **Storage systems:** eligible only if serving new power generation facilities (excluding storage facilities serving existing plants)
- **Remote self-consumption:** the facility may be located on a different cadastral parcel from the production facility, provided it is within the same market area
- **Sizing:** expected maximum output not exceeding 105% of the production facility's energy demand

3.3 General Requirements for Assets

- **Instrumentality:** durable goods used as means of production in the company's production process (excluding merchandise and consumables)
- **Newness:** goods purchased new from the manufacturer or from third parties, provided they have not already been used by any party
- **Territorial Location:** production facilities located within the territory of the State (mere accounting entry is not sufficient)

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- **Interconnectivity:** The asset must exchange information with internal and/or external systems via documented and internationally recognized protocols (TCP-IP, HTTP, MQTT) and be uniquely identified (e.g., IP address)

4. Amount of the Surcharge

he acquisition cost is increased—solely for the purpose of determining depreciation allowances and finance lease payments—according to a tiered approach based on investments completed in each calendar year (**the cap is reset annually**):

Annual Investment Amount	Surcharge	IRES Tax Savings
Up to €2,500,000	**180%**	43,2% (IRES 24%)
From €2,500,001 to €10,000,000	**100%**	24,0%
From €10,000,001 to €20,000,000	**50%**	12,0%
Over €20,000,000	**No surcharge**	-

Upper limit: The bonus does not apply to the portion of investments exceeding €20,000,000 in a given year.

Calculation of the cap: The brackets refer to investments completed in a single calendar year (i.e., for each of the years 2026, 2027, and 2028) and not to the entire 2026–2028 period. This means that the 2.5-million cap resets to zero and restarts each year.

Example: A company that makes eligible investments totaling €6,000,000 in 2026 applies: 180% on €2,500,000 (= €4,500,000 bonus) + 100% on €3,500,000 (= €3,500,000 bonus) = total bonus of €8,000,000, with an IRES tax savings (24%) of €1,920,000.

Basis of calculation: the cost is determined pursuant to Article 110, paragraph 1, subparagraph b), of the TUIR, including directly attributable incidental expenses (transportation, duties, installation, assembly, testing, and commissioning). The following are excluded: the cost of the technical appraisal and accounting certification (these are expenses incurred to obtain the benefit and not for the use of the asset); interest expense (unless capitalized); and grants and subsidies received for the same costs (the base is considered net of such amounts).

5. Documentation Requirements

Articles 6 and 7 of the Ministerial Decree of May 7, 2026, define the two mandatory documentation requirements. **However, no regulatory wording is required on invoices** (a simplification compared to certain previous provisions).

5.1 Certified Technical Report (Art. 6, Ministerial Decree of May 7, 2026)

General requirement: A certified technical appraisal is required for any investment, regardless of the unit value. The previous option to substitute it with a self-declaration by the legal representative for assets with a unit cost not exceeding

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€300,000 has been eliminated. This is the main operational change compared to the Transition 4.0/5.0 regime.

The report must verify: (i) the technical characteristics of the 4.0 assets such that they qualify for inclusion in the lists in Annexes IV and V, and their successful integration into the company's system; (ii) the specific requirements for renewable energy assets intended for self-consumption.

Entities authorized to issue certificates:

- Engineers or industrial technicians registered in their respective professional registries
- Accredited certification bodies (through a certificate accompanied by a technical analysis)
- For the agricultural sector (Industry 4.0 assets): also agronomists or foresters, agricultural technicians with a university degree, and agricultural experts with a university degree

In all cases, the entity must have adequate insurance coverage.

A distinction is made between a **simple expert report** (certification of fact) and a **sworn expert report** (with an assumption of liability for the accuracy and truthfulness of the content): the regulation requires the latter.

Timing requirement: Possession of the expert report must be certified at the time the completion notice is submitted. However, for 4.0 investments, since the completion notice requires that interconnection has taken place, the expert report (which also certifies the interconnection) must be available at the time of submission. For complex investments involving software adjustments or elaborate network configurations, it is prudent to plan for adequate time buffers.

5.2 Accounting Certification (Art. 7, Ministerial Decree of May 7, 2026)

It certifies that the eligible expenses were actually incurred and that they correspond to the accounting records prepared by the company.

Entities authorized to issue the certificate:

- **Companies required by law to undergo a statutory audit** (pursuant to Legislative Decree 39/2010): the certification is issued by the entity already appointed to conduct the audit (board of statutory auditors performing audit functions, sole auditor, or audit firm)—it is not permitted to engage an external auditor
- **Companies not required to undergo a statutory audit:** by a statutory auditor or an audit firm registered in Section A of the registry pursuant to Article 8 of Legislative Decree 39/2010

Cost to the company: Unlike Transition 5.0, there is no subsidy to cover accounting certification expenses for companies not subject to statutory audit. The cost is borne entirely by the beneficiary. It is estimated that, for modest investments, the total cost of the audit and certification could significantly erode the tax benefit.

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5.3 Retention of Documentation (Art. 9, Ministerial Decree of May 7, 2026)

For the purposes of audits (by the GSE and the Revenue Agency in accordance with Article 43 of Presidential Decree 600/73), the company is required to retain and make available:

- The sworn technical report and the accounting certification
- Invoices, shipping documents, and other documents related to the acquisition of subsidized assets
- ll documentation necessary to verify the accuracy and truthfulness of the declarations, information, and data provided through the IT platform
- Technical documentation certifying compliance with the interconnection requirement throughout the entire period of use

6. Access Procedure: The Five Notifications to the GSE

Eligibility for hyper-depreciation is contingent upon the submission of five electronic notifications via the GSE's IT platform, accessible from the Customer Area of the website www.gse.it through **SPID or CIE** authentication.

Please note: Failure to submit the main notifications (preliminary, confirmation, completion) within the specified timeframes and in the prescribed manner will result in the procedure not being finalized and the permanent loss of the benefit, with no possibility of retroactive correction.

Communication	Content	Deadline
1 - Advance Notice	Company and production facility data; type and amount of investments; expected date of interconnection (Industry 4.0 assets) or commissioning (renewable energy assets); data related to the tax credit	Starting at 12:00 p.m. on June 12, 2026 (no deadline—open application window)
2 - Confirmation Notice	Date and amount of the last advance payment installment to reach 20% of the acquisition cost of each asset; identifying information for invoices related to eligible costs	Within 60 days of receiving notification of a positive decision from the GSE on the preliminary application
3 - Completion Notice	Date of investment completion (Industry 4.0 assets: Art. 109 of the TUIR; renewable energy assets: date of completion of work); certification of possession of a sworn technical appraisal and accounting certification	Upon completion and successful interconnection (Asset 4.0); in any case, by November 15, 2028 (+ 20 days if

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		the GSE requires additional information)
4 - Periodic monitoring report	Information on investments made, costs incurred, and projected use of the benefit	By January 20 of each year of use
5 - Supplemental monitoring report	Amortization schedule showing the portions of the incentive allocated to each fiscal year	By June 30 of each year of use

6.1 Advance Notice (Scenario 1)

The advance notice initiates the procedure and must be submitted **for each production facility** (defined as a site with technical, functional, and organizational autonomy, consisting of one or more local units located on adjacent cadastral parcels). It is possible to submit multiple advance notices for the same production facility.

Advance notifications may be submitted **starting at 12:00 p.m. on June 12, 2026**. The GSE platform assigns a unique identification code (INT-XXXX) to each asset entered.

The GSE verifies that the data has been uploaded correctly and that the information is complete within **10 days** of receiving confirmation of submission, either notifying the applicant of a positive outcome or requesting additional information to be provided within an additional 10 days. If no adequate response is provided to requests for additional information, the procedure will not be finalized. **Operational note**: Particular care must be taken when specifying **the expected date of interconnection** for 4.0 assets and the expected date of commissioning for renewable energy plants. These dates do not result in immediate forfeiture but do influence the scheduling of subsequent communications.

6.2 Confirmation Message (Scenario 2)

Submitted within **60 days of receiving notification from the GSE** that the preliminary notification has been approved, this report certifies the progress of the investment project upon reaching the **20% threshold of the acquisition cost** of each asset. For assets under **finance leases**: the 20% requirement is considered met upon the execution of the lease agreement and the commitment made by the lessor to the supplier through the signing of the purchase order. **Limit**: The confirmation notice may not pertain to investments in different assets or to amounts exceeding those covered by the preliminary notice. Cost variations are permitted only downward. The GSE also has 10 days to issue its opinion on the confirmation notice. The filing deadlines for confirmation and completion notices will be established by a subsequent order of the MiMIT Director General.

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6.3 Completion Notice (Scenario 3)

To be submitted upon completion of the investments and the successful interconnection of Industry 4.0 assets, in any case no later than **November 15, 2028** (extendable by 20 days if the GSE requests additional documentation).

It must be accompanied by: **proof of possession** of the certified technical report and the accounting certification. It should be noted that the notification cannot be submitted until: (i) the asset has been installed and interconnected; (ii) the expert has issued their certification. For complex investments requiring software adjustments or elaborate network configurations, it is essential to allow for an adequate time frame.

Option for multiple notifications: It is permitted to submit multiple completion notifications for individual assets, even in subsequent years. Example: An investment involving two assets, with a preliminary and confirmation notice submitted in 2026; if the first asset is completed in 2026, the completion notice may be submitted in 2026; if the second asset is completed in 2027, a second completion notice is submitted in 2027, without the need for a new reservation.

Please note the timing: the first installment of the hyper-depreciation begins in the tax period in which the completion notice is filed (not in the year the investment is made). This can lead to misalignments. An investment completed in 2026 but for which the notification is submitted in 2027 would result in the first installment being claimed for the year 2027 (REDDITI Form 2028), thereby forfeiting the installment for the year 2026.

6.4 Periodic Monitoring Reports (Scenario 4)

Starting from the first preliminary notification submitted and continuing until the end of the period during which the incentive is available, each company is required to submit two notifications each year:

- **By January 20:** a periodic notification containing information regarding the investments made, the costs incurred, and the projected use of the incentive
- **By June 30:** a supplementary notice to the previous one containing the relevant depreciation schedule, indicating the portions of the incentive allocated to each fiscal year

Forfeiture: If, during the period of use, the company sells the subsidized asset or transfers it to production facilities located abroad without replacing it with an asset of similar or superior technological characteristics within the same tax period, it forfeits the remaining benefit.

7. Effective Date and Use of the Incentive

7.1 Date of Completion of the Investment

The Ministerial Decree of May 7, 2026, defines the date of completion differently depending on the type of property:

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Type of asset	Completion date
Tangible and Intangible Assets 4.0 (Annexes IV and V, Law 199/2025)	Date on which the investment was made in accordance with the accrual basis of accounting pursuant to Article 109, paragraphs 1–2, of the TUIR (delivery, shipment, or transfer of ownership), regardless of the accounting principles adopted
Assets for the self-generation of energy from renewable sources for self-consumption (renewable energy systems)	Date of completion of work (installation of all machinery and electromechanical devices, and completion of civil engineering works necessary for the operation of the facilities, in accordance with the approved design)

7.2 Effective Date of the Surcharge

The tax credit is recognized for income tax purposes starting **from the tax period in which the company submits the completion notice to the GSE**, subject to receipt of a positive outcome from the GSE's verification process and provided that the asset has become operational within that same tax period.

The following table illustrates the effective dates based on different timing of the notifications (examples for Industry 4.0 assets completed in 2026):

Completion (Art. 109 of the TUIR)	Commencement of Operation	Interconnection	Notice of Completion	First Hyper-Depreciation Installment
September 30, 2026	October 10, 2026	October 10, 2026	By December 31, 2026	REDDITI Form 2027
November 30, 2026	December 10, 2026	December 10, 2026	By December 31, 2026	REDDITI Form 2027
December 1, 2026	December 21, 2026	December 21, 2026	January 15, 2027	**REDDITI Form 2028 (*)**
December 21, 2026	December 30, 2026	January 11, 2027	February 1, 2027	**REDDITI Form 2028 (*)**

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(*) A company that submits the completion notice in early 2027 for an investment completed in 2026 will be eligible for hyper-depreciation only starting with the 2028 REDDITI tax return, with the potential loss of the 2026 portion. It is therefore recommended to submit the completion notice in the same year that the Industry 4.0 investment is made and commissioned.

7.3 Calculation and Use

The tax relief is structured as an **off-balance-sheet reduction** to be reported on the REDDITI form for IRES and IRPEF purposes (not IRAP). On the balance sheet, the assets are recorded at their actual cost (not at the increased cost), and depreciation is calculated as usual.

- **For assets purchased outright:** the surcharge is applied based on the coefficients set forth in the Ministerial Decree of December 31, 1988, reduced by half for the first fiscal year (Article 102, paragraph 2, of the TUIR)
- **For leased assets:** the additional deduction applies to the principal portion of the lease payment (excluding the interest portion), for a period of no less than half the depreciation period corresponding to the coefficient set forth in the Ministerial Decree of December 31, 1988 (Article 102, paragraph 7, of the TUIR)
- **For intangible assets:** a deduction not exceeding 50% of the cost (Article 103, paragraph 1, TUIR)

REDDITI Form: The new hyper-depreciation provisions will take effect for the first time (for calendar-year taxpayers) on the 2027 REDDITI Form. They are reported on line RF55 with code "51" and on line RG22 with code "32."

Advance Payments: The advance payment for the tax period ending December 31, 2026, is calculated without taking into account the provisions on accelerated depreciation (Art. 1, para. 434, Law 199/2025). Under the historical method, the tax benefit has no impact; under the projected method, the estimated IRES/IRPEF must be calculated as if the benefit were not being claimed.

Amount not deducted in the applicable period: it is not recoverable in subsequent periods, unless a supplementary tax return is filed (Art. 2, paras. 8 and 8-bis, Presidential Decree 322/98) or a refund request is submitted (Art. 38, Presidential Decree 602/73).

8. Coordination with the previous Tax Credit 4.0

Hyper-depreciation **does not apply to investments that benefit from the provisions** set forth in Article 1, paragraph 446, of Law 207/2024 (residual Tax Credit 4.0, to be completed by June 30, 2026, with a reservation made by December 31, 2025).

The determining factor is whether the investment "**benefits**" from the 4.0 credit, not merely whether it has been reserved: the investment must actually benefit from the 4.0 credit. Consequently:

- Investments for which an order was placed and a 20% down payment was made by December 31, 2025 (reservation) but which are not completed by

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June 30, 2026: are not eligible for the 4.0 tax credit but may qualify for hyper-depreciation

- Investments initiated under the 4.0 and 5.0 tax credits but not completed by December 31, 2025: should be eligible for hyper-amortization
- Investments ordered in 2025 and delivered on or after January 1, 2026, without a 4.0 reservation: are unquestionably eligible for hyper-amortization

Need for Official Clarification: Given the sensitivity of the issue—regarding which representatives of the MiMIT have indicated that clarification will be provided in a circular to be issued shortly—extreme caution is recommended in borderline cases. In particular, this applies to investments for which a 4.0 reservation has been made but where the incentive was subsequently waived in order to qualify for hyper-depreciation.

9. Grounds for Forfeiture

9.1 Transfer or Relocation of the Asset (Art. 10, Ministerial Decree of May 7, 2026)

During the **period in which the tax benefit is in effect** (which coincides with the tax depreciation period), the company forfeits the remaining benefit if::

- It disposes of the asset covered by the tax benefit for consideration (sales to any recipient, including within Italy), without replacing it
- It transfers the asset to production facilities located abroad, even if they belong to the same entity, without replacing it

Replacement: The benefit is not forfeited if, during the same tax period in which the asset is disposed of, the company replaces the original asset with a new tangible capital asset having similar or superior technological characteristics. If the cost of the replacement asset is lower, the remaining benefit continues to apply up to the amount of the cost of the new investment.

The following do not result in forfeiture: temporary use outside the territory of the State (for assets intended by their nature for use at multiple locations); theft of the asset, as evidenced by a police report; extraordinary transactions (mergers, demergers, contributions) that transfer the asset as part of a business entity—in which case the benefit continues to apply to the successor entity.

9.2 Other grounds for forfeiture

- Failure to meet one or more eligibility requirements; irregular documentation due to circumstances attributable to the company that cannot be remedied
- Failure to retain appropriate documentation
- False statements made during the procedure
- Inability to conduct audits due to causes attributable to the beneficiaries
- Failure to submit key notifications (preliminary, confirmation, completion)

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9.3 Effects of Decay

In the event of forfeiture, the GSE notifies the Revenue Agency, specifying the grounds, the evidence, and the legal basis for the subsequent recovery of the amount, plus interest and penalties.

In the case of a transfer without substitution, there is no requirement to repay the surcharges lawfully deducted prior to the transfer: only the right to claim the remaining surcharges not yet deducted is forfeited.

10. Combination with Other Incentives

Pursuant to Article 1, paragraph 431, of Law 199/2025, hyper-depreciation **may be combined with national and European incentives covering the same costs**, provided that the support does not cover the same portions of the costs of the individual investments and does not result in the total cost exceeding the amount incurred. The basis for calculating hyper-amortization is taken net of any grants or subsidies received for the same costs, regardless of the reason.

The measure may be combined, among other things, with:

- Tax credit for investments in the Single Special Economic Zone (Art. 16, Decree-Law 124/2023)
- Tax credit for research and development activities (Art. 1, paras. 198–209, Law 160/2019)
- New Sabatini Tax Break

Prohibition on cumulation: Hyper-depreciation does not apply to investments that benefit from the 4.0 tax credit under Article 1, paragraph 446, of Law 207/2024.

Nature of the measure Hyper-depreciation does not constitute state aid under EU law, as it is a general measure.

11. Critical Issues and Open Questions

11.1 Burden of the Procedural Framework

The main issue is the **overall burden of compliance** requirements, which risks penalizing small-scale investments. The cost of the certified technical appraisal—previously required only for investments exceeding €300,000—now becomes a systematic burden on any investment, even those of just a few thousand euros, in addition to the cost of accounting certification. The MiMIT acknowledged this critical issue in response to Parliamentary Question No. 5-05448 of June 4, 2026.

11.2 SaaS and Cloud Software

The exclusion of software provided on an "as-a-service" basis (SaaS)—which is implicit in the requirement for a depreciable, instrumental, and durable investment—significantly limits the incentive for digital transformation, especially for SMEs. The Minister of Enterprise has stated that regulatory solutions to extend this are currently being developed, though their implementation will depend on the availability of financial coverage.

11.3 Time Discrepancy Between Depreciation and Hyper-Depreciation

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The decision to base the effective date on the notice of completion (rather than on the actual investment) may result in discrepancies between the standard depreciation schedule and the hyper-depreciation schedule. It is recommended to schedule the submission of the notice of completion for the same year in which the asset is completed and connected to the network.

11.4 Exclusion of new companies and new production sites

The requirement to certify the availability of production facilities as of the date of submission of the prior notice could have an exclusionary effect on Newcos and on investment projects involving new production sites that are not yet operational, even if they are initiated by existing companies.

11.5 Coordination Between the 2026 Hyper-Depreciation Program and the Previously Enacted 4.0 Tax Credit

There are still differing interpretations regarding the possibility of "waiving" the Tax Credit 4.0 in order to qualify for hyper-depreciation, in the case of investments committed to by December 31, 2025. Clarifications are expected in the MiMIT circular currently being drafted.

11.6 Licensed software and embedded software

Pending official clarification: software purchased under a license agreement should be eligible for tax relief if it can be recorded on the balance sheet as an intangible asset (as clarified for the previous measure in Circular No. 4/E of 2017). Embedded software purchased at a unit price that includes the tangible asset is eligible for tax relief as a single unit together with the main asset.

12. Operational Checklist

Step 1 - Eligibility Check

- Verify that the business generates business income (no self-employed professionals, no flat-rate taxpayers)
- Verify the absence of grounds for subjective exclusion (business crisis, disqualification sanctions)
- Verify that the assets are included in Annexes IV or V of Law 199/2025
- Verify that the assets are new, essential to business operations, and intended for use in a production facility in Italy
- For Industry 4.0 assets: verify compliance with technical specifications
- For renewable energy systems: verify the specifications of photovoltaic modules (manufactured in the EU, efficiency ≥ 23.5% or 24%)
- Verify that the investment does not already benefit from the 4.0 tax credit pursuant to Article 1, paragraph 446, of Law 207/2024

Step 2 - Requirements Prior to Advance Notice

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- Appoint a qualified expert to prepare a certified technical report (initiate the process well in advance)
- Appoint a statutory auditor (or verify that the internal auditor is authorized to issue the certification)
- Gather the following information: production facility data, type and amount of investments, expected date of interconnection/commissioning, and data on the surcharge

Step 3 - Preliminary notification to the GSE

- Log in to the GSE platform (www.gse.it) using SPID or CIE - Customer Area
- Submit a prior notification for each production facility (effective June 12, 2026)
- Keep the receipt confirming submission
- Wait for and handle any requests for additional information within 10 days

Step 4 - Confirmation notice (within 60 days of a positive decision by the GSE)

- Reach 20% of the acquisition cost for each asset (or sign a lease agreement + place a purchase order)
- Submit a confirmation notice with invoice identification details
- Verify consistency with the prior notice (no different assets or higher amounts)

Step 5 - Notification of Completion (by November 15, 2028)

- Wait until the asset has been installed, put into operation, and interconnected
- Obtain a certified technical report (required for all amounts)
- Obtain an accounting certification
- Submit a completion notice—preferably by December 31 of the year of completion
- Wait for a positive decision from the GSE (10 days)
- Report the reduction in the REDDITI tax return for the year in which the notice was submitted

Step 6 - Annual Reporting Requirements

- By January 20 of each year: periodic monitoring report (investments, costs, projected usage)
- By June 30 of each year: supplemental monitoring report (depreciation schedule and incentive allocations)
- Retain technical documentation certifying the continued operation of the interconnection

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- Monitor any sales or relocations of subsidized assets and manage their replacement within the year

The Firm is available to answer any questions you may have.

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