



# DGTAX HOW-TO



# OFFSET TAX CREDITS IN F24 FORMS

## 2024 BUDGET LAW

The Budget Law of 2024, effective July 1<sup>st</sup>, 2024, tightened restrictions on using the F24 form to offset tax debts against credits.

### Key changes:

- **Mandatory Online Filing:** all F24 forms involving tax offsets, must now be filed electronically through the Italian Revenue Office's online services;
- **Offsetting Limit:** offsetting cannot be done in presence of tax debts exceeding €100,000 that have been assigned to a tax collection agent.

## REVENUE OFFICE CLARIFICATIONS

The Revenue Office issued Circular Letter No. 16 on June 28<sup>th</sup>, 2024, providing further guidance on these changes:

### 1. Mandatory Online Filing for Tax Offsets

All tax credit offsets indicated on F24 forms must now be submitted **electronically** through the Revenue Office's online portal. This applies to all types of credits, regardless of amount, and includes partial offsets and "vertical"

offsets (using excess payments from prior years).

## **2. Offsetting Limit for Tax Debts**

A complete ban is in place for offsetting taxes on F24 forms if there are overdue tax debts or enforced tax assessments exceeding €100,000. This limit applies to state taxes and excise duties and is calculated based on unpaid amounts, excluding non-lapsed installments, administrative suspensions, or judicial collection delays.

## **3. Affected Tax Credits**

The €100,000 threshold impacts various state tax credits, including those for income tax, VAT, registration tax, R&D, investments in Southern Italy, new capital assets, building renovations, and other incentives.

## **4. Exemption for INPS and INAIL Credits**

Credits accrued with INPS (Italian Social Security Institute) and INAIL (Italian Institute for Compulsory Insurance against Accidents at Work) can still be used to offset other taxes, even if there are tax debts exceeding €100,000.

## **5. Absolute Limit**

The €100,000 threshold is an absolute limit. Even if tax credits exceed this amount, any offsetting is prohibited unless the tax debt is first reduced below €100,000.

This abovementioned ban applies to all "horizontal" offsetting (using tax credits to offset other taxes). However, "vertical" offsetting (using excess payments from the same tax) is always allowed, even if indicated on the F24 form.

## **6. Comparison of Bans**

- New Ban (effective July 1<sup>st</sup>, 2024): offsetting of all tax credits (including tax benefits) when tax debts exceed €100,000 is prohibited.
- Old Ban: offsetting of state taxes only, when debts exceed €1,500 is still prohibited

## **7. Consequences of Undue Offsetting**

- New Ban: F24 form is rejected, payment is not processed, and a 30% fine applies.
- Old Ban: A 50% fine is imposed on the amount of debts entrusted for collection, up to 50% of the undue offsetting. The payment and offsetting are considered valid.

**FOR MORE INFORMATION PLEASE CONTACT**

**tax@dgtax.it – www.dgtax.it – +39 02 433 551**