

FISCALSERVICES VATCOMPLIANCE CHARTERTAX

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Sanremo, 22nd May 2020

Italy is sailing again! With his last DPCM (Decree of the President of the Council of Ministers) released on May 16th 2020 the Italian Prime Minister expressly authorised the possibility to sail in Italy within the region of residence. This rule will last until 2nd June.

As of June 3rd 2020 the regional limit will fall and it will be possible to freely sail around all the Italian coasts.

Also – not less important – from this date June 3rd) the Italian Government will reopen the borders to all EU citizens without the need to spend quarantine periods.

This is the clear sign that the Mediterranean summer 2020 is finally started.

The charter sector has received the go-ahead for the measures to be taken for the resumption of the charter activity.

These measures consist in very simple procedures, most of which are now widely known to everyone.

Firstly it has been confirmed that a COVID-19 test will be required for the charter's permanent crews, who will need to deal with many different guests, especially on large yachts.

Secondly the Ministry has pointed out that in pleasure yachting the individual responsibility is the essential element in making social distancing measures effective, therefore:

- a. interpersonal distance of at least one meter
- b. avoiding close contact
- c. proper sanitization of spaces
- d. nose and mouth protection for passengers

We must make it clear that the rules published by the Ministry regard pleasure yachting, chartering, renting as well as the management of ports and marinas.

Below you will find the key points to respect when sailing in Italian waters.





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PRIVATE / PLEASURE YACHTS

The primary measure remains the "social distancing". As you all know this means that persons need to stay at least one metre from each other, unless they are part of the same family or live together.

Even the relatives, if not living together, must respect the social distance of one person for each linear metre of the boat. The provision of personal protective equipment for passengers and the use of surface sanitizer are also mandatory.

COMMERCIAL / CHARTER YACHTS

The same preventive rules for private vessels apply to yachts engaged in charter activities. Only persons living in the same family are allowed to stay together in the same cabin.

The owner is required to sanitize all the yacht's areas, including the engine room and services. Owners are also obliged to provide adequate supplies of sanitizing products as well as information signs, written in several languages, to make the charterer and his guests aware of the necessary social and hygienic measures to take.

Certain specific measures must be adopted by the crew; let's see which ones.

Firstly crews have the obligation to use masks and gloves and any other protective equipment depending on the type of the boat and the particular circumstance, for instance during mooring, unmooring, bunkering and towing operations.

Also crews – being called in some cases to carry out first aid actions (as in the case of the Captain for whom the elementary first aid course and BLS is compulsory) – there should be the obligation to undergo a preventive (before boarding the yacht) and periodical first aid test at COVID-19, the result of which must be duly kept on board.

Further for each member of the crew is mandatory the measurement of the temperature on a daily basis.

The crew must also implement the prevention of unauthorized access to the ship to strangers, while in port or at sea.

Those who generally live in the same house are allowed to share accommodation in the same cabin.

What about guests?

Also for guests the general rules on social distancing and interpersonal prevention measures apply (i.e. one person per meter of the linear length of the boat, including crew members, unless the guests live together).





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TOURIST PORTS AND MARINAS

The managers of Italian marinas must provide their ports with special information signs, written both in Italian and English language, on the measures of conduct to respect, the use of personal protective equipment (PPE/DPI), the installation of sanitizing dispensers on the docks, the limitation of movements, bans on gatherings and the respect for social distancing.

NAVIGATION AND SYSTEM RULES

It is mandatory to comply with the regulations for travel within the Region and between Regions and the respect of international anti-contagion laws during navigation outside national territorial waters.

As this is changing for the better day-by-day we strongly recommend all of you to stay tuned to our website <u>www.yachtwelfare.it/news</u> to know the latest updates.

WHAT ABOUT VAT?

For what is concerned to the VAT due on Italian charters, UCINA (Confindustria Nautica, the Italian Marine Industry Association) is still dealing with the Italian Authorities to postpone the application of the new law (see here for more info <u>www.yachtwelfare.it/somegoodnews</u>). Everything leads to the hope that Italy will quickly join the decision taken in France, repealing the provisions contained in the new law and giving continuity to the old flat rate reduction percentages scheme (i.e. taxation at 22% on 30% of the agreed Charter Fee for yachts over 24 metres, equal to the "quick" rate of 6.6%) in order to guaranteeing "certainty" for operators in the yachting sector, especially now that they have just started their activity again after this extraordinary situation and encouraging yachts to come to the Mediterranean for the charter season.

Please know that the old legislation (<u>flat-rate reductions on Charter Fee</u>) **will still be effective in Italy** until the publication by the Italian Tax Office of appropriate provisions containing the clear list of methods and means suitable to demonstrate the effective use of the service outside the European Union.

For any further info or questions please email us to info@yachtwelfare.it

We remain at your disposal

Staff @YACHT WELFARE

