



Italy: Pillar Two top-up tax return filings and payments

Tax & Legal Alert
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A Ministry of Economy and Finance Decree issued on 7 November 2025 (the “Decree”) has established the filing and payment obligations for the Pillar Two top-up tax (“*Imposizione Integrativa*”) in Italy.

The Decree confirms the obligation to file a local Pillar Two tax return (“*Dichiarazione Fiscale*”) in Italy. The same form will be used to declare the top-up tax levied on both multinational and domestic groups through the Income Inclusion Rule (IIR), the Undertaxed Profits Rule (UTPR) or the Domestic Minimum Top-up Tax (DMTT) mechanism.

The Decree and explanatory report can be found [here](#) (in Italian only).

Filing deadline: the deadline for filing the local Pillar Two tax return is the same as for the Global Information Return (15 months after the fiscal year end – or 18 months for the first fiscal year of application of the GloBE rules).

Who must file the return: the local Pillar Two tax return must be filed by the entities required to pay the top-up tax. These are (i) identified by law in the case of liability to pay the IIR (UPE, IPE or POPE in line with the “rule order” and “top down approach” established by the GloBE rules), and/or (ii) designated by the group in the case of liability to pay the UTPR and QDMTT. The entities may differ, within the same group, for each of the three taxes (IIR, UTPR and QDMTT).

The return must be filed regardless of whether there is an actual top-up tax liability for a particular year and even if the group benefits in Italy from a transitional country-by-country safe harbour or exclusion regime (such as the ‘*de minimis*’ regime).

Content and layout of the return: the local Pillar Two tax return will include a general section (on the overall group, the reporting entity, and simplified regimes and exclusions) and specific tables to collect data for the computation of the three taxes (IIR, UTPR and QDMTT), even when the tax liability is zero. The Italian Revenue Agency will be issuing a tax return template and instructions, clarifying the online submission procedure.

Payment: the top-up tax must be paid in two instalments: (i) 90 percent within 11 months of the fiscal year end, and (ii) the balance within one month of the filing deadline for the local Pillar Two tax return.

The tax liability for each financial year is based on domestic legislation and calculated in euros. There is no possibility of offsetting the top-up tax against any tax credit accrued by the group entities.

On 11 November 2025, the Italian Revenue Agency announced the tax codes to be used when paying the top-up tax (2730 for IIR, 2731 for UTPR, and 2732 for QDMTT) and issued instructions on how to fill in the payment form.

Penalties: penalties for filing and payment violations will be levied in accordance with domestic income tax rules. However, for the first three fiscal years of application of the GloBE rules, no penalties will be imposed except in cases of wilful misconduct or gross negligence. All constituent entities located in Italy are jointly and severally liable with the constituent entity designated to submit the local Pillar Two tax return and pay the tax due.

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