

# Training tax credits

**POLICY DEVELOPMENT****REGULATION/LEGISLATION** ITALY

## Timeline

**ID number 37027**

## Background

Technological and digital transformation of companies is necessary for economic growth. Training, especially in advanced technologies is therefore essential and it is possible to boost innovation and eco-friendly investments.

## Objectives

The Transition plan 4.0 which includes the training tax credit development aims to promote company investments in continuing vocational training (CVET) on the main technologies that support the technological and digital transition of companies.

## Description

The Transition plan 4.0 is managed by the Ministry of Economic Development and includes the measure Training tax credit 4.0.

Training tax credit 4.0 for companies is related to the percentage of the corporate costs of employees during the training activities. The maximum annual total amount can be EUR 300 000 for small companies and EUR 250 000 for medium and large companies.

### 2017 **Approved/Agreed**

The training tax credit 4.0 was approved.

### 2018 **Implementation**

The measure was implemented.

### 2019 **Implementation**

In 2019, a measure named Transition plan 4.0, was introduced by the Italian financial Law, i.e., Law No 160 of 27 December 2019. The measure aimed to support companies

in their transition towards the envisaged in the *Industry 4.0* plan. In this law, all the previous government interventions were included (Industry 4.0, 2017-18).

Law No 160 also introduced a voucher for promoting the job post of innovation manager post in companies. The rationale of the introduction of the voucher was to support the technological and digital transition processes of SMEs and company networks by supporting the creation of innovation manager post, who is able to implement the technologies provided in industry 4.0.

SMEs and company networks that hired managers who encouraged digitalisation and corporate reorganisation processes are eligible to use the voucher. The amount of the voucher is a maximum of EUR 40 000 per year. It cannot exceed the 50% of the costs incurred starting from the 2019 tax period, increased to EUR 80 000 for networks of companies.

### **2020 Implementation**

The 2021 budget Law (Law 178/2020) extended the Training tax credit 4.0 until 31 December 2022.

### **2021 Implementation**

In 2021, each company investing in high-level vocational training for its employees was eligible to receive a tax credit of 25% for an amount up to EUR 30 000. This amount, and the respective tax credit, corresponds to company expenses for the period that their employees were involved in training activities. Additional requirements were:

- (a) the duration of training cannot be less than 6 months (training can be provided either in Italy or abroad);
- (b) they should lead to specialisation via advanced courses. The indicative content of these courses is defined in the National industry plan 4.0 (in areas such as big data, data analysis, cloud computing, cyber-physical systems, the internet of things).

The Ministry of Economic Development approved with the Directorial Decree of 6 October 2021, a model that employers must use while communicating information/data regarding the dissemination (i.e., the spread of information applicable to the measure). application of the measure in their company, to evaluate the trend, and the effectiveness of the training tax credit 4.0 measure.

### **2022 Discontinued**

The Budget Law 2022 (Law 197/2022) discontinued the Transition plan 4.0, therefore also the Training tax credit 4.0, and stopped financing the voucher scheme.

### **2024 Approved/Agreed**

The Decree-Law of 2 March 2024, no. 19, and the implementing provisions of the National recovery and resilience plan (NRRP), have introduced a new tax credit for investments made in the 2024-25 period in connection with the 'Transition 5.0 Plan.' Particularly, the tax incentive is regulated by Article 38 of the legislative decree. The aim of this measure is to support the digital and energy transformation of enterprises by providing them tax credit, calculated on their investments and the percentage of energy reduction at the production facility and process level.

The Interministerial decree issued on July 24, 2024, by the Ministry of Enterprises and Made in Italy, published in the Official Gazette No. 183 on August 6, 2024, introduced the Training Tax Credit 5.0 to promote workforce training within the 'Transition 5.0 plan'. This initiative, part of the NRRP, aims to drive the digital and ecological transition of Italian companies and is a development of the previous measure Training Tax Credit 4.0.

Through this measure, companies can benefit from a tax credit of up to 10% of training-related expenses, with a maximum limit of EUR 300 000, for investments in capital goods and facilities dedicated to self-produced renewable energy for self-consumption. Eligible expenses include fees for accredited external trainers (from regional bodies, universities, research institutions, interprofessional funds, and other certified entities), operational costs (such as travel, teaching materials, and depreciation of equipment used exclusively for training), consultancy services for planning and managing training projects and personnel costs for employees, business owners, and worker-members involved in the training.

Training programs must have a minimum duration of 12 hours, with at least one module, lasting no less than four hours, focused on essential skills for the digital and ecological transition. Topics include cybersecurity, artificial intelligence, robotics, blockchain, Internet of Things, cloud computing, additive manufacturing, virtual and augmented reality, as well as subjects related to energy efficiency, renewable energy sources and sustainable design. Each program concludes with a final exam to certify the acquisition of skills, with certification issued by an accredited entity.

## Bodies responsible

- Ministry of Economic Development
- Ministry of Economy and Finance
- Ministry of Labour and Social Policies

## Target group

### Learners

Persons in employment, including those at risk of unemployment

### Entities providing VET

Companies

Small and medium-sized enterprises (SMEs)

## Thematic categories

### Modernising VET offer and delivery

Modernising VET standards, curricula, programmes and training courses

Acquiring key competences

Integrating digital skills and competences in VET curricula and programmes

### Supporting lifelong learning culture and increasing participation

Financial and non-financial incentives to learners, providers and companies

Providing for individuals' re- and upskilling needs

## Subsystem

CVET

## Further reading

[Training tax credit 4.0 \[Credito d'imposta formazione 4.0\]](#)

[Law No 160 of 27 December 2019- State budget for 2020](#)

Law 30 December 2020, No 178. State budget for 2021, art. 1, co. 1064

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Directorial Decree, Ministry of Economic Development (MISE), 6 October 2021 - Training tax credit communication model [Decreto direttoriale, Ministero dello Sviluppo Economico (MISE), 6 ottobre 2021 - Modello comunicazione credito d'imposta formazione]

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Decree-Law No 50, of 17 May 2022, - Urgent measures in the field of national energy policies, productivity of companies and attraction of investments, as well as on social policies and the Ukrainian crisis [Decreto Legge n.50 17 maggio 2022]

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Law No 197 of 29 December 2022- State budget for 2023 [Legge 29 dicembre 2022, n.197. Legge di Bilancio per il 2023]

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Decree law 2 March 2024 n.19 - 'Ulteriori disposizioni urgenti per l'attuazione del Piano nazionale di ripresa e resilienza (PNRR)' converted in Law 29 April 2024, n. 56 and published in Official Gazette No. 100, on April 30, 2024

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Interministerial decree of 24 July 2024 'Implementing methods of the new tax credit regulation' published in the Official Gazette No. 183 on August 6, 2024

“ ... ” **Cite as**

Cedefop, & ReferNet. (2025). Training tax credits: Italy. In Cedefop, & ReferNet. (2025). *Timeline of VET policies in Europe* (2024 update) [Online tool].

<https://www.cedefop.europa.eu/en/tools/timeline-vet-policies-europe/search/37027>