LABOUR LEGISLATION UPDATES 08/2013

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Contributions and taxation:

1. DURC (Tax Compliance Certificate): updates

1.1 DURC (Tax compliance certificate) and undisputed credits

Since 22 June 2013, the DURC (tax compliance certificate) must be issued even if there is a certification that attests the existence and amount of undisputed credits that are payable by public administrations for an amount of at least equals to reported tax contributions not yet paid by a same individual, in all cases where a DURC certificate is issued and not only for regulatory and contribution benefits (Ministry of Labour Circular No. 36/2013). The certifications that attest the existence of credits must be requested to the respective debtor administrations.

1.2 Ex ufficio procurement by the PA of the DURC in the following cases:

- For the verification of the declaration in lieu regarding the non-commitment of serious tax-related violations;
- For the awarding of the contract;
- For the drawing up of the contract;
- For the payment of Interim Payment Certificates or works regarding services and supplies;
- For the test certificate, certificate of full performance, conformity certificate, certificate of good performance and payment of the final balance.

1.3 Private works on a budget

It was established that since 21 August 2013, for private works regarding construction maintenance, carried out without relying on firms, directly on a budget by the owner of the building, there is no obligation to request certified institutes to issue a DURC certification.

1.4 Non-conforming DURC for public contracts

If the procedure indicates a tax non-compliance for one or more persons employed in the execution of the contract, the administrations and contracting entities are bound to withhold a sum from the payment certificate corresponding to the non-compliance and pay the interested parties accordingly. Said provision is applicable even in case of grants, contributions, aids, financial help or other economic advantages of any sort.

1.5 Validity of the DURC

The conversion law of the "Decree of Doing" has cut down the validity duration of the DURC certificate from 180 days to **120 days** (the time of 180 days remains in force from 22/06 until 20/08/2013).

Updates on collective agreements

1. Commerce and service industries: increase base pay and additional pay

On October 2013 the last tranche of pay raises for employees hired with a commerce agreement has come into effect.
Below a table of gross pay raises divided by different ranks:

RANK	PAY RAISE	NEW MINIMUM EARNINGS
Managerial staff	27,78 euro	1.749,07 euro
1st level	25,02 euro	1.575,56 euro
2nd level	21,64 euro	1.362,85 euro
3rd level	18,50 euro	1.164,87 euro
4th level	16,00 euro	1.007,46 euro
5th level	14,45 euro	910,18 euro
6th level	12,98 euro	817,16 euro
7th level	11,10 euro	699,58 euro

1st Category	15,10 euro	951,01 euro
2nd Category	12,68 euro	796,80 euro

Moreover, the renewal agreement dated 26 February 2011 of the National Labour Collective Agreement of Industries, Distribution and Services, provides the possibility of awarding an **additional lump sum** as an alternative to a performance bonus, within the scope of the second level of contracting (corporate or territorial).
The sum is payable to permanent employees and apprentices with employment contract valid as of 31 October 2013 who are registered in the payroll ledger for at least six months.
It is worth noting that the 6 months of registration in the payroll ledger must lapse from the 1st of January 2011 until the 31st of October 2013. If during said period, an employee is hired permanently or a contract changes to a fixed term contract, the six month period will be effective as of the last date.
Therefore, the amount payable should be proportioned for part time workers and the actual work carried out by the employees from the 1st January to the 31st of October 2013.
Lump sum regulation require the amount to be absorbed by any individual or collective supplemental salary, as required, with respect to the provisions of the National Labour Collective Agreement of Industries and Services that is paid after 1 January 2011.
The amounts will be paid in conjunction with the regular November salary of the month of November 2013.
Amount:

	Managerial, 1st and 2nd Level	**3rd and 4th Level**	**5th, 6th and 7th level**
Companies up to 10 employees	115,00 euro	100,00 euro	85,00 euro
Companies with 11 or more employees	140,00 euro	125,00 euro	110,00 euro

2. Telecommunications: increase base pay

On the 1st October 2013, the second pay raise provided by the renewal of the Telecommunication Contract becomes effective.
Below is a table outlining the pay raises for the various levels as of 1 October:

RANK	**PAY RAISE**	**NEW MINIMUM EARNINGS**
7th level and managerial staff	34,47 euro	1.575,81 euro
6th level	30,75 euro	1.402,88 euro
5th level super	26,17 euro	1.195,61 euro

5th level	25,00 euro	1.142,32 euro
4th level	22,50 euro	1.029,96 euro
3rd level	20,65 euro	942,88 euro
2nd level	18,32 euro	836,47 euro
1st level	15,53 euro	709,35 euro

3. Transport of Goods and Shipments

Following contract arrangements with employees working as of 1 August 2013, a lump sum payment of 88.00 EUR must be paid, as follows:

- € 44.00 gross to be paid inside of November 2013 pay;
- € 44.00 gross to be paid inside the pay of February 2014 pay;

The lump sum must be proportionally reduced for part-time workers and for those hired after the 1st January 2013. Employee Severance Pay or the various contractual categories must not be considered for calculation purposes