

**ADDITIONAL PROTOCOL
TO THE AGREEMENT
BETWEEN
THE GOVERNMENT OF THE ITALIAN REPUBLIC
AND THE GOVERNMENT OF THE PRINCIPALITY OF LIECHTENSTEIN
ON THE EXCHANGE OF INFORMATION ON TAX MATTERS**

The Government of the Italian Republic and the Government of the Principality of Liechtenstein, having signed today the Agreement, with Protocol, on the Exchange of Information on Tax Matters, hereinafter referred to as "the Agreement":

- recognizing each other's legitimate tax claims and the need to have certainty that taxpayers of both countries with assets abroad fully comply with their tax obligations;
- acknowledging that Liechtenstein has committed itself to the OECD standard in tax matters and pursues a comprehensive tax compliance strategy, which includes to support Italian clients of Liechtenstein financial intermediaries to regularize their tax affairs;
- clarifying that "Liechtenstein financial intermediaries" are financial institutions located in Liechtenstein;
- acknowledging that Italian taxpayers have the possibility to regularize their tax position on undeclared assets held with foreign intermediaries, relating to all tax years still assessable, through a domestic voluntary disclosure program (VDP) that is available as of 1st January 2015. Participants in the Italian VDP shall not be liable to certain criminal and administrative sanctions under the conditions provided for and to the extent granted by the VDP (article 5-quinquies of Law 04.08.1990, No 227, as amended by Article 1 of Law 15.12.2014, No 186), and shall remain free to place their assets in any State or jurisdiction;
- providing that Liechtenstein financial intermediaries will ask their Italian resident account holders to hand in, by the date of expiry of the Italian VDP, a waiver demonstrating that they took part in the Italian VDP or to submit a positive answer concerning the regularity of the deposited assets in respect of the Italian tax law;
- agreeing that the meaning of the language "accounts held" with a Liechtenstein financial intermediary is consistent with the meaning of "account maintained" as defined in the OECD Commentary on the Common Reporting Standard, in particular with paragraphs 62 and 63 on Section VIII and with paragraph 5 on Section IX;
- acknowledging that group requests under this Protocol are meant to be in conformity with the OECD standard as in the Commentary of 2012 on Article 26 of the OECD Model Tax Convention, based on the pattern of behavior of Italian clients trying to evade their tax obligations from the date of the signature of the Agreement;
- agreeing that group requests regard the period from the date of the signature of the Agreement to the date of the implementation of an agreement on automatic exchange of information based on the OECD Common Reporting Standard between Italy and Liechtenstein;
- agreeing that Italy and Liechtenstein will review the pattern of group requests after the expiring date of the Italian VDP, if necessary;



have agreed that the following additional provisions shall form integral part of the Agreement:

ARTICLE 1

1. Liechtenstein allows group requests concerning accounts held by an Italian resident account holder with Liechtenstein financial intermediaries for the period between the date of signature of the Agreement and the date of implementation of an agreement providing for automatic exchange of information based on the OECD Common Reporting Standard between Liechtenstein and Italy.
2. Until the due diligence procedures provided for by the Common Reporting Standard are implemented in Liechtenstein, the due diligence procedures used to identify Italian resident account holders for the purposes of group requests are based on the Liechtenstein anti-money laundering legislation and on any other relevant Liechtenstein provisions in force at the date the due diligence is carried out.

ARTICLE 2

Group requests as referred to in Article 1 will apply to the following cases of action or non-action by Italian resident account holders:

(1) "Closed Accounts"

"Closed accounts" are accounts held by Italian resident account holders and closed between the date of signature of the Agreement and the date of implementation of an agreement providing for automatic exchange of information based on OECD Common Reporting Standard between Liechtenstein and Italy independently of when such accounts were opened. This will include accounts closed where the assets are transferred to any other financial institution and/or are withdrawn in cash.

A closed account is out of the scope of the group request, if one of the following applies:

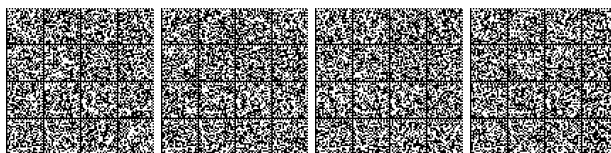
- i. the Italian resident account holder handed in the waiver provided for by the Italian VDP to the Liechtenstein financial intermediary;
- ii. the assets were transferred to financial intermediaries located in Italy or to a country that practices automatic exchange of information regarding financial accounts, based on the OECD Common Reporting Standard, with Italy at the time of the transfer.

(2) "Substantially Emptied Accounts"

"Substantially emptied accounts" are accounts held by Italian resident account holders that meet all of the following requirements:

- a) maintained at the date of the signature of the Agreement;
- b) still existing at the expiring date of the Italian VDP;
- c) having an account balance of over 15,000 EUR at the end of the month preceding the date of the signature of the Agreement;
- d) presenting at the end of the month of the expiring date of the Italian VDP or, if later, at 31 December 2015, an account balance that is substantially lower than the account balance indicated in letter c).

The account balance referred to in letter d) is substantially lower if it is lower than 50 per cent of the account balance indicated in letter c).



A substantially emptied account is out of the scope of the group request, if one of the following applies:

- i. the Italian resident account holder handed in the waiver provided for by the Italian VDP to the Liechtenstein financial intermediary;
- ii. the assets were transferred to financial intermediaries located in Italy or to a country that practices automatic exchange of information regarding financial accounts, based on the OECD Common Reporting Standard, with Italy at the time of the transfer.

(3) "Idle Accounts"

"Idle accounts" are all other accounts not being closed or substantially emptied accounts held by an Italian resident account holder at the date of signature of the Agreement and maintained at the date of implementation of an agreement providing for automatic exchange of information based on the OECD Common Reporting Standard between Liechtenstein and Italy.

An idle account is out of the scope of the group request, if one of the following applies:

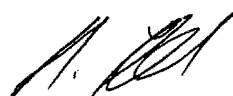
- i. the Italian resident account holder handed in the waiver provided for by the Italian VDP to the Liechtenstein financial intermediary
- ii. the Italian resident account holder gave a positive answer by the expiring date of the VDP to the request of the Liechtenstein financial intermediary concerning the regularity of the deposited assets in respect of the Italian law.

Done at Rome this 26th day of February 2015, in duplicate, in the Italian, German and English languages, each text being equally authentic. In case of diversion of interpretation the English text shall prevail.

For the Government
of the Italian Republic



For the Government
of the Principality of Liechtenstein



LAVORI PREPARATORI

Camera dei deputati (atto n. 3332):

Presentato dal Ministro degli affari esteri (GENTILONI) e dal Ministro dell'economia e finanze (PADOAN).

Assegnato alla III commissione (Affari esteri e comunitari), in sede referente, l'8 ottobre 2015 con pareri delle commissioni I, II, V e VI.

Esaminato dalla III commissione, in sede referente, il 21 ottobre e il 2 dicembre 2015.

Esaminato in aula il 29 marzo 2016 e approvato il 31 marzo 2016.

Senato della Repubblica (atto n. 2311):

Assegnato alla 3^a commissione (Affari esteri, emigrazione), in sede referente, il 7 giugno 2016 con pareri delle commissioni 1^a, 2^a, 5^a e 6^a.

Esaminato dalla 3^a commissione, in sede referente, il 20 aprile e il 13 ottobre 2016.

Esaminato in aula ed approvato il 18 ottobre 2016.

16G00223

