

Hire employees in Italy simply, compliantly, and hassle-free



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Employ remote teams worldwide with Omnipresent's Employer of Record (EOR) service. We combine human expertise with automation to deliver your compliance, payroll, benefits, and HR support needs.



- Language(s): Italian
- **Employer costs:** High
- Termination: Very Hard
- Onboarding Timeline: ~18 calendar days
- Payroll Frequency: Monthly



### **Benefits** ♥

What we offer	Mandatory	Supplementary
Healthcare (Public)		
Healthcare (Private)	•	
Vision Insurance		
Retirement & Pension (Public)		
Workers' Compensation		
Travel Insurance		

Due to the extensive cover of mandatory benefits, additional benefits are not commonly offered.

#### Health

In Italy, health insurance is predominantly administered at a regional level through the Servizio Sanitario Nazionale (SSN), a nationally established system.

As per the relevant collective agreement at Omnipresent in Italy, it is also mandatory to offer supplementary health insurance to all employees in addition to the public healthcare system. The applicable cost of supplementary health insurance depends on the employment level, determined during onboarding based on employee salary, job title, and job description.

Additionally, the National Institute for Insurance against Accidents at Work (INAIL) ensures that all employers contribute to accident coverage.

#### Retirement

The National Social Security Institute (INPS) is responsible for providing coverage related to retirement, death, disability, and illness benefits.

### **Employment Contracts**



We offer indefinite contracts in Italy. These contracts can be tailored to accommodate both full-time and part-time positions. Part-time roles require a minimum of 18 hours of work per week.

In certain situations, we might also have the option of offering fixed-term contracts. However, fixed-term contracts are limited to 20% of the company's workforce. To verify the availability and details of such contracts, please get in touch with your designated Omnipresent representative.

### Contract Requirements

Omnipresent requires a written employment contract to outline the EOR terms and provide clarity for both employers and employees. Omnipresent ensures that all necessary key terms are included in the employment contracts we provide.

Contract language: Italian & English (Bilingual). Italian version will always prevail.

Signature requirement: Simple electronic signature **Backdating:** Not possible as per Omnipresent's policy

#### Contract **Customisation**

We provide optional clauses for customisation when adding an employee to our platform. This allows you to tailor certain contract aspects, such as unlimited time off or extra-legal sick days. However, certain contract elements cannot be customised due to compliance risks or Omnipresent's policy. Examples include overtime, restrictive covenants, and stylistic changes.

#### **Probation**

During the probation period, employers evaluate an employee's suitability for the role they have been hired for. It gives the employer an opportunity to assess their performance and determine if they are a good fit for the company. We believe that this process benefits both the employer and the employee. Here are some key points to know about the probation period:

• The probation period is set at 6 months (which is also the maximum probation period duration) regardless of the employee's role due to the challenging nature of the termination process.



# Onboarding 🖘

#### **Timeline**

Our normal onboarding timeline for Italy is **around 18 calendar days**. The onboarding steps involved are: Platform Setup, Right-to-Work Check, Employment Contract, Benefits and Payroll enrollment. This timeline does not include exceptions such as visas and medical & background checks.

### Registration & Approvals

After the employment contract is signed, the employee will be registered with the INPS (Instituto Nazionale della Previdenza Sociale) - which is the main entity of the Italian public retirement system.

Registration can take up to 48 hours so it's essential to have a signed employment contract at least 48 before the start date of the employee.

### Immigration & Visas

We cannot offer visas or work permits for employees.

#### Right-to-Work

We will carry out right to work (RTW) checks on all prospective employees before they are employed.

After the onboarding process is completed, the employee will also need to undergo a medical check within the first 60 days of employment, and conduct a Health & Safety training.

## When moving your employees from another EOR to Omnipresent

You can transfer employees that have previously worked for you, whether in another country or through another EOR provider, to Omnipresent.

However, as per local regulations, it's not possible to transfer holidays. The previous employer needs to pay out unused leave.



### Leaves 🗈

#### Annual Leave Entitlement

Employees hired through Omnipresent are entitled to a minimum 22 working days off per year according to the Collective Bargaining Agreement (CBA) 'Commercio e Terziario'. This does not include public holidays.

Employees are also entitled to hourly paid leave in addition to their vacation days. The entitlement to such leave is as follows:

- For employees with seniority of up to 2 years: 32 hours per year.
- For employees with seniority ranging from 2 to 4 years: 78 hours per year.
- For employees with seniority exceeding 4 years: 104 hours per year.

### Annual Leave Carryover

Employees have the option to carry forward a maximum of 10 days of unused annual leave for a period of up to 18 months.

#### **Maternity Leave**

Employees in Italy are eligible to receive 5 months of paid maternity leave. Maternity leave is compulsory and typically, the mother is required to take 2 months off before giving birth and 3 months following the birth.

A mother is entitled to 80% of her regular salary during maternity leave. This is paid by the employer, who can then seek reimbursement from Italian Social Security (INPS). Additionally, companies usually pay for the remainder 20% in order for the employee to receive the full benefit.

#### **Paternity Leave**

Employees are entitled to 10 days to be used from 2 months before the expected date of birth until 5 months after birth. Paternity leave is fully paid by the Italian government through the Istituto Nazionale della Previdenza Sociale (INPS).

#### **Sick Leave**

In Italy, sick pay is provided for a maximum of 180 days per year. The general guideline is that employees receive 100% of their salary from their employers for the first 3 days of sick leave.

Starting from the fourth day of illness, employees typically receive a combination of payment from the Italian social security agency, the Istituto Nazionale della Previdenza Sociale (INPS), and their employer. This arrangement continues until they reach a maximum of 180 paid sick days per year.

The specific proportions of the payment depend on factors such as the employee's qualifications, length of service, and the business sector.

#### **Public Holidays**

Italy currently has 12 regular public holidays.

- 1. New Year's Day (Capodanno)
- 2. Epiphany (Befana)
- 3. Easter Sunday (Domenica di Pasqua)
- 4. Easter Monday (Lunedì dell'Angelo)
- 5. Liberation Day (Anniversario della Liberazione)
- 6. Labour Day (Festa del Lavoro)
- 7. Republic Day (Festa della Repubblica)
- 8. Assumption (Ferragosto)
- 9. All Saints' Day (Ognissanti)
- 10. Immaculate Conception (Immacolata Concezione)
- 11. Christmas Day (Natale)
- 12. Boxing Day (Santo Stefano)

An additional local public holiday will be granted: Santo Patrono (the day of the Patron Saint of the city where the employee or the employer is located).



# Payroll & Tax (1)

#### **Payroll Cycle**

The payroll cycle in Italy is monthly.

- Payroll runs from the 1st of the month to the end of the month.
- Payroll cut-off date is **6th of the month** (any changes to payroll or variables must be shared with Omnipresent by this date).
- Payment date is the last working day of the month (this is when employees will receive their salary payment).

### Extra Payments (Bonus, Commission etc.)

Under Italian law, employees are entitled to receive a 13th month payment in December and a 14th month payment in June each year. In Omnipresent, these payments are invoiced and disbursed through 12 monthly installments. This arrangement ensures that instead of employees receiving their bonus payments twice a year, they receive a proportionate portion of the bonus as part of their monthly salary.

#### **Hourly Wage**

Omnipresent is unable to accept employees on an hourly wage.

#### Minimum Wage

Italy does not have a fixed minimum wage defined by law. Instead, the National Collective Bargaining Agreements determine the minimum pay that should be fair and suitable for employees' work.

### Standard Work Schedule

The Standard work schedule in Italy consists of 8 hours per day and 40 hours per week, with the work week running from Monday to Friday.

#### **Employer Costs**

The employer costs depend on a variety of employee variables. A guiding number is **30.5%** of the employee salary. To get a more detailed estimate based on the employee salary use the <a href="OmniCalculator">OmniCalculator</a>, or contact us for further information.

### **Terminations**



### Termination **Process**

Before proceeding with a termination (including verbal discussion with the employee about the risk of termination) you must first get in touch with Omnipresent. We will then provide guidance on next steps. You can read our <u>full guidance here</u>.

To initiate a termination, you need to submit a termination request through the OmniPlatform after which our relevant teams will assess the case and plan a compliant termination process.

We cannot process termination on the same day as requested.

### Involuntary Termination

In Italy, there are strict regulations regarding terminations. During the probationary period, employees can be let go without a valid reason. Once the probation period is over, termination is possible only if there is a major breach of the employment contract that makes it impossible to continue the employment.

#### **Severance Pay**

Throughout employment, employers are required to allocate an annual sum equal to approximately 7% of the employee's salary. This amount is known as the "end of service allowance" or "trattamento di fine rapporto" (TFR) and must be paid to the employee upon termination of employment, regardless of the reason (such as resignation, dismissal for just cause, or even in the event of the employee's death).

The calculation of the TFR considers not only the employee's basic wage but also any other regular compensation they receive.

#### **Notice Period**

In Italy, the length of the notice period is determined by the relevant National Collective Bargaining Agreement (NCBA) and varies based on the employee's assigned level and seniority. Generally, the notice period ranges from a minimum of 15 days to a maximum of 120 days.

## Invoice Schedule

**Setup Fees:** Once Terms are signed, Omnipresent begins deploying

resources for the setup process.

Trigger [Employee Details Added]

**Deposits:** Payable when the local employment contract is ready for

signature. The deposit enables Omnipresent to move forward

securely to sign the local employment contract with the

employee.

Trigger [Employee Details Added]

Initial Salary

Prepayment:

The first month's estimated labour costs are invoiced on the first day

of employment.

Trigger [Employment Start Date]

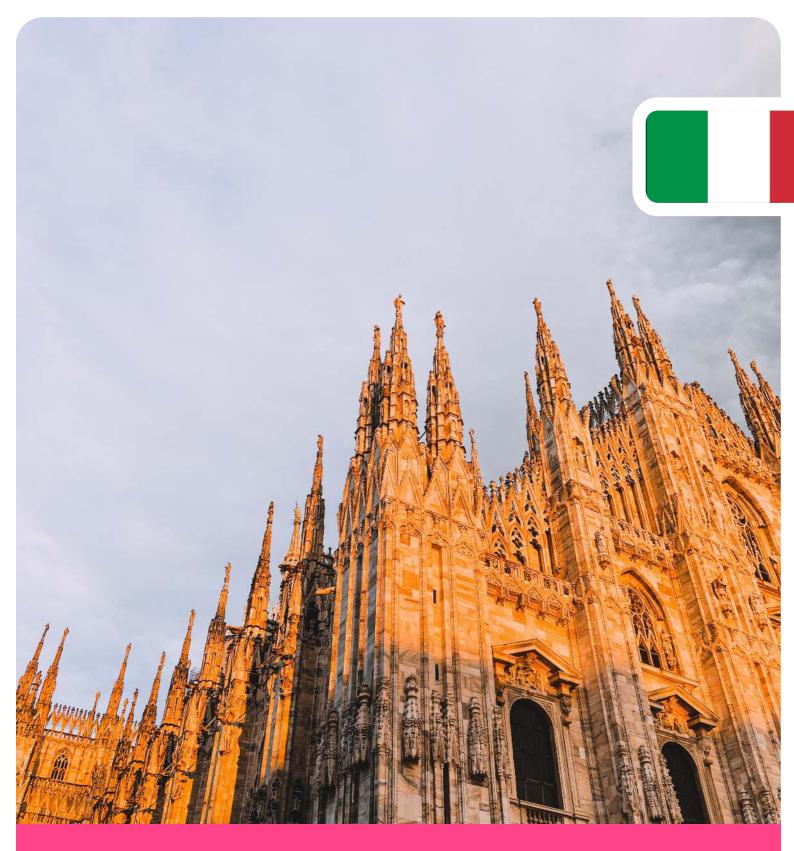
Ongoing monthly Employment Costs and Fees: Thereafter, we invoice monthly in arrears for labour costs - once the final payroll, taxes, insurance, social security contributions, expenses and deductions have been calculated. Each monthly invoice will include our monthly service fee, deposit insurance (if applicable),

and an FX fee (if applicable).

Trigger [Payroll Date] Typically the last working day of the month, but

varies by country.





### Explore how Omnipresent simplifies global team growth.

Explore the effortless solution for your global hiring, payment, and management needs with Omnipresent. We simplify complex processes like onboarding, legal contract drafting, expense management, benefits allocation, and a whole lot more.

 $Start\ your\ journey\ towards\ compliant\ international\ business\ practices.$ 

TALK WITH AN EXPERT

