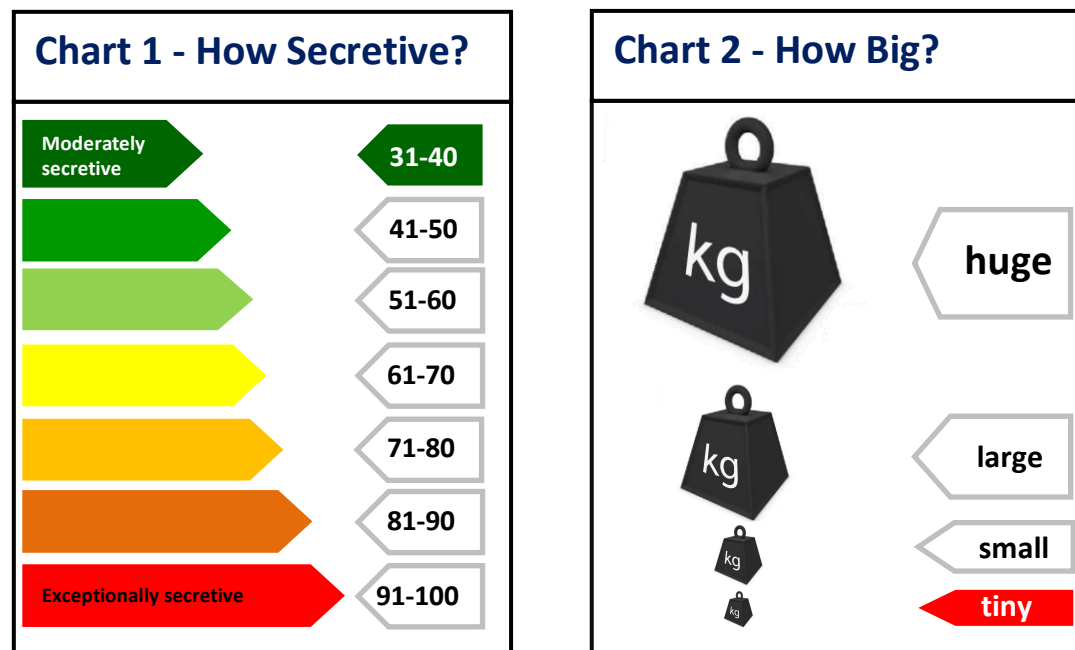


## Report on Italy

Italy is ranked at 54th position on the 2013 Financial Secrecy Index. This ranking is based on a combination of its secrecy score and a scale weighting based on its share of the global market for offshore financial services.

Italy has been assessed with 39 secrecy points out of a potential 100, which it into the moderately secretive category at the bottom of the secrecy scale (see chart 1 below).

Italy accounts for less than 1 per cent of the global market for offshore financial services, making it a tiny player compared with other secrecy jurisdictions (see chart 2 below).

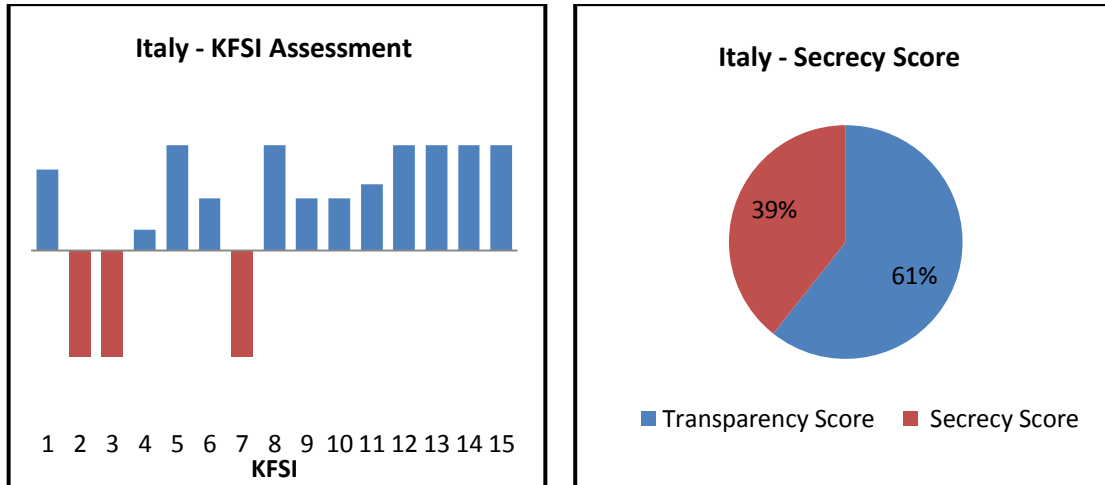


### Next steps for Italy

Italy's 39 per cent secrecy score shows that it must still make major progress in offering satisfactory financial transparency. If it wishes to play a full part in the modern financial community and to impede and deter illicit financial flows, including flows originating from tax evasion, aggressive tax avoidance practices, corrupt practices and criminal activities, it should take action on the points noted where it falls short of acceptable international standards. See below for details of Italy's shortcomings on transparency. See this link <http://www.financialsecrecyindex.com/kfsi> for an overview of how each of these shortcomings can be fixed.

### Secrecy Scores

The secrecy score of 39 per cent for Italy has been computed by assessing the jurisdiction’s performance on the 15 Key Financial Secrecy Indicators, listed below.



The numbers on the horizontal axis of the bar chart on the left refer to the Key Financial Secrecy Indicators (KFSI). The presence of a blue bar indicates a positive answer, as does blue text in the KFSI list below. The presence of a red bar indicates a negative answer as does red text in the KFSI list. Where the jurisdiction’s performance partly, but not fully complies with a Key Financial Secrecy Indicator, the text is coloured violet in the list below (combination of red and blue).

This paper draws on key data collected on Italy. Our data sources include regulatory reports, legislation, regulation and news available at 31.12.2012<sup>1</sup>. The full data set is available [here](#)<sup>2</sup>. Our assessment is based on the 15 Key Financial Secrecy Indicators (KFSIs, below), reflecting the legal and financial arrangements of Italy. Details of these indicators are noted in the following table and all background data can be found on the [Financial Secrecy Index website](#)<sup>3</sup>.

**The Key Financial Secrecy Indicators and the performance of Italy are:**

TRANSPARENCY OF BENEFICIAL OWNERSHIP – Italy	
1.	Banking Secrecy: Does the jurisdiction have banking secrecy?  <b>Italy does not adequately curtail banking secrecy</b>

2.	Trust and Foundations Register: Is there a public register of trusts/foundations, or are trusts/foundations prevented?  <b>Italy does not disclose or prevent trusts and private foundations</b>
3.	Recorded Company Ownership: Does the relevant authority obtain and keep updated details of the beneficial ownership of companies?  <b>Italy does not maintain company ownership details in official records</b>
<b>KEY ASPECTS OF CORPORATE TRANSPARENCY REGULATION – Italy</b>	
4.	Public Company Ownership: Does the relevant authority make details of ownership of companies available on public record online for less than US\$10/€10?  <b>Italy partly requires that company ownership details are publicly available online</b>
5.	Public Company Accounts: Does the relevant authority require that company accounts are made available for inspection by anyone for a fee of less than US\$10/€10?  <b>Italy requires that company accounts be available on public record</b>
6.	Country-by-Country Reporting: Are all companies required to comply with country-by-country financial reporting?  <b>Italy partly requires country-by-country financial reporting by some companies</b>
<b>EFFICIENCY OF TAX AND FINANCIAL REGULATION – Italy</b>	
7.	Fit for Information Exchange: Are resident paying agents required to report to the domestic tax administration information on payments to non-residents?  <b>Italy does not require resident paying agents to tell the domestic tax authorities about payments to non-residents</b>
8.	Efficiency of Tax Administration: Does the tax administration use taxpayer identifiers for analysing information efficiently, and is there a large taxpayer unit?  <b>Italy uses appropriate tools for efficiently analysing tax related information</b>
9.	Avoids Promoting Tax Evasion: Does the jurisdiction grant unilateral tax credits for foreign tax payments?  <b>Italy partly avoids promoting tax evasion via a tax credit system</b>

10.	Harmful Legal Vehicles: Does the jurisdiction allow cell companies and trusts with flee clauses?  <b>Italy partly allows harmful legal vehicles</b>
<b>INTERNATIONAL STANDARDS AND COOPERATION – Italy</b>	
11.	Anti-Money Laundering: Does the jurisdiction comply with the FATF recommendations?  <b>Italy partly complies with international anti-money laundering standards</b>
12.	Automatic Information Exchange: Does the jurisdiction participate fully in Automatic Information Exchange such as the European Savings Tax Directive?  <b>Italy participates fully in Automatic Information Exchange</b>
13.	Bilateral Treaties: Does the jurisdiction have at least 46 bilateral treaties providing for information exchange upon request, or is it part of the European Council/OECD convention?  <b>As of 31 May, 2012, Italy had at least 46 bilateral tax information sharing agreements complying with basic OECD requirements</b>
14.	International Transparency Commitments: Has the jurisdiction ratified the five most relevant international treaties relating to financial transparency?  <b>Italy has ratified relevant international treaties relating to financial transparency</b>
15.	International Judicial Cooperation: Does the jurisdiction cooperate with other states on money laundering and other criminal issues?  <b>Italy cooperates with other states on money laundering and other criminal issues</b>

<sup>1</sup> With the exception of KFSI 13 for which the cut-off date 31.05.2013. For more details, look at the endnote number 2 in the corresponding KFSI-paper here:

<http://www.financialsecrecyindex.com/PDF/13-Bilateral-Treaties.pdf>.

<sup>2</sup> That data is available here: <http://www.financialsecrecyindex.com/database/menu.xml>.

<sup>3</sup> <http://www.financialsecrecyindex.com>.