



# Italy Expense Reimbursement Procedure

This guide outlines the rules for expense reimbursements in Italy, including eligible categories, submission procedures, and legal considerations. All reimbursements must comply with Italian tax law and employer documentation obligations.

## General principles

- Employers can reimburse employees for legitimate business-related expenses.
- Reimbursements are generally tax-free if they are properly documented and comply with Italian fiscal rules.
- Receipts, invoices, and mileage logs (where applicable) must always be provided.
- From fiscal year 2025, reimbursements must be paid electronically (via bank transfer or company card) to remain deductible for both corporate and personal tax purposes.

## Eligible expenses

The following business-related expenses may be reimbursed:

- ◆ **Travel expenses** – train, plane, taxi, public transport, and accommodation.
- ◆ **Meal allowances** – per HMRC-approved benchmark rates.
- ◆ **Mileage (private vehicles)** – reimbursed at HMRC mileage allowance rates.
- ◆ **Work-related purchases**, including office supplies, IT equipment, and software.
- ◆ **Home office costs** – e.g. broadband and small items, where pre-approved.
- ◆ **Professional memberships & training** – if job-related and pre-authorised.

## Reimbursement conditions



### 1. Travel expenses

- Flights, trains, taxis, and public transport may be reimbursed with receipts.
- Hotel stays are reimbursable if reasonable and properly documented.
- Travel within the same municipality as the workplace is usually taxable.
- Travel outside the municipality is generally non-taxable if documented.

- Per diems (meal allowances abroad) are exempt up to the following limits:
    - €25.82 per day if board and lodging are included;
    - €51.65 per day if only board or lodging is provided;
    - Amounts above these thresholds are taxable.
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## 2. Mileage for private vehicles

- Mileage reimbursements for personal car use are allowed within ACI limits, based on car type and distance.
  - A detailed mileage log must be maintained.
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## 3. Home office costs

- Costs for internet, electricity, and related utilities may be reimbursed if linked to work activities.
  - Remote work reimbursements are non-taxable if based on actual, documented costs.
  - Flat-rate allowances may be taxable if not backed by receipts.
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## 4. Co-working spaces

- If the employer pays directly, costs are non-taxable for the employee and deductible for the employer.
- If reimbursed to the employee, they remain non-taxable only if supported by receipts; flat allowances are taxable.
- These expenses can be covered under company's "smart working" policies, classifying them as business necessities.

## ⚠ Documentation requirements

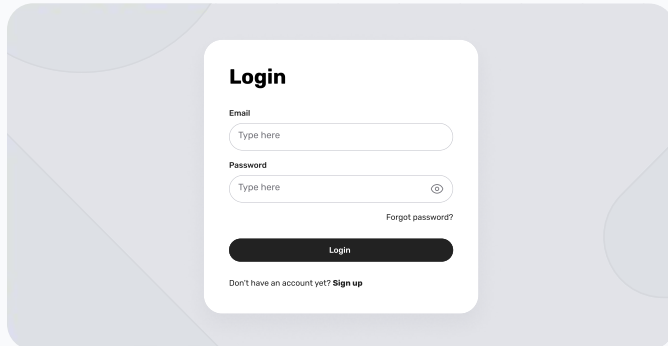
- Employee submits an expense claim with receipts or other supporting documentation.
  - The employer reviews claims for compliance with tax laws and internal company policies.
  - Approved reimbursements are processed via payroll or direct bank transfer.
  - Records must be retained in line with Italian accounting and tax requirements.
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## Special considerations

- Per diems do not require receipts, but all payments must be traceable (e.g. bank transfer).
- Employers can deduct reimbursements as corporate expenses if properly documented.
- For freelancers and contractors, reimbursements must be invoiced separately and handled under contractual terms.

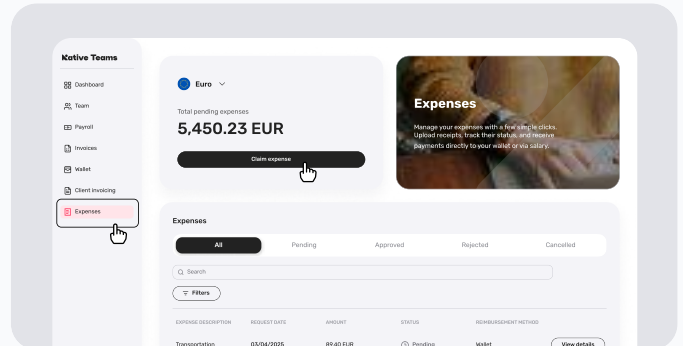
# Expense Submission Process

## Submitting via **Native Teams** Platform



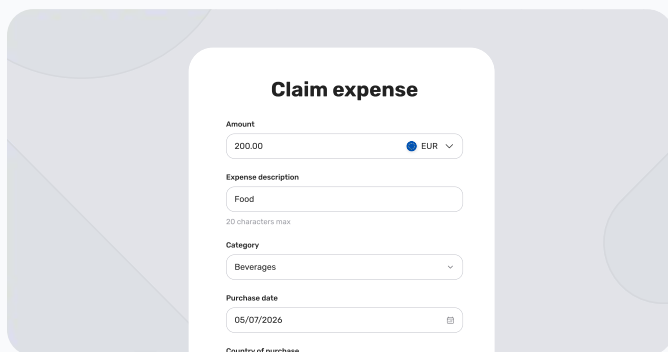
### STEP 1

Log in to your Native Teams account.



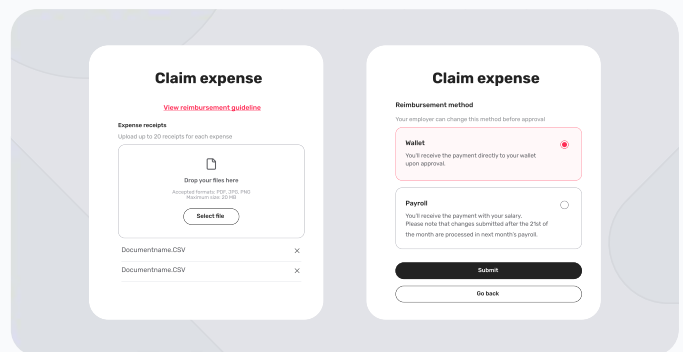
### STEP 2

Click on the **Expenses** section on the left side menu and then on the **Claim expense** button.



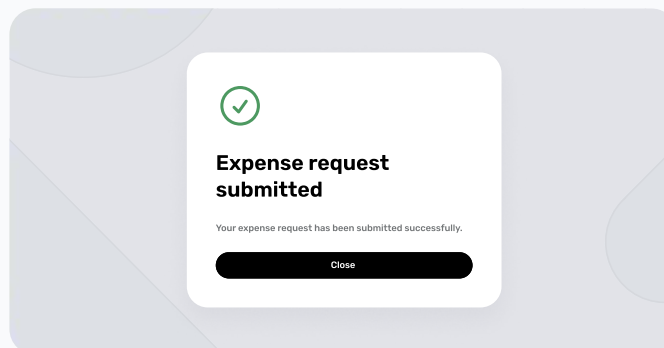
### STEP 3

Fill in the required fields for the amount, expense description, category, purchase date, and country of purchase.



### STEP 4

Attach a proof and select your reimbursement method: wallet or payroll.



### STEP 5

Submit the claim and wait for your employer's approval of the reimbursement.

### ! Submission deadlines

- All expense claims must be submitted by the **10th of the month** to be processed in the same payroll cycle.
- Claims submitted after the 10th will be included in the following month's payroll.
- If the 10th falls on a weekend or public holiday, the deadline will be brought forward to the previous working day.

## Native Teams legal entity - Italy



◆ **Entity name:** Native Teams S.r.l.

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◆ **VAT number:** 12492650960

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◆ **Registered address:** Via Vincenzo Monti n. 8, 20123 – Milano

**Native Teams**

For any questions regarding expense reimbursements, please contact  
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