## Revision History

<table>
<thead>
<tr>
<th>Date</th>
<th>Revision Notes / Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>22-Oct-2015</td>
<td>Updated best practice VAT</td>
</tr>
</tbody>
</table>
Disclaimer

The Concur Global Template consists of Expense configurations designed to support the most commonly known configuration and statutory requirements for supporting T&E best practices. The system includes support for specific statutory requirements based on our understanding of “common interpretation” gathered from our experience of in-country legislation through the deployment of Concur into this market. The Country Template represented in this guide is intended to provide customers with a starting point to aid in the deployment of their T&E solution, and should in no way be construed as tax or compliance advice for your business. The template configuration may need to be adjusted to match the requirements of your business, and any legal or statutory requirements should be confirmed with your company’s tax accounting and/or compliance departments before being authorized for configuration into your Concur Expense system.

Updates

Rates and/or regulatory requirements provided as part of the Templates are not guaranteed to be up to date, so any information provided should always be verified by the customer against the current government regulations. Updates are applied through on-going partnership with in-country Concur product marketing teams, liaison with implementing customers, and through collaboration across the various Concur implementation teams deploying in these countries.

The timing of updates can vary by country and feature. For example, certain countries provide regular annual updates to statutory travel allowance and mileage rates, while the rates in other countries are less frequently updated. VAT rate updates are typically less frequent or predictable and can occur at any time and are quite often dependent on broader economic situations. Tax authorities do however typically provide advanced warning where VAT rate or rule changes come into effect to allow businesses time to prepare.

Every effort is made to ensure that where updates are known to Concur that these are applied to the latest version of the template in a timely fashion. Where updates have been applied these will be reflected in any available template documentation.
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Best Practice VAT Configuration Options

VAT Considerations

The intention is to pre-configure the VAT within the Template environment using pre-configured elements to support the statutory VAT requirements in Italy. This will assist with ensuring that users enter the correct information before auditing to ensure compliance with the tax regulations for reclaiming VAT.

Concur will provide recommended best practices for configuring the environment for Italy based on the following model:

- Best Practice configuration options - specific data entry fields and audit rules (where applicable) to control compliance before the expense claim is audited or processed
- 3 Receipt Types (Tax Receipt, Receipt and No Receipt)

Italian VAT is known as “Imposta sul Valore Aggiunto” (IVA). The standard VAT rate in Italy is 22% (updated from 21% on October 1, 2013). There are additional reduced rates of VAT (10% and 4%), while many expenses are VAT exempt.

The following territories are excluded from the scope of VAT:

- Livigno
- Campione d’Italia
- The territorial waters of Lake Lugano

In order to reclaim VAT a detailed Tax Invoice is always required irrespective of the expense amount. This detailed tax invoice must be issued in the company name. For expenses that exceed €300 the Supplier VAT Registration Number must also be entered into the expense system. Concur supports this using a yellow flag alert message where a Tax Receipt is selected and the amount exceeds €300, instructing the back office processor to check and update the relevant VAT Number field for this information. To reclaim VAT when the Tax Invoice is less than €300, it is necessary to create a summary report called “Documento Riepilogativo” (See Reporting).

**NOTE:** The rates of VAT are due to be increased in July 2013 to 23% (Standard) and 12% (Reduced). There is a subsequent reduction of 1% planned for January 2014 to adjust these rates to 22% and 11% respectively.
Expense Types with Special VAT Handling

Special VAT conditions and data entry requirements for which we include special pre-configured tax handling in the template system.

Airfare / Train

VAT is only applicable on Airfare/Train expenses where the destination is domestic and the ticket is purchased within Italy. Even if the City of Purchase selected by the user is within Italy, if the trip is overseas (International) then no VAT is applied. In order to assist in providing the necessary information to calculate VAT on Airfare/Train the user will be required to select from the following options in a drop-down field:

- Domestic Trip
- International (No VAT)

Based on the selection of the value the system will calculate the VAT. Based on the selection of the Receipt Status the system will calculate whether the VAT is reclaimable. NOTE: VAT is typically non-reclaimable for Airfare or Train expenses.

Non-Reclaimable Expenses (Reduced VAT)

The following expenses have the reduced 10% rate of VAT applied however these are non-reclaimable. These expense types will be setup in a separate VAT Group which sets the reclaim to 0% irrespective of the Receipt Type is selected.

- Public Transport

Vehicle Expenses

It is possible to reclaim the relevant VAT paid on rental cars, fuel and car maintenance used for the company’s business. In this respect, the percentage of deduction set by Italian VAT legislation is 40% in the case of both private and business use; the deduction is 100% if exclusively used for business purposes. The user will be requested to provide additional information of whether the expense was exclusively for business use, or for private and business use, for the following expense types:

- Car Maintenance/Repairs
- Car Rental
- Fuel
- Tolls/Road Charges

Based on the selection of the value the system will calculate the VAT. Based on the selection of the Receipt Status the system will calculate whether the VAT is reclaimable.
Non-Reclaimable Expenses (Entertainment and Staff Gifts)

The following expenses have the Standard rate of VAT applied however these are non-reclaimable. These expense types will be setup in a separate VAT Group which sets the reclaim to 0% irrespective of the Receipt Type is selected.

- Entertainment - Clients
- Entertainment - Staff
- Gifts - Staff

Client Gifts

Client Gifts have the Standard rate of VAT applied however VAT is only reclaimable on expenses which do not exceed €25.82. This expense types will be setup in a separate VAT Group which sets the reclaim to 100% where the amount is less than or equal €25.82 and a valid Tax Receipt is available. Where the amount is greater than €25.82 no VAT is reclaimable.

Laundry/Parking

Where a Laundry or Parking expense is identified as part of a Hotel invoice the reduced tax rate of 10% applies. Where the Laundry expense is separate from a Hotel then the standard rate of 22% applies.

The system will calculate VAT at 22% for Laundry/Parking except where this is identified as an itemization within a parent expense. Where Laundry/Parking is an itemized expense (this is only expected to be the case when part of a Hotel invoice) the VAT rate applied will be 10%. Based on the selection of the Receipt Status the system will calculate whether the VAT is reclaimable.

Newspapers/Magazines/Books

VAT is reclaimable only for Books. The VAT on Newspapers and Magazines is not reclaimable.

In order to assist in providing the necessary information to calculate VAT the user will be required to select from the following options in a drop-down field:

- Books
- Newspapers/Magazines

Based on the selection of the value together with the Receipt Status the system will calculate whether the VAT is reclaimable.

Mobile Phone

Where a valid tax receipt is provided only 50% of the standard rate of VAT is reclaimable for Mobile Phone expenses.
Expense Types without Special VAT Handling

**Standard 22%**
- Alcoholic Beverages & Softs Drinks*
- Courier/Shipping/Freight
- Currency Exchange Fees
- Internet/Online Fees
- Marketing/Promotional Costs
- Office Equipment/Hardware
- Office Supplies/Software
- Printing/Photocopying/Stationery
- Seminar/Course fees
- Telephone/Fax
- Tuition Reimbursement

**Reduced 10%**
- Breakfast*
- Dinner*
- Individual Meals*
- Individual Meals - Within Municipality*
- Hotel
- Lunch*

**Reduced 4%**
- Professional Subscriptions

**Zero/Exempt 0%**
- Airline Fees
- Bank Fees
- Fixed Meals
- Passports/Visa Fees
- Personal Car Mileage
- Postage
- Taxi
- Tips/Gratuities

* Where alcoholic beverage or soft drinks are included as part of an individual meals/subsistence expense, this element should be itemized separately in order to track the correct amount of VAT (as meals incur reduced VAT while drinks incur the standard rate of VAT).
Exclusions

Special VAT conditions for which we do not include special tax handling conditions:

Meals/Hotel and Entertainment

VAT related to meals and accommodation is not deductible when related to entertainment. Concur has been configured to recover VAT on individual meals and hotel expenses assuming that these are not related to entertainment.

Users are expected to select the expense types "Entertainment – Clients" or "Entertainment – Staff" in such circumstances.

**NOTE:** If customers wish to configure Concur to request the user to declare if Individual Meals or Hotel expenses were related to Entertainment this will require working with your Concur Implementation Consultant to scope the additional configuration work required.

VAT Recovery Outside of Municipality

Some Italian companies interpret the rules to only be allowed to recover VAT where the expense was incurred within the employee's local municipal area (the town or city where the employee works).

**NOTE:** By default the system will calculate reclaimable VAT for any transaction within Italy where a valid Tax Receipt is provided. If customers wish to configure VAT reclaim only within Municipality this will require working with your Concur Implementation Consultant to scope the additional configuration work required.

Account Code based on Tax Receipt

Some Italian companies require the system to generate an alternative expense GL account code for those expenses where the VAT is recoverable and the user has provided a valid tax receipt/invoice. This can be achieved through the use of an Account Code hierarchy where the Receipt Status field can be used to define alternative account codes.

**NOTE:** If customers wish to configure Concur to provide different account codes based on whether a Tax Receipt was provided, this will require working with your Concur Implementation Consultant to scope the additional configuration work required.
Expense Types Not Activated

The following are a list of standard Expense Types not activated for Italy:

- Alcoholic Beverages (replaced by new expense type to include Soft Drinks)
- Company Car Mileage
- Ex Pat Expenses
- Medical Fees
- Miscellaneous
- Relocation Expenses
- Staff Awards/Incentives

Customers who wish to activate these expense types must request this via their Readiness Consultant or Implementation Project Manager.
Travel Allowance

Common Practice

The Italian travel allowance system is based on a standard allowance for each day of the trip.

The typical method of reimbursement is reimbursable allowances (without limit), otherwise known as the “Analytical” method. With this configuration the employee is reimbursed the amount of the actual expense, and the company pays the employee the full amount but also tracks the amount that is over the limit (taxable income to the employee).

There are also additional options for Italian companies to reimburse a fixed daily allowance for meals, lodging and/or incidentals. This type of fixed allowance can be setup using a combination of different tax-free limits depending on the type of allowance. Italian companies will typically define a company allowance and reimburse the employee the fixed amount while tracking any amounts over the government limits as taxable income to the employee.

It is therefore not uncommon for an Italian company to require multiple options for employees to claim meals and lodging expenses:

- Analytical Reimbursement for Combined Meals and Lodging
- 3/3\textsuperscript{rd} Fixed Allowance for Combined Meals, Lodging and Incidentals
- 2/3\textsuperscript{rd} Fixed Allowance *
- 1/3\textsuperscript{rd} Fixed Allowance *

* The 1/3\textsuperscript{rd} or 2/3\textsuperscript{rd} fixed allowance option covers 1 or 2 of the expenses respectively (Meals, Lodging or Incidentals) and the remaining expense can then be reclaimed as analytical. To help standardise the solution Concur has opted to name the 2/3\textsuperscript{rd} Fixed Allowance as “Meals and Incidents” and the 1/3\textsuperscript{rd} Fixed Allowance as “Incidents Only”.

Any allowance paid for travel within the employee’s municipal area is considered taxable income for the employee. For this reason it is typical that employees do not claim meals or allowances within their municipality.

Allowances paid for travel outside of the employee’s local municipal area (other locations in Italy or International locations) are tax free up to the limits published by the government. Any allowance amount above these limits is considered taxable income for the employee.

Our standard template for Travel Allowances in Italy included the Analytical method as standard, with the options of activating 1 or more of the fixed allowance solutions.

- Reimbursable Meals and Lodging (without Limit) – Pre-configured
- Fixed Meals & Lodging – available on request
- Fixed Meals & Incidentals – available on request
- Fixed Incidentals Only – available on request

For more information please see the section Allowance Rules Overview
Allowance Rates

The Italian government publishes the meals and lodging allowance amounts on an annual basis.

Analytical Reimbursement for Combined Meals and Lodging:

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>€180.76</td>
<td>€258.23</td>
</tr>
</tbody>
</table>

Tax Free Limits for Corporate Deductibility

3/3<sup>rd</sup> Fixed Allowance for Combined Meals, Lodging and Incidentals:

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>€46.48</td>
<td>€77.47</td>
</tr>
<tr>
<td>Company*</td>
<td>€46.48</td>
<td>€77.47</td>
</tr>
</tbody>
</table>

Tax Free Limits for Employee Taxability
*Companies are likely to elect to pay a higher rate than the limit and amounts over this are tracked as taxable

2/3<sup>rd</sup> Fixed Allowance:

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>€30.98</td>
<td>€51.64</td>
</tr>
<tr>
<td>Company*</td>
<td>€30.98</td>
<td>€51.64</td>
</tr>
</tbody>
</table>

Tax Free Limits for Employee Taxability
*Companies are likely to elect to pay a higher rate than the limit and amounts over this are tracked as taxable

1/3<sup>rd</sup> Fixed Allowance:

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>€15.49</td>
<td>€25.82</td>
</tr>
<tr>
<td>Company*</td>
<td>€15.49</td>
<td>€25.82</td>
</tr>
</tbody>
</table>

Tax Free Limits for Employee Taxability
*Companies are likely to elect to pay a higher rate than the limit and amounts over this are tracked as taxable

NOTE: Domestic limits for Fixed Allowances relate to travel outside of the employee's local municipal area.
**Allowance Rules Overview**

The following is a brief overview of the core rules and calculations provided as part of the standard Italy travel allowance solution. For further information, or to review the rules in greater detail, please refer to the Travel Allowance Configuration Guide for Italy.

- The rate paid for the traveller’s first day of travel (day of departure) is based on the traveller’s location at midnight. This is generally, but not always, the destination location.
- The basis for Italian travel allowance calculations is meals. The assumption is that the traveler receives an allowance for three meals a day plus a nominal amount for incidentals.
- Lodging allowances are based on whether or not the employee spent the night at accommodations other than the employee’s home. The lodging allowance is defined for each location and the employee is either eligible for the whole allowance or no allowance for lodging – there are no partial lodging allowances.

**Reimbursable Meals and Lodging (without Limit):**

- Limits are configured for both Meals and Lodging, with the amounts combined to form a single limit amount
  - €180.76 - Domestic
  - €258.23 - International
- If the actual expense is less than or equal to the limit amount, the company reimburses the employee for the actual expense amount.
- If the actual expense is greater than the limit amount, the employee is reimbursed the full amount of the actual expense, but also keeps track of the amount that is over the limit. The amount paid to the employee that is over the limit becomes taxable to the employee and can be tracked using a separate account code.

**Fixed Allowances:**

- Tax Free Fixed Allowances are configured for Meals and/or Lodging, or for Incidentals only
- Tax Free Fixed Allowances differ based on whether they are Domestic (outside Municipality) or International
- Companies are likely to elect to pay a higher rate than the limit and amounts over this are tracked as taxable. To support this, the fixed allowance solutions will have available separate company rates which can be updated upon client request. These would reflect the actual fixed amounts to be paid to the employee, and the Government rates will then be used to track what is tax free, and what element is taxable (difference between the Government and Company rates).

*NOTE: If customers wish to deploy any of the fixed allowance solutions this will need to be requested via your Concur Implementation Consultant to scope the additional configuration work required.*
Special Considerations

Municipality

The Italian Tax Authority sets amounts it considers to be reasonable for domestic and overseas travel expense allowances. These depend upon whether the travel is within the municipal area, or not. The municipal area is generally the city in which the employee carries out his duties and usually provided for in the employment contract.

Employees claiming expenses for trips would need to identify Municipality to support the different fiscal limits for meals and lodging based on the following scenarios:

- Domestic - Within Municipality of Company Head Office
- Domestic - Outside Municipality of Company Head Office
- International

These fiscal rules have an impact on income taxability (for the employee) and corporate tax deductibility (for the company). For example, if a company elects to pay fixed allowances for travel within the employee’s local municipal area, these allowances should be considered 100% taxable to the employee.

In order to support this Concur provides the following configuration options:

- A variety of Fixed Allowance solutions to support tracking tax-free limits for meals and lodging outside of the Municipality (within Italy and Overseas).
- Separate Expense Type for tracking Individual Meals – Within Municipality
- Employee profile field for recording the employee’s default City/Municipality
- Audit Rules enforcing the selection of Individual Meals – Within Municipality where the Employee Municipality equals the City of Purchase
- Audit Rules controlling that Fixed Allowances cannot be claimed where the Employee Municipality equals the City of Purchase

Exclusions

None
**Mileage Rates**

**Personal Car Mileage**

The requirements for Personal Car Mileage in Italy can vary significantly by customer. The official mileage rates approved and recognized by the Italian Ministry of Finance can be found in the Italian Automobile Club (ACI) official site. The rates depend upon a variety of criteria and are updated regularly. Due to the complexity and volume of these rates, as well as the inability to load these into Concur, there is currently no technical solution to support the ACI rates within the Italy Template.

From researching the personal mileage rates implemented by various customers in Italy it appears that many adopt a company defined rate, the most typical examples being either:

- Fixed Rate for Reimbursement (i.e. €0.35 per km)
- Variable Rate criteria based on Engine Size/Fuel Type

Due to there being no common best practice rates available for Italy the template in Concur is not pre-configured for personal car mileage. Clients can work with Concur to implement an acceptable solution for their business.

**Company Car Mileage**

No statutory Company Car Mileage rates are configured as part of the Template for Italy.
Exclusions

Personal Car Mileage (Italian Automobile Club rates)

Employees can claim rates per kilometre when carrying out business travel in their own car outside the municipal area. The rates depend upon many factors including employee’s car model and distance limit in kilometres driven, and are updated regularly.

The maximum rates admitted for each car model are included in a list approved and recognized by the Italian Ministry of Finance that can be found in the Italian Automobile Club official site - http://servizi.aci.it/ServizioCK/SelezioneModello

Due to the vast amount of car rates and distance limits, and the regular nature of the updates, it is common practice that Italian companies adopt their own rates for personal car mileage

NOTE: If customers wish to configure Concur to support the ACI mileage rates this will require working with your Concur Implementation Consultant to scope the additional configuration work required. As the ACI rates cannot be loaded into Concur, it is suggested that the following workaround is implemented.

Simple Mileage Calculation for ACI

Due to the complexities of personal mileage in Italy where rates are defined based on the make and model of the vehicle, which change regularly, it is not possible to support this using traditional “car criteria” within a variable rate car configuration.

The following configuration workaround allows use of a standard expense type with a Transaction Amount Calculation:

- A new Expense type “Personal Car Mileage ACI” is configured with a Spend Category “Other” to allow a custom calculation formulas to be assigned.

- Two new mandatory numeric custom fields are configured and added to the Expense Entry form for the new expense type:
  - Custom1 (C1) = Distance Travelled
  - Custom2 (C2) = Rate per km

- The new expense type is setup with the following formula:
  - result_t=C1*C2

- When the user creates the Mileage expense entry they will be first be required to manually obtain the correct mileage rate for their vehicle. This rate will be entered into Custom2 along with the km distance in Custom 2.

- The formula will multiply the values entered into Custom1 and Custom2 and provide a calculated value in the Amount field.

- The customer can create a report in Cognos to track YTD mileage.
**Taxability & Deductibility**

**Meals and Lodging - Within Municipality**

Italian Fiscal Regulations specify that any meals or lodging expense claimed by the employee where the expense location is within municipality are subject to the following rules:

**Municipality -** The municipal area is generally the city in which the employee carries out their duties and usually provided for in the employment contract.

- Meals/Lodging expenses claimed within municipality are subject to 25% corporation tax (meaning 25% is non-tax deductible)
- The remaining 75% remains tax-free or tax-deductible for the company
- Meals/Lodging expenses claimed within municipality are also 100% taxable to the employee

To help with supporting this requirement Concur provides a separate Expense Type for tracking “Individual Meals – Within Municipality”. In addition a separate field is available on the Employee profile for recording the employee’s default City Location or Municipality. These are then used in combination with audit rules to enforce the selection of “Individual Meals – Within Municipality” when claiming an individual meals or subsistence expense with the employee’s municipal area.

When using this expense type Concur will automatically split the expense into 2 separate journal entries for the accounting extract:

- 25% taxable/non-tax deductible
- 75% tax-free/tax deductible

Each journal entry can be assigned to a unique account code to assist with posting the deductible and non-deductible amounts.

**NOTE:** As it is uncommon for an employee to claim actual Hotel/Lodging expenses within municipality the decision was made to exclude functionality to support this.

**IMPORTANT:** As Concur is only able to provide a single account code for each journal entry it may be required that customers using this expense type will need to ensure that each journal entries contain an identifier for employee tax. For example, customers may wish to include unique account codes which contain both the tax-deductible identifier as well as wage type or payroll tax identifier. Concur will not be able to split this into separate postings.
**Client Entertainment**

Italian Fiscal Regulations specify that any client entertainment expense claimed by the employee is subject to the following rules:

- Client entertainment expenses are subject to 25% corporation tax (meaning 25% is non-tax deductible)
- The remaining 75% remains tax-free or tax-deductible for the company

When using this expense type Concur will automatically split the expense into 2 separate journal entries for the accounting extract:

- 25% taxable/non-tax deductible
- 75% tax-free/tax deductible
Undocumented Incidentals - Outside Municipality

Italian Fiscal Regulations specify that employees can claim undocumented expenses or incidentals up to a maximum tax free limit outside of their municipality.

Incidental expenses without documentary evidence (for instance laundry, telephone, parking, tips etc.) are tax free up to a maximum of Euro €15,49 per day for Domestic trips outside of the Municipality or €25,82 abroad.

**NOTE:** The amount for Incidentals is equal to the difference between the 3/3\textsuperscript{rd} Fixed Allowance for Combined Meals, Lodging and Incidentals and the 2/3\textsuperscript{rd} Fixed Allowance for Meals Only.

Companies can choose to either pay the 1/3\textsuperscript{rd} Fixed Allowance for Incidentals or to reimburse actual incidental expenses based on the following limits:

- Incidental expenses without receipt over a total of 15.49 Euro (Domestic outside of Municipality). If no receipt is provided by the user, the company reimburses the full value of the expense, but any amount above the stated 15.49, is taxable to the user.

- Expenses without receipt over a total of 25.82 Euro (Non-Domestic). If no receipt is provided by the user, the company reimburses the full value of the expense, but any amount above the stated 25.82, is taxable to the user.

The following solution is provided to support Undocumented Incidentals:

- 2 new Expense types are available for the user to select:
  - Undocumented Incidentals - Domestic
  - Undocumented Incidentals - International

- The new expense type uses an entry form that does not require a receipt status to be defined.

- The new expense is not configured for VAT

- Audit Rules control that this expense cannot be claimed where the Employee Municipality equals the City of Purchase

**IMPORTANT:** When claiming “Undocumented Incidentals” the user should claim all of these expenses without receipts in a single expense type per day. The limits stated above do not apply across multiple expense types claimed on the same day. A user should calculate the combined total of all undocumented incidentals and enter this as a single expense for each day.
Configuration for Taxability

The Italian Template will be pre-configured to support Taxability for the following expense types associated to the Italy Expense Policy:

<table>
<thead>
<tr>
<th>Policy Name</th>
<th>Expense Type Name</th>
<th>Fixed Tax Amount</th>
<th>Percent Tax %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy Expense Policy</td>
<td>Meals - Within Municipality</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Italy Expense Policy</td>
<td>Entertainment - Clients</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Italy Expense Policy</td>
<td>Undocumented Incidentals - Domestic</td>
<td>15.49</td>
<td></td>
</tr>
<tr>
<td>Italy Expense Policy</td>
<td>Undocumented Incidentals - International</td>
<td>25.82</td>
<td></td>
</tr>
</tbody>
</table>

Here are examples of how Concur will support the splitting of expense types that are split for taxability:

- Each expense type will have 2 options for account codes:
  - Taxable
  - Non-Taxable

- When a user claims any of the above expenses the system will split the total expense amount into 2 values for the accounting extract.

- For an expense amount of €100 the following splits will apply for each

<table>
<thead>
<tr>
<th>Expense Type (Amount = €100)</th>
<th>Split 1</th>
<th>Split 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meals - Within Municipality</td>
<td>€25,00</td>
<td>€75,00</td>
</tr>
<tr>
<td>Entertainment - Clients</td>
<td>€25,00</td>
<td>€75,00</td>
</tr>
<tr>
<td>Undocumented Incidentals - Domestic</td>
<td>€15.49</td>
<td>€84.51</td>
</tr>
<tr>
<td>Undocumented Incidentals – International</td>
<td>€25.82</td>
<td>€74.18</td>
</tr>
</tbody>
</table>

- The different account codes assigned to each split value would determine the necessary posting into the accounting and/or payroll systems.
Reporting

Documento Riepilogativo (VAT Summary Report)

The Documento Riepilogativo is a monthly summary report detailing information for all expenses under the amount of €300. This should include information relating to the supplier, receipt number and date, VAT amount and total expense amount.

NOTE: The following is an example of how this report might look.

<table>
<thead>
<tr>
<th>Summary Document No.</th>
<th>For the month of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier/Customer</td>
<td></td>
</tr>
<tr>
<td>Invoice/Receipt No.</td>
<td></td>
</tr>
<tr>
<td>Invoice/Receipt Date</td>
<td></td>
</tr>
<tr>
<td>Taxable</td>
<td></td>
</tr>
<tr>
<td>VAT Amount</td>
<td></td>
</tr>
<tr>
<td>Total Amount</td>
<td></td>
</tr>
</tbody>
</table>

Summary Tax Table

<table>
<thead>
<tr>
<th>Taxable</th>
<th>VAT Rate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4%</td>
<td></td>
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</tr>
<tr>
<td>10%</td>
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</tr>
<tr>
<td>21%</td>
<td></td>
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<tr>
<td>Exempt</td>
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</tr>
<tr>
<td>Zero</td>
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</tr>
</tbody>
</table>

NOTE: The report above is an example of how The Documento Riepilogativo might look. If customers wish to deploy the Documento Riepilogativo report this will require working with your Concur Implementation Consultant and/or Reporting Consultant to scope the additional work required.
**Libro Unico (Book of Employment)**

According to the fiscal regulations in Italy the Libro Unico is a mandatory monthly report required for every registered employee which must contain their employment status and would also include information relating to their travel expenses.

This report requires gathering information that is usually registered in different systems. For example, employee information such as social security number, qualifications and salary, insurance and hours worked must be included. Information relating to expenses and tax deductions relating to expenses can be provided through Concur reporting to help contribute to the delivery of this report.

**IMPORTANT**: The Travel & Expense system will only responsible for providing the information required by the Book of Employment that relate to expenses and expense deductions. Customers are responsible for delivery of the complete monthly report outside of Concur.