



Non-EU Companies in Italy: The €50,000 VIES Guarantee Is Mandatory and Here to Stay

Descrizione

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Since April 2025, any company incorporated outside the European Union or the European Economic Area that conducts intra-Community VAT transactions through Italy has been required to provide a financial guarantee of at least €50,000. The obligation was introduced by a Ministerial Decree of 4 December 2024 and became operational with the Revenue Agency implementing measure of 14 April 2025, which set the procedure and started the 60-day clock for businesses already registered. It survived its first serious legal challenge in early 2026. Foreign companies that have been waiting for a court-ordered reprieve should no longer count on one.

What Is VIES and Why It Matters

The VAT Information Exchange System (VIES) is the EU-wide database that identifies entities entitled to apply zero VAT on cross-border sales and purchases between registered businesses. Active VIES listing is essential for any company involved in intra-Community supply chains: without it, every cross-border sale to an EU buyer is subject to full Italian VAT, and the ability to purchase goods zero-rated from EU suppliers disappears. For companies that rely on European trade flows, exclusion from VIES is a serious operational disruption.

Who Must Provide the Guarantee

The obligation falls exclusively on non-EU and non-EEA companies that operate through an appointed fiscal representative in Italy. This is the key distinction. EU-based companies can register for Italian VAT directly and are exempt from the guarantee. Companies based in the United States, the United Kingdom (post-Brexit), Canada, Switzerland, and other non-EEA countries cannot use direct VAT registration and are legally required to appoint a fiscal representative — a locally based individual or entity jointly and severally liable for their Italian VAT obligations. It is this class of companies that must now post the guarantee.

What the Guarantee Requires

Three forms of security are accepted under the MEF Decree of December 4, 2024: a deposit in Italian government bonds or state-backed securities, an insurance surety bond, or a bank guarantee issued under Law No. 348/1982. The minimum amount is fixed at €50,000, with no possibility of reduction based on company size or transaction volume. The guarantee must be issued in favour of the director

of the Revenue Agency's Provincial Office at the fiscal representative's tax domicile and must remain valid for a minimum of 36 months. For new registrations, the guarantee must be in place from day one. Companies already listed in VIES when the obligation was introduced had until June 13, 2025 to comply; those that failed to do so face automatic exclusion from the VIES database.

The Court Challenge and Its Outcome

A coalition of approximately 20 non-EU businesses — primarily Chinese e-commerce traders supported by two trade associations — filed an appeal with the Regional Administrative Court of Lazio (TAR Lazio), arguing that applying the same €50,000 threshold to all foreign companies regardless of risk profile violated the proportionality principle under both Italian and EU law. After a hearing held on January 28, 2026, the TAR Lazio issued Ruling 4986/2026 dismissing the appeal on procedural grounds: the challengers had filed outside the 60-day deadline running from the publication of the December 2024 decree. The court did not rule on the merits of the proportionality argument, but no suspension was granted and the obligation has remained fully in force throughout. The practical message for any company still watching the litigation is straightforward — the legal window for challenge has closed, and compliance is the only viable path.

The Second Guarantee: The One Borne by Your Representative

A point that is often missed, because the two measures were adopted within days of each other: alongside the €50,000 guarantee owed by the foreign company, a separate Ministerial Decree of 9 December 2024 imposed good-standing requirements and a guarantee on the *fiscal representative* itself, scaled to the number of companies it acts for — from €30,000 for two to nine represented businesses up to €2,000,000 for more than a thousand, for a minimum of 48 months. The two guarantees are cumulative and serve different purposes. The practical effect for foreign groups has been a thinner market: fewer providers willing to act as fiscal representative, and higher fees from those that remain. It is a further argument for comparing the representative route against an Italian subsidiary before committing.

A Note for U.S. Companies

For U.S. businesses entering the Italian market or already holding Italian VAT registration through a fiscal representative, the guarantee requirement creates a concrete and recurring compliance cost. The annual premium for an insurance surety bond — the most commonly used form — typically falls between 1.5% and 4% of the guaranteed amount, translating to roughly €750 to €2,000 per year. This should be factored into Italian market-entry budgets. U.S. companies with existing VIES registrations that have not yet submitted the guarantee are exposed to deregistration at any time, which would immediately affect their ability to conduct zero-rated intra-EU transactions. Given the joint and several liability structure, non-compliance also creates reputational and financial risk for the Italian fiscal representative, which can strain an otherwise workable professional relationship.

Final Considerations

The €50,000 VIES guarantee has moved from a contested new regulation to settled law. For any non-EU company that sells goods or services cross-border within the EU via Italy, or that sources from EU suppliers using Italian VAT registration, implementation is now the only question on the table. Companies that have not yet complied should act without further delay. Those planning Italian market entry for the first time should build the guarantee requirement — and its ongoing cost — into their setup timeline from the outset. A qualified Italian tax adviser can identify the correct guarantee form, verify the submission requirements at the relevant Revenue Agency office, and coordinate with the fiscal representative to ensure the obligations are met correctly on both sides.

Tag

1. Foreign companies

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