



2026 Payroll Tax Reliefs: hiring just got lighter.

Legislative Decree no. 62 of 30 April 2026 (the “May Day Decree”) **introduced three new employer social contribution relief schemes** designed to support youth employment, gender equality in the labour market and the competitiveness of micro-enterprises in Southern Italy. INPS followed up with Circulars no. 55, 56 and 57 of 14 May 2026, providing the first operational guidance. Below is a reasoned summary of each measure.

YOUNG WORKERS BONUS

Young Workers Bonus 2026 — INPS Circular no. 55

The measure and its beneficiaries

The Young Workers Bonus 2026 grants private employers a full exemption (100%) from paying their share of social security contributions — excluding INAIL accident insurance premiums — for open-ended employment contracts entered into between 1 January and 31 December 2026 for workers aged under 35. Public-sector employers are excluded, as are sectors already subject to preferential contribution regimes, such as domestic work and apprenticeships.

The benefit is not uniform: its duration and value depend on the degree of disadvantage of the worker hired, as defined by EU Regulation 651/2014.

Very disadvantaged workers — exemption for up to 24 months

This category covers **young people who have been without regular paid employment for at least 24 months** (assessed over the months preceding the hire, excluding subordinate employment contracts lasting less than six months or collaborative arrangements with exempt-level income). Also classified as very disadvantaged are young people unemployed for at least 12 months who simultaneously belong to the special categories of EU Regulation 651/2014, including 15-to-24-year-olds, adults living alone with dependants, and members of ethnic minorities. For these workers the exemption lasts 24 months, with a monthly cap of **EUR 500 (EUR 650 in Special Economic Zone — SEZ — areas)**.

Disadvantaged workers — exemption for up to 12 months

For young people unemployed for at least six months who fall within categories (a) to (g) of EU Regulation 651/2014, the benefit is reduced to **12 months, subject to the same monthly cap of EUR 500** (or EUR 650 in SEZ areas).

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Eligible and ineligible contract types

The relief applies exclusively to new open-ended (permanent) employment contracts: it does not apply to fixed-term contracts or to the conversion of existing temporary arrangements. Part-time contracts are included (with a proportionally reduced cap), as are contracts with worker cooperatives and open-ended agency work contracts, including those involving fixed-term assignments. Intermittent and occasional work arrangements remain excluded.

One important flexibility element: if a worker has already been hired on an open-ended basis by a previous employer who only partially used the relief, the new employer may step into the remaining benefit, up to the originally authorised cap.

Access conditions

Access to the bonus requires compliance with the general requirements set out in Article 31 of Legislative Decree no. 150/2015 and Article 1, paragraph 1175, of Law no. 296/2006: up-to-date social security compliance (valid DURC certificate), no violations of labour law, health and safety legislation, and application of the most representative national collective agreements. From 1 April 2026, employers are required to advertise vacancies on the SIISL portal, though this obligation is not yet operative pending the relevant implementing decree.

On the employment side, the employer must not have carried out individual dismissals for objective justified reasons or collective redundancies at the same production unit in the six months preceding the hire. For the six months following the hire, it is prohibited to dismiss for objective justified reasons either the subsidised worker or any other employee with the same job title at the same unit: any breach triggers full revocation of the relief and recovery of all benefits already received. Dismissals due to total supervening incapacity or following exhaustion of the statutory sick leave period do not constitute a disqualifying event.

The hire must also generate a net employment increase relative to the average headcount over the preceding 12 months, calculated in Annual Work Units (AWUs) and verified on a month-by-month basis throughout the benefit period. If the threshold is not met in a given month, the exemption does not apply for that month; if it is restored, the relief resumes until the original end date, with no possibility of recovering the missed months. The calculation includes employees of controlled and affiliated companies.

Cumulation and application procedure

The Young Workers Bonus **cannot be combined** with the Southern Italy Decontribution scheme, the incentive for hiring workers with disabilities, the NASpl incentive, or the contribution reductions for mountain

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agriculture and the construction sector. It is, however, **compatible** with the enhanced tax deduction for new hires (Law no. 207/2024), the 1% exemption for employers holding gender equality certification, and the IVS contribution relief for working mothers.

Applications are submitted electronically through the INPS Benefits Portal, in the “Bonus giovani 2026” section. For hires not yet formalised, once funds have been reserved the employer has a strict 10-day deadline to submit the mandatory hiring notification (Unilav/Unisomm); failure to meet this deadline results in automatic forfeiture of the reserved funds.

WOMEN'S EMPLOYMENT BONUS

Women's Employment Bonus 2026 — INPS Circular no. 57.

The measure

The Women's Employment Bonus 2026, governed by Article 1 of Legislative Decree no. 62/2026, consists of a full employer social contribution exemption (100%) — excluding INAIL premiums — for open-ended hires of disadvantaged or very disadvantaged women carried out in 2026. The monthly caps are more generous than those of the Young Workers Bonus: **EUR 650 as a general rule, rising to EUR 800 for women resident in the unified SEZ area** (EUR 25.80 daily rate). The SEZ enhancement follows the worker's place of residence at the time of hire, not the employer's registered office or place of business — an operational detail that must not be overlooked when preparing the application.

The three categories of eligible workers

The circular identifies three tiers with different benefit durations. The first covers **very disadvantaged women who have been without regular paid employment for at least 24 months**, regardless of their place of residence: the exemption lasts up to 24 months. The second tier covers **very disadvantaged women unemployed for at least 12 months** who simultaneously belong to a special category under EU Regulation 651/2014: 15-to-24-year-olds, women without an upper secondary or vocational qualification, women over 50, women living alone with dependants, women working in sectors with high gender disparity, and

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members of ethnic minorities. This tier also carries a 24-month duration. The third category includes **disadvantaged women in the broader sense** (unemployed for at least six months or falling within another category of EU Regulation 651/2014), for whom the benefit lasts a maximum of 12 months.

Compared with the Young Workers Bonus, the Women's Employment Bonus explicitly includes among the "very disadvantaged" category women over 50 with at least 12 months of unemployment — a meaningful expansion of the potential beneficiary pool.

A distinctive feature: funding allocated by region category

The funding structure of the Women's Employment Bonus is materially different from the other two schemes. Resources are allocated by region category in line with the EU Structural Funds classification, which means the available budget may be exhausted at different times depending on the geographic area. An employer in Northern Italy may find itself operating in a different residual availability context from one in the South. It is therefore advisable to monitor authorisation trends closely and not defer the submission of applications.

Repeal of the previous regime

The circular notes that the decree repealed the extension to 31 December 2026 of the contribution exemption originally introduced by Article 23 of Legislative Decree no. 60/2024. The Women's Employment Bonus 2026 replaces that measure in its entirety. Employers who had been planning hires under the old regime will need to reassess their position against the new conditions.

SEZ Bonus 2026 — INPS Circular no. 56.

A targeted measure for micro-enterprises in Southern Italy

The SEZ Bonus 2026, introduced by Article 3 of Legislative Decree no. 62/2026, is the most selective of the three measures. It is reserved exclusively for **micro-enterprises with no more than 10 employees** (assessed in the month of hire, excluding from the count the workers for whom the relief is being claimed) operating in the regions of the unified SEZ: Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sicily, Sardinia, Marche and Umbria. The relief consists of a full social contribution exemption (100%) up to **EUR 650 per worker per month, for a period of 24 months.**

SEZ BONUS

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Worker eligibility requirements

The age requirement mirrors the Young Workers Bonus in reverse: whereas the latter targets under-35s, the SEZ Bonus is intended for **workers aged 35 or over** who have been formally registered as unemployed for at least 24 months at the date of hire. The relevant concept of unemployment here is that defined by Article 19 of Legislative Decree no. 150/2015: the worker must be without employment and must have submitted their Declaration of Immediate Availability (DID) electronically. This is a formal legal concept, distinct from the notion of “person without regular paid employment” used in the other two bonus schemes.

An important derogation: the exemption may also be granted for a worker who no longer holds 24-month unemployed status, provided they have already partially benefited from the same relief under a previous employer. In that case, the new employer steps into the remaining benefit up to the authorised cap. The mechanism also applies where the same employer rehires the worker, provided the first contract ended through resignation or a dismissal occurring more than six months after the original hire.

The 10-employee threshold: how it is calculated

The headcount limit is the defining feature of this measure. The circular clarifies that the requirement must be met exclusively in the month of hire: subsequent fluctuations — upward or downward — do not affect entitlement to the exemption. Workers for whom the relief is being claimed are not counted toward the threshold. This means an employer already at 10 employees may hire an eleventh worker and still qualify for the relief. For agency-work hires, the limit applies to the host employer, not the agency.

Place of work

Unlike the Women’s Employment Bonus — where the worker’s place of residence is the determining factor — for the SEZ Bonus what matters is the actual location where the work is performed, regardless of the worker’s place of residence or the employer’s registered office. If the worker is subsequently transferred to a region outside the unified SEZ, the exemption is lost from the payroll month following the transfer.

FEATURES COMMON

Features common to all three bonuses.

Shared architecture

The three schemes share a single regulatory framework. In all cases the exemption covers only the employer's share of social security contributions: INAIL accident insurance premiums remain payable in full. The measures apply exclusively to new open-ended employment contracts — conversions of existing fixed-term arrangements are excluded — and are compatible with part-time contracts (with a proportionally reduced cap), with cooperative employment and with open-ended agency work.

General and specific conditions

In all three cases the employer must hold a valid social security compliance certificate (DURC), comply with labour law and health and safety regulations, and apply the most representative collective agreements in the relevant sector. Compliance with the so-called “fair wage” requirement — meaning the individual pay package must be no lower than the minimum established by the applicable collective agreement — is expressly required by Article 7, paragraph 5, of Legislative Decree no. 62/2026

On the specific conditions side, all three bonuses prohibit dismissals for objective justified reasons or collective redundancies in the six months preceding the hire and impose a corresponding prohibition for the six months following: any breach triggers full revocation of the relief and recovery of all benefits received. Dismissals due to total supervening incapacity or following exhaustion of the statutory sick leave period are not disqualifying events.

Net employment increase

All three measures require a net employment increase calculated in Annual Work Units (AWUs) relative to the average headcount over the preceding 12 months, to be verified on a month-by-month basis throughout the entire benefit period. The calculation includes the workforce of controlled and affiliated companies under Article 2359 of the Italian Civil Code. If the threshold is not maintained in a given month, the benefit does not apply for that month and cannot be recovered retroactively.

The net increase requirement does not apply where vacancies arise from voluntary resignation, disability, retirement, voluntary reduction in working hours or dismissal for just cause. For agency-work hires, the verification falls on the host employer.

FEATURES COMMON

Cumulation: the critical decision for Southern Italian employers

All three bonuses are incompatible with the Southern Italy Decontribution scheme, the incentive for hiring workers with disabilities (Article 13 of Law no. 68/1999), the NASpl incentive, the contribution reductions for mountain agriculture and the construction sector, and the contributions on notional wages for workers in non-EU countries without bilateral social security agreements. They are, however, compatible with the enhanced deductibility of hiring costs for new employees (Law no. 207/2024), the 1% exemption for gender equality certificate holders, and the IVS contribution relief for working mothers.

The incompatibility with the Southern Italy Decontribution scheme is the critical issue for employers in the Mezzogiorno: a case-by-case analysis is required to determine which scheme is more cost-effective, taking into account the specific characteristics of the worker to be hired, their disadvantage category and the place of work.

Application procedure

For all three bonuses, applications are submitted electronically through the INPS Benefits Portal in the respective dedicated sections. Applications may be submitted both for hires already made and for hires not yet formalised. In the latter case, once funds have been reserved, the mandatory hiring notification (Unilav or Unisomm) must be submitted within 10 days — this is a strict deadline whose breach causes automatic forfeiture of the reserved funds. The amount authorised by INPS constitutes the maximum claimable limit in subsequent payroll filings.

The benefits are subject to State aid rules: the employer must not have received any unlawful aid that has not been repaid (Deggendorf clause), must not be an “undertaking in difficulty” within the meaning of EU Regulation 651/2014, and the benefit may not exceed 50% of the worker’s total payroll costs. All exemptions are recorded in the National State Aid Register.



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