

LAW N. 4 OF 14 JANUARY 1999, ARTICLE 2, THE SO-CALLED “BARILE LAW”

(Branches in Italy of Foreign Universities and Institutions of Higher Learning at the University Level)

1. The provisions of Article 2 of Law N. 4 of 14 January 1999 that follow are applicable to branches in Italy of universities and institutions of higher learning at the university level located in the territory of foreign States and legally recognized there as non-profit entities, provided that:
 - a) their purpose and activities are off-campus study in Italy of subjects which are part of instruction or research programs at the respective universities or institutions of higher learning;
 - b) *said* instruction be offered only to students duly enrolled in the respective universities or institutions of higher learning.
2. The above branches, before starting their activity in Italy, are to send to the Ministry for Universities and Scientific and Technological Research, to the Ministry of Internal Affairs, and to the Ministry for Foreign Affairs, a copy of the legal act by which its branch in Italy was duly established, a copy of the by-laws [of the university or institution of higher education], and all other documentation, legally certified by the Italian diplomatic or consular authority with jurisdiction for the foreign territory, that helps to prove the existence of the conditions set forth in Paragraph 1.
3. The activity of the branches is authorized by decree of the Minister for Universities and Scientific and Technological Research. In any event, this authorization is considered granted after ninety days from receipt [by the aforementioned Italian authorities] of the documents mentioned in Paragraph 2.

4. The authorization carries with it the application of the exemptions provided under Article 34, Paragraph 8-bis, of Decree Law N. 69 of 2 March 1989, converted, with amendments, into Law N. 154 of 27 April 1989 [see Note 1 below].
5. The universities and institutions of higher learning mentioned in Paragraph 1 can stipulate, for their teaching activities, private law contracts, in keeping with the norms for teaching contracts that apply to public universities, as well as with Article 2222 of the Civil Code [see Note 2 below].

Notes to Article 2 of Law 4/1999

– The text of Art. 34, paragraph 8-bis of Decree Law n. 69 of 2 March 1989, converted, with modifications, by Law n. 154 of 27 April 1989 (Urgent measures regarding income tax on physical persons and advance payments of income tax, the forfeit determination of income and VAT, new deadlines for filing returns on the part of specific categories of taxpayers, regularization of formal irregularities and small infractions, broadening of the tax bases and containment of evasions, as well as regarding the VAT percentages and taxes on governmental concessions), is as follows:

“8-bis. Services whose object is the activity of instruction carried out in Italy by branches of foreign universities and institutions of higher learning, including services related to lodging, board, and the supplying of books and educational materials, even if supplied by affiliated or dependent boarding schools or pensions, are deemed to be non-commercial activities for all tax purposes. This provision is effective beginning the day said institutions are established in Italy. However, no refund is available for taxes already paid [before that date]. From the date on which this provision goes into effect, it may be applied only if the necessary requirements have been recognized in a specific decree issued by the Ministry for Public Education, after consulting the Ministry for Foreign Affairs, beginning with the year the application was submitted. For all branches already operating on the date this provision goes into effect, the application must be presented by 31 December 1989.”

– Article 2222 of the Italian Civil Code reads as follows:

“Art. 2222. – When an individual agrees, for remuneration, to work or perform service which is carried out mainly by his or her own labor for a contracting party by whom the individual is not employed, the provisions of this section apply, unless the relationship is specifically regulated by Book IV [of this Code].”

