

REGISTER OF ULTIMATE BENEFICIAL OWNERS: REPORTING OBLIGATION FOR ALL COMPANIES BY DECEMBER 11, 2023

The register of ultimate beneficial owners has been established and has become operational also in Italy, after several extensions and delays. In fact, on October 9, 2023, the decree certifying the operation of the system for the communication of data and information on beneficial ownership was published in the Official Gazette.

This last decree, which completes the implementation of anti-money laundering legislation, triggers the obligation for all companies, private legal entities (associations, foundations and other institutions of a private nature with legal personality) and trusts to communicate data and information relating to their beneficial ownership.

The communication on beneficial ownership must be made to the Companies' Registry at the territorially competent Chamber of Commerce by and no later than December 11, 2023, using exclusively electronic methods. With regard to companies, the communication must be digitally signed by a director, without the possibility to delegate such task. Therefore, directors who do not yet have a digital signature device will need to obtain one.

Subsequently, legal entities shall notify any change in their beneficial ownership within 30 days of the occurrence of the change. In addition, on an annual basis (and in any case within 12 months from the first communication), the beneficial ownership shall be confirmed: for companies this may take place on the occasion of the annual filing of the financial statements.

The penalties, in case of failure to comply with the deadlines established by law for the communication and update of data and information on beneficial ownership, range from Euro 103 to Euro 1,032 for each person subject to the statutory obligation.

For the identification of the beneficial owner, the criteria already provided for by anti-money laundering continue to apply. In particular, as regards legal entities, the beneficial owner is the natural person or natural persons who ultimately have direct or indirect ownership of the legal entity, or otherwise exercise control over such entity. Where it is not possible to identify a beneficial owner on the basis of such criteria, the beneficial owner shall be the natural person or natural persons who have the powers of legal representation, management or direction of the legal entity.

The register of beneficial owners is accessible by authorities, by all entities subject to anti-money laundering legislation, as well as by the public and any natural or legal person. Only in exceptional cases may access to beneficial ownership information be prevented, in particular where such access exposes the beneficial owner to disproportionate risks or where the beneficial owner is an incapacitated person or a minor.

Our Firm is of course available to provide all the necessary assistance in relation to the new legislation, to identify the relevant information for the communication of the beneficial ownership and to carry out the required filings.

DISCLAIMER

The sole purpose of this Client Alert is to provide general information. Consequently, it does not represent a legal opinion nor can it in any way be considered as a substitute for specific legal advice.

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