

(Accessed: August 2012)

The Law no. 96 of June 6th 2012

Norms on the decrease of public contributions in favour of the political parties and movements as well as measures for guaranteeing transparency and control of their financial statements. Delegation of Government in order to adopt a unique law text on funding of political parties and political movements and to harmonize the regime on fiscal deductions. (12G0120)

**** As of 3-08-2012 ****

The Chamber of Deputies and Senate of the Republic

have approved;

PRESIDENT OF THE REPUBLIC

Promulgates

The following law:

Art. 1

Decrease of public contributions for expenses borne by political parties and movements

1. Public contributions for expenses borne by the political parties and movements were decreased from 91,000,000 per year, out of which 70%, in amount of 63,700,000 were paid for the reimbursement of expenses for elections and as contribution for political activity performed. The remained percentage of 30%, in amount of euro 27,300,000 was allotted as co-funding according to article 2. The amounts provided at this line are considered maximum limits.

2. Line 5 of article 1 of the law no. 157 of June 3rd 1999, with the further amendments, was replaced by the following:

”5. The value of each of the four funds as concerns the bodies provided at line 1 shall be, for each year of legislature of the concerned bodies, in amount of euro 15,925,000.”

3. The first title of line 2 of article 6 of the Law no. 43 of February 23rd 1995 shall be replaced with the following: “The fund for renewal of regional councils, provided at article 1 line 5 of

the Law no. 157 of June 3rd 1999, with the further amendments, is distributed on regional grounds, proportional to the population of the region.”

4. The provisions of article 1, lines 1-bis and 5-bis of the Law no. 157 of June 3rd 1999 shall remain unchanged.

5. The provisions of lines 1 and 3 shall apply as of the first renewal of Republic’s Senate, Chamber of Deputies, Italian members of European Parliament, regional councils and councils of autonomous provinces Trento and Bolzano after the date this law becomes effectual.

6. There shall be abrogated:

a) article 2 line 275 of the Law no. 244 of December 24th 2007;

b) article 5 line 4 of the Decree-Law no. 78 of May 31st 2010 approved, with its amendments, by the law no. 122 of July 30th 2010;

c) article 6 lines 1 and 3 of the Decree-Law no. 98 of July 6th 2011 approved, with its amendments, by the law no. 111 of July 15th 2011.

7. Public contributions provided at line 1 granted to each political party or movement shall be decreased by 5% if the political party or movement presented, of the total number of candidates for the election of reference meeting, a number of candidates of the same sex higher than two thirds of the total number, which number shall be rounded to the higher unit.

8. As transitory provision, the reimbursement ratios of electoral expenses made for the elections performed before this law’s enactment, whose allotment term did not expire yet, shall be decreased by 10%. The value obtained shall be further on decreased by 50%.

Article 2

Contributions considered co-funding of political parties and movements

1. According to article 1, line 1, title two, political parties and movements shall be granted, according to line 2 of this article, a rightful yearly contribution for funding their political activity, equal to EUR 0.50 for each euro they received as yearly subscriptions and donations from natural persons and institutions. In order to calculate the contribution, there shall be considered, within the maximum limit of euro 10,000 per year for each natural person or institutions allotting funds, the subscriptions of members and cashed in donations.

2. Political parties and movements that have obtained at least 2% of the votes validly expressed during the elections for renewal of the Chamber of Deputies or that have obtained at least one candidate chosen from among them during the elections for the renewal of the Senate, Chamber of Deputies, Italian members of European Parliament, regional councils and councils of autonomous provinces Trento and Bolzano, shall contribute to the subscription provided at line 1, first title of this article, within the maximum total limit equal to the amount provided at

article 1 line 1 title II. This amount shall be divided equally in four funds, one for each election. The fund for the renewal of regional councils is distributed on regional ground, proportional to the population of the region. Each entitled political party or movement has the right, according to title I, for each fund, to a maximum reimbursement proportional to the number of votes validly obtained during the last election. The shares of non-granted contributions according to this article shall be paid to the state budget's incomes.

3. The contribution application provided in this article is formulated jointly with the application formulated by political parties and movements, according to article 3, and is subject to the same maturity term.

4. Contributions are established based on accounting records and documents of the previous financial year for each legislature year of the bodies provided at line 2. In this respect, according to the same line, entitled political parties and movements shall declare to the Commission provided at article 9, until the 15th of June of each year, the total amount of donations provided at line 1 of this article, cashed during the previous year and established according to the same line. The information shall be certified by one of the audit companies provided at article 9 line 1. As transitory provision, as concerns the donations for 2012, this certification may be granted by each political party or movement's auditors' board.

5. The commission provided at article 9 shall communicate the Presidents of the Senate, Republic and Chamber of Deputies, until July 10th of each year, the value of the contribution awarded to each political party and movement according to line 1 of this article.

6. The allotment of contributions is decided based on the same methods provided at article 1 line 2 of the Law no. 157 of June 3rd 1999, as replaced by article 3 of this law, within the limits established at line 2 of this article.

Article 3

Application for reimbursement of electoral expenses and of contributions for co-funding the political activity

1. Political parties and movements wishing to benefit from the reimbursement of electoral expenses and of contributions as co-funding the political activity shall submit an application, under the sanction of incapacity, to the President of the Chamber of Deputies or to the President of Republic's Senate, according to their concerned competencies, until the 30th day following the date of the elections for the renewal of Republic's Senate, Chamber of Deputies, European Parliament, Regional Councils or the Councils of autonomous provinces Trento and Bolzano.

2. The application shall be considered submitted at the date of:

- a) presentation, if submitted personally;
- b) at the date resulting from the record equipments if submitted electronically;
- c) at the date resulting from the stamp of the postal offices if submitted by registered mail or other registered correspondence.

3. The application shall be presented by the legal representative or by the political party or political movement's treasurer that submitted the list of election symbols.

The positions held according to the above title shall be proven by a notary deed received by a notary public, attached to the application. The authenticated copy of the minute on the submission of the list of election symbols issued by the relevant administration shall also be attached to the application. The signature on the application shall be authenticated by a notary public or by another competent public officer. If, according to the law, are presented lists of candidates that do not represent the direct expression of political parties and movements, the application shall be submitted according to the methods provided at titles I-IV of this line, by at least one of the persons delegated for the list, authorized to receive the communications and to present recourses on behalf of and in its name.

4. If several political parties or movements have jointly submitted the list of election symbols and have participated as associates to an electoral competition by presenting a common list of candidates, the application shall be presented according to the method provided at line 3, on behalf of and in the name of each of them, by the concerned legal representatives or treasurers. Individual parties and political movements that, after jointly submitting the list of election symbols, did not file a specific application according to the provisions of line 1 of this article shall lose the right to their own reimbursement share provided at article 4.

5. Line 2 of article 1 of the law no. 157 of June 3rd 1999 shall be replaced with:

“By decision of the Management Office of the Chamber of Deputies, enacted by Decree of the President of the same Chamber, reimbursements of electoral expenses regarding the renewal of the Chamber of Deputies, Italian members of the European Parliament, Regional Councils and Councils of autonomous provinces Trento and Bolzano as well as the reimbursement of referendum expenses borne by the committees organizing the referendums shall be granted under the provisions of line 4. By decision of the Management Board of Republic's Senate, enforceable by means of the Decree of Senate's President, reimbursements for electoral expenses for the renewal of Republic's Senate shall be granted. The decisions of the Management Office of the Chamber of Deputies and of the Management Board of Republic's Senate granting the reimbursements shall be adopted by applying the criteria established at articles 9 and 16 of the law no. 515 of December 10th 1993, with the further amendments and

at article 6 of the law no. 43 of February 23rd 1995, based on the funds transferred by the Ministry of Economy and Finance.

Art. 4

Distribution of reimbursements and of contributions between political parties and movements part of associations

1. The political parties and movements jointly presenting the election symbol and submitting a joint list of candidates may request in their application for reimbursement of electoral expenses and of contributions for co-funding the political activity provided at article 3, under the sanction of incapacity, during the term provided at article 3 line 1, that the reimbursement of electoral expenses and eventually the part of the co-funding to which they are entitled, to be granted based on the shares specifically established by them. Entitled political parties and movements may also dispose, separately, of the crediting object of such shares.

2. In absence of a specific communication according to line 1, the reimbursement of the electoral expenses and of the part of the co-funding to which they are eventually entitled, shall be granted in equal shares to all political parties and movements that submitted jointly the election symbol and that presented a joint list of candidates. Entitled political parties and movements may also dispose, separately, of the crediting object of such shares.

Art. 5

Articles of incorporation and statutes of political parties and movements

1. Political parties and movements, including the lists of Candidates that do not represent the direct expression thereof, in case they are entitled to reimbursements of electoral expenses or of contributions provided by this law, have the obligation to adopt articles of incorporation and a statute submitted in copy to the President of Senate of the Republic and to the President of the Chamber of Deputies within forty five after the date of the elections. The articles of incorporation and the statute shall be drafted as public document and shall indicate, in each case, the competent body to approve the financial statement of the financial year and the body liable for the economic and financial management. The statute must comply with the democratic principles of internal life, in particular with reference to the selection of candidates, the rights of minorities and the rights of members

2. Political parties and movements, including the lists of Candidates that do not represent their direct expression, that do not submit to the President of Republic's Senate or the President of the Chamber of Deputies the documents provided at line 1 within the provided term, do no

longer have the right to reimbursements of electoral expenses and to the co-funding share they are eventually entitled to.

Art. 6

Establishing a common criterion for all types of elections in order to have access to the reimbursement of electoral expenses

1. The following amendments are brought to article 9 of the Law no. 515 of December 10th 1993 with the further amendments:

a) line 2 shall be replaced with the following text:

"2. The fund for reimbursement of electoral expenses made for the renewal of Republic's Senate is distributed regionally. In this respect, the fund is divided per regions, proportional to the region's population. The share of each region is divided between political parties, movements and groups of candidates, proportionally to the votes obtained at regional level, on condition that they have at least one candidate for the region. Chosen candidates that are not part of a group shall also participate to fund's distribution";

b) line 3 shall be replaced with:

"3. The fund for reimbursement of electoral expenses for the renewal of the Chamber of Deputies is distributed proportionally with the obtained votes, between political parties and movements that have at least one chosen candidate".

Article 7

Deductions for donations in favour of political parties and movements

1. Starting with 2013, line 1-bis of article 15 of the unique text on income taxes provided by the Decree of Republic's President no. 917 of December 22nd 1986, with the further amendments, as concerns the deductions of expenses shall be replaced with the following:

"1-bis. An amount equal to 24% for 2013 and 26% starting with 2014 of the donations in cash in favour of political parties and movements that presented the electoral lists or candidacies for the elections regarding the renewal of the Chamber of Deputies or Republic's Senate or the Italian members of the European Parliament or that have at least one representative chosen in the regional council or the regional councils of provinces Trento and Bolzano shall be deduced from the gross tax in case of amounts between euro 50 and 10,000 per year, on condition that these deductions are made by bank or postal transfer.

2. Small incomes resulted from applying the provisions of line 1, assessed at euro 8.7 million for 2014, euro 7 million for 2015 and euro 6.1 million starting with 2016 shall be decreased

correspondingly with the expenses' authorization provided at article 9 of the Law no. 157 of June 3rd 1999.

3. According to article 17 line 12 of the Law no. 196 of December 31st 2009, the Internal Revenue Service monitors small incomes provided at line 2 of this article and presents a report to the Minister of Economy and Finance. In case there are or are about to occur differences from the provisions of line 2, except for the measures provided at article 11 line 3 letter 1) of the Law no. 196 of 2009, the Minister of Economy and Finance, by own decree, makes a decrease, to the extent necessary for financial covering of small incomes resulting from the monitoring activity, of the contribution share as co-funding, provided at article 1 line 1 title II of this law. The Minister of Economy and Finance shall immediately report the Chambers, by a special report, the reasons of the differences and the adopted measures provided at title II of this line. The limit provided at first title of line 2 of article 2 of this law is redetermined depending on the efficiency of the Safeguarding term provided at the previous title.

4. Starting with 2013, at article 78 line 1 of the unique text on income taxes provided by the Decree of Republic's President no. 917 of December 22nd 1986, with the further amendments, the wording "of the expense provided at article 15 line 1-bis" shall be replaced by: "of the expense for the donations in cash in favour of political parties and movements provided at article 15 line 1-bis, for the amounts between euro 51,65 and euro 103,291.38.

5. At article 18 line 1 of the Law no. 515 of December 10th 1993 with the further amendments, the wording: "in newspapers and magazines" shall be replaced by: "in newspapers, periodical magazines and websites".

Article 8

Use of spaces for performance of political activities

1. Local institutions subject to the discipline in the field by means of a specific regulation, including by means of conventions concluded with schools and other public and private institutions, may make available to political parties and movements, according to this law, spaces for the performance of reunions, meetings, congresses or for other initiatives for the performance of political activities. The parties shall reimburse, according to the rates established by local administrations, maintenance and operation expenses for the spaces used for the performance of political activities.

Art. 9

Measures for guaranteeing the transparency and the controls of political parties and movements' financial statements

1. In order to guarantee the transparency and accuracy of own accounting and financial management, the political parties and movements, including the lists of candidates which are not the direct expression thereof, but which obtained at least 2% of the votes validly expressed during the elections for the renewal of the Chamber of Deputies or that have at least one representative elected in the Chamber of Deputies, Republic's Senate or European Parliament or in a regional council or in the councils of autonomous provinces Trento and Bolzano, shall resort to an audit company registered in the Special Registry kept by the National Commission for companies and stock exchange, according to article 161 of the unique text of the provisions in the field of financial mediation provided by the Legislative Decree no. 58 of February 24th 1998 with the further amendments, or, after its establishment, in the registry provided at article 2 of the Legislative Decree no. 39 of January 27th 2010.

The accounting and financial management control may be entrusted to the same audit company by three consecutive years mandate, renewable for a maximum further term of three consecutive years. The audit company shall express, in a special report, its point of view on the financial statement of the political parties and movements' financial year according to the provisions of the effectual law in the field. In this respect, it shall verify during the financial year if the accountancy has been kept regularly and if the management events have been correctly included in the accounting evidences. It shall also verify that the financial statement of the financial year complies with the accounting records and documents, with the results of the performed examinations as well as with the regulating norms.

2. In case of participating as associates to an electoral competition by presenting a joint list of candidates, each political party and movement submitting the joint list of election symbols has the obligation to resort to an audit company provided at line 1.

3. The Commission for transparency and control of financial statements of political parties and movements was set up, named hereinafter the "Commission". The Commission is headquartered within the Chamber of Deputies, and acts, jointly with Republic's Senate, in order to assure the efficiency by means of the necessary personnel for the secretariat. The Commission consists in five members, one being appointed by the First President of the Court of Cassation, one being appointed by the President of the State Council and three being appointed by the President of the Court of Accounts. All members chosen from among the magistrates of the concerned jurisdictions must have a qualification not lower than the advisor of the Court of Cassation or equivalent. The Commission is appointed based on the appointments made according to this line, by a joint deed of

the Presidents of Republic's Senate and of the Chamber of Deputies, published in the Official Gazette. By means of the same deed the President of the Commission is appointed from among the members, and shall coordinate the works. The members of the Commission shall receive no compensation or indemnity for the activity provided according to this law. During the mandate, the members of the Commission shall not obtain or perform other tasks or positions. The members of the Commission shall be appointed for a mandate of four years which may be prolonged only once.

4. The Commission shall control the regularity and compliance with the law of the financial statement, according to article 8 of the Law no. 2 of January 2nd 1997, as last amended by this article and to the related appendixes, as well as the observance of the provisions of this law. In this purpose, each year, until the 15th of June, the legal representatives or treasurers of political parties and movements obtaining at least 2% of the votes validly expressed during the elections for renewal of the Chamber of Deputies or that have at least one chosen representative for the concerned Chamber or Republic's Senate or the European Parliament or within a regional council or the councils of autonomous provinces Trento and Bolzano, have the obligation to submit to the Commission the financial statement and the related appendixes provided at article 8 of the Law no. 2 of January 2nd 1997, as last amended by this article for each financial year included, totally or partially, in these bodies' legislature. Jointly with the documents provided at title II of this line, a report containing the point of view over the financial statement of the audit company provided at line 1 of this article as well as the minute on approving the concerned financial statements by the competent body of the political party or movement shall be submitted to the Commission. In case of participating as associates to an electoral competition by presenting a joint list of candidates, each political party or movement submitting the list of election symbols has the obligations provided at this line.

5. During the performance of its activity, the Commission shall also perform the control activity, by verifying the compliance of the expenses borne and the incomes cashed with the documentation drafted in proving them. In this purpose, until February 15th of the year following the one in which the financial statement is presented, it shall invite the interested political parties and movements to remedy, not later than March 31st, the possible accounting irregularities ascertained. No later than April 30th of the same year, the Commission shall approve a report expressing its opinion on the regularity and compliance with the law, as provided in the first title of line 4.

The report shall be submitted to the President of Republic's Senate and to the Chamber of Deputies which shall publish it on concerned Meetings' website.

6. No later than July 15th of each year, the Commission shall submit to the Presidents of Republic's Senate and of the Chamber of Deputies the lists of political parties and movements that have observed or not the obligations provided at line 4 as concerns the previous financial year.

7. The non-observance cases provided at line 6, as well as non-observing of the obligation to publish on websites the statements and related appendixes, provided at line 20, shall be contested by the commission to the political parties and movements within the term provided at line 6.

8. The Presidents of Republic's Senate and of the Chamber of Deputies shall suspend, as concerns the Funds falling under their liability, the allotment of reimbursements and contributions to which the political parties and movements that did not observe their notification obligations provided at line 6 are entitled. In case the irregularities are not remedied until October 31st of the following year, the Commission shall sanction the political party or movement with the administrative pecuniary sanction provided at line 9.

9. The Commission shall apply the administrative pecuniary sanction consisting in the decrease of the entire amount granted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2 to all political parties and movements that did not observe their obligation to present the financial statement and related appendixes or the report to the audit company or the minute on approving the financial statement issued by the internal competent body.

10. The political parties and movements that did not fulfil their obligations provided at article 8 lines from 5 to 10-bis of the Law no. 2 of January 2nd 1997, as last amended by this article, or that omitted to publish on their own websites the documents provided at line 20 of this article within the term provided at line 20 or in the situations provided at line 8, until October 31st, shall be sanctioned by the Commission by an administrative pecuniary sanction consisting in the decrease of a third of the total amount allotted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2 of this law.

11. The political parties and movements that omitted information or stated information that do not comply with the accounting records and documents in their financial statement shall be sanctioned by the Commission by an administrative pecuniary sanction equal to the undeclared amount or to the amount that is not accurate, consisting in the decrease of the total amount allotted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2, within the limit of one third of the amount. If one or several rubrics of the financial statements do not comply with the pattern provided at Appendix A to the Law no. 2 of January 2nd 1997, as last amended by article 11 of this law, the Commission shall apply an administrative pecuniary sanction equal to up to 1/20 of the total amount allotted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2.

12. The political parties and movements that omitted, fully or partially, to provide in the report on the management and in the explanatory note the information provided at Appendixes B and C of the Law no. 2 of January 2nd 1997, or that presented it improperly or inaccurately, shall be sanctioned

by the commission, for each omitted information or improper information or that presents data that does not correspond to the reality, by an administrative pecuniary sanction of up to 1/20 of the total amount allotted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2, within the limit of one third of the amount.

13. The political parties and movements that did not allot a share of at least 5% of the electoral reimbursements received for the initiatives meant to increase the active participation of women in politics, according to article 3 of the Law no. 157 of June 3rd 1999, shall be sanctioned by an administrative pecuniary sanction equal to 1/20 of the total amount allotted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2.

14. Except for the provisions of line 9, the applied sanctions shall not exceed, overall, two thirds of the total amount allotted to them for the current year as reimbursement of electoral expenses and co-funding contributions provided at article 2.

15. During the application of the sanctions, the Commission shall consider the severity or the irregularities and shall provide the reasons.

16. In case the non-observances and irregularities provided at lines 9-13 were committed by political parties and movements that participated as associates to an electoral competition by presenting a joint list of candidates, the sanctions shall be applied only to the political party or movement that did not observe its obligations and to which irregularities were found.

17. Sanctions shall be notified to the interested political party or movement and shall be communicated to the Presidents of Republic's Senate and of the Chamber of Deputies which shall decrease, to the extent decided by the Commission, from the funds falling under their competency, the reimbursements ratios for electoral expenses and the co-funding contribution, according to article 2, to which the sanctioned political parties or movements are entitled according to this article.

18. If the non-observances and irregularities provided at lines 9-13 of this article were committed by political parties and movements that cashed in all reimbursements for electoral expenses and the co-funding contributions provided at article 2 to which they are entitled, and did not benefit from other new reimbursements and contributions, the Commission shall apply the administrative pecuniary sanctions directly to the political party or movement, within the limit of two thirds of the total amount allotted to them during the past year.

19. In order to apply the administrative pecuniary measures provided at this article, as well as for jurisdictional protection, the general provisions of Sections I and II of chapter I of the Law no. 689 of November 24th 1981, with the further amendments shall apply, except for the situation this article provides otherwise. Articles 16 and 26 of the same law no. 689 of 1981, with the further amendments, shall not be applied.

20. Until the 10th of July of each year, the financial statement of the financial year and the related appendixes, as well as the report of the audit company and the minute on approving the financial statement of the financial year shall be published in open data format on political parties and movements' websites, as well as in a separate section of the Chamber of Deputies' website, after the verification provided at line 5.

21. Political parties and movements that participated to the distribution of reimbursements for electoral expenses shall have, until their dissolution, but no later than the third financial year after the one in which the last instalment of the electoral reimbursements is cashed in, the obligation to present to the Commission the financial statement and related appendixes according to article 8 of the Law no. 2 of January 2nd 1997 as last amended by this article.

22. Political parties and movements provided at line 1 are forbidden to invest their own liquidities resulting from liquidness of public resources in financial instruments others than the securities issued by the member states of the European Union.

23. The following amendments are brought to article 8 of the Law no. 2 of January 2nd 1997 with the further amendments:

a) lines 1 and 14 shall be abrogated;

b) at line 2, after the words "financial statement" shall be introduced the following words: "of the financial year, drafted according to the pattern provided at appendix A"

c) after line 10 the following line shall be introduced:

"10-bis. In case of donations of any value, the identity of the financer shall be provided".

24. Line 2 of article 6-bis of the law no. 157 of June 3rd 1999 shall be abrogated. The resources of the pledge fund provided by the above mentioned article, at the available value following the completion of the procedures already performed at the date this law is enacted shall be paid to the State budget.

25. The provisions of lines 1-21 shall apply to financial statements of political parties and movements after the 2012 financial year. As transitory provision, the assessment of the regularity and compliance with the law of the political parties and movements regarding the 2011 and 2012 financial years shall be done by the Commission according to article 8 of the Law no. 2 of January 2nd 1997, with the effectual text, prior to the date of enactment of this law.

In this purpose, the Commission shall directly invite the political parties and movements to remedy the possible accounting irregularities or non-observances of the obligations provided by the law.

26. As transitory provision, the supplementing reports on financial statements prior to 2011 are drafted until October 31st 2012, by political parties and movements' inspectors Commission according to article 8 line 14 of the Law no. 2 of January 2nd 1997.

27. Article 1 line 8 of the Law no. 157 of June 3rd 1999 as well as article 8 lines 11, 12 and 13 of the Law no. 2 of January 2nd 1997 shall be applied exclusively as concerns financial statements for financial years previous to 2013.

28. At article 7 line 1 of the Law no. 195 of May 2nd 1974, the following title shall be added at the end:

”The interdiction provided at the previous line shall also be applied to companies having a public capital equal to or lower than 20% as well as to companies controlled by the latter, if this participation assures the public entity the control over the company”.

29. Reimbursements and contributions provided by this law are destined exclusively to political, electoral and usual activity of political parties and movements. Political parties and movements are forbidden to onerously rent or purchase real estates from natural persons chosen in the European Parliament, national parliament or in regional councils of the same political parties or movements. The same interdiction is also applied as concerns real estates held by the companies they hold or to which they participate, according to the previous title.

Article 10

Loss of legitimacy to sign financial statements

1. In case of applying the sanctions provided at article 9 lines 9, 10, 11 and 12, of one third or more of the reimbursement of electoral expenses and of the co-funding contribution provided by the law, the persons exercising the position of treasurer of political parties and movements or similar positions lose their right to sign financial statements for a term of 5 consecutive years.

Article 11

Measures for increasing the transparency of private financing in politics

1. At article 4 line three of the Law no. 659 of November 18th 1981, with the further amendments, the word “Five tenth” shall be replaced with the following text: “Fifths”.
2. At article 7 line 6 of the Law no. 515 of December 10th 1993 with the further amendments, the wording: “that exceed euro 20,000” shall be replaced with the following words: “that exceed the amount provided at article 4 line three of the Law no. 659 of December 10th 1993 with the further amendments”.
3. The following amendments are brought to article 12 of the Law no. 515 of December 10th 1993:
 - a) after line 1 the following line was inserted:

”1-bis. Within the meaning of line 1, the term of the electoral campaign is understood to be between the date of summoning the electoral commissions and the day prior to the date of voting”.

b) after line 3 the following line was inserted:

“3-bis The Court of Accounts shall publish the Report provided at line 3”.

4. At appendix A of the Law no. 2 of January 2nd 1997, at the section “Profit and loss account”, letter A) (Management incomes), number 4) (Other contributions), after rubric “b) contributions from legal entities” the following rubric shall be inserted:

”b-bis) contributions from shareholders, political parties and movements”.

Article 12

Publication of the patrimony and incomes’ statement by persons exercising treasurer positions of political parties or movements or similar positions

1. The provisions concerning the publication of patrimony and incomes’ statement provided by law no. 441 of July 5th 1982 shall be applied, if compatible, even to the persons exercising the position of treasurer of political parties or movements or similar positions, that are not holders of elective positions.

Article 13

Introduction of electoral expenses’ maximum limits for political candidates and parties for local elections

1. In localities with a population higher than 15,000 inhabitants but below 100,000 inhabitants, the expenses for the electoral campaign of each candidate for the mayor seat may not exceed the maximum amount resulting from the sum of the fixed figure of euro 25,000 and the further figure equal to 1 euro per each citizen recorded on the local election lists.

2. In localities with a population higher than 100,000 inhabitants but below 500,000 inhabitants, the expenses for the electoral campaign of each candidate for the mayor seat may not exceed the maximum amount resulting from the sum of the fixed figure of euro 125,000 and the further figure equal to 1 euro per each citizen recorded on the local election lists.

3. In localities with a population higher than 500,000 inhabitants the expenses for the electoral campaign of each candidate for the mayor seat may not exceed the maximum amount resulting from the sum of the fixed figure of euro 250,000 and the further figure equal to 0.90 euro per each citizen recorded on the local election lists.

4. In localities with a population higher than 15,000 inhabitants but below 100,000 inhabitants, the expenses for the electoral campaign of each candidate for the local counsellor seat may not exceed

the maximum amount resulting from the sum of the fixed figure of euro 5,000 and the further figure equal to 0.05 euro per each citizen recorded on the local election lists.

In localities with a population higher than 100,000 inhabitants but below 500,000 inhabitants, the expenses for the electoral campaign of each candidate for the local councillor seat may not exceed the maximum amount resulting from the sum of the fixed figure of euro 12,500 and the further figure equal to 0.05 euro per each citizen recorded on the local election lists.

In localities with a population higher than 500,000 inhabitants the expenses for the electoral campaign of each candidate for the local councillor seat may not exceed the maximum amount resulting from the sum of the fixed figure of euro 25,000 and the further figure equal to 0.05 euro per each citizen recorded on the local election lists.

5. In the localities provided at line 4, the expenses for the electoral campaign of each party, movement or list participating to the elections, excluding the expenses borne by each candidate for the mayor and local councillor seat shall not exceed the amount resulting from the quantum of 1 euro for each citizen recorded on the local election lists.

6. The following provisions of the Law no. 515 of December 10th 1993 as last amended by this law shall apply to the elections in localities with a population higher than 15,000 inhabitants:

a) Article 7 line 2, understanding the limit of provided expenses as concerns the limits established at lines 1-4 of this article; lines 3 and 4, excluding the Candidates that spend less than euro 2,500, using only out of pocket money, without prejudicing the obligation to draft the financial statements provided at line 6; line 6, the President of the membership Chamber is replaced with the President of the Local Council; lines 7 and 8;

b) article 11;

c) Article 12, line 1, meaning that the Presidents of the concerned Chambers are replaced with the President of the Local Council; line 2 and line 3, first and second title, Court of Accounts being replaced with the regional control division of the territorially competent Court of Accounts; line 3-bis; line 4, regional electoral office shall be replaced with the Central Electoral Office;

d) article 13;

e) Article 14;

f) Article 15, lines 3 and 5, line 6, understanding the limit of provided expenses as concerns the limits established at lines from 1 to 4 of this article; line 7, meaning that the decision of the membership Chamber shall be replaced by the decision of the local council, and line 8; line 9, understanding the limit of provided expenses as concerns the limits established at lines from 1 to 4 of this article; line 10, the President of the membership Chamber shall be replaced with the President of the local council; line 11, first title and line 15; line 16, first title, by limit of expenses understanding the limits provided at line 5 of this article; line 19.

7. If the statements on electoral expenses are not submitted by the political parties, political movements and lists, the regional control division of the Court of Accounts shall apply the administrative pecuniary sanction between euro 50,000 and 500,000. The statement provided at article 7 line 6 of the Law of December 10th 1993 no. 515, with the further amendments must be submitted to the President of the Local council within three months as of the elections date.

Article 14

Limits of expenses, controls and sanctions for the election of Italian members of the European Parliament

1. The expenses for the electoral campaign of each political party and movement participating to the elections of the Italian members of the European Parliament shall not exceed the amount resulting from multiplying the value of 1 euro to each number of citizens of the Republic recorded on the electoral lists for the Chamber of Deputies.

2. In case of incompatibility, the provisions of article 7 shall apply for electing the Italian members of the European Parliament, the president of the membership Chamber being replaced by the President of the Chamber of Deputies, of articles 11, 12 meaning that the Presidents of the concerned Chambers shall be replaced by the President of the Chamber of Deputies, of articles 13, 14 and 15 of the Law of December 10th 1993 no. 515 as last amended by this law.

3. The following amendments are brought to the law no. 441 of July 5th 1982:

a) at article 1 shall be added, at the end, the following number :

”5-bis) to the Italian members of the European Parliament”;

b) at article 10, first line, the words “at point 2” shall be replaced with “at points 2) and 5-bis)“;

c) at article 11 first paragraph, the words "3, 4 and 5" shall be replaced with the following: ". 3), 4), 5) and 5-bis)“

Article 15

Delegations of the Government and provisions on donations

1. The Government is delegated to adopt, within 120 days as of the date of enactment of this law, with the approval of the competent parliamentary commissions, a legislative decree containing a unique text according to which are fulfilled, with the only amendments necessary for the regulation, the provisions of this law and of the other effectual legislative provisions in the field of contributions for candidates to elections and political parties and movements as well as in the field of reimbursement of expenses for elections and referendum.

2. At letter i-bis) of line 1, of article 15 of the unique text on income taxes provided by the Decree of Republic's President of December 22nd 1986 no. 917 with the further amendments as concerns

deductions for expenses, the words: “donations” up to “as well as” and the words “allotted amounts” shall be eliminated as of January 1st 2013.

3. After line 1 of article 15 of the Decree of Republic’s President of December 22nd 1986 no. 917 with the further amendments, the following line shall be introduced: 1.1. An amount equal to 24% for 2013 and 26% starting with 2014 shall be discounted from the gross tax for donations in cash if the amount does not exceed euro 2,065 per year, in favour of non-profit organizations of social utility (ONLUS), humanitarian, religious or laic projects, managed by foundations, associations, committees and bodies identified by means of the Decree of the President of the Council of Ministers in the countries that are not part of the Organization for Economic Cooperation and Development (OECD). The discount is allowed on condition that the payment is made by bank or postal transfer or by other payment methods provided at article 23 of the legislative decree no. 241 of July 9th 1997, as well as by other further proper methods allowing the financial administration to perform efficient controls that can be established by the decree of the Minister of Economy and Finance to be issued according to article 17 line 3 of the Law no. 400 of August 23rd 1988”.

4. Small incomes resulted from applying the provisions of line 3 of this article, assessed at euro 47.4 million for 2014, euro 37.9 million for 2015 and euro 33.2 million starting with 2016 shall be decreased correspondingly with the expenses authorization provided at article 9 of the Law no. 157 of June 3rd 1999.

5. Liquidities remained from authorizing the expenses according to article 9 of the Law no. 157 of June 3rd 1999 shall be recorded in a special fund according to the estimation of the Minister of Economy and Finance.

6. According to article 17 line 12 of the Law no. 196 of December 31st 2009, the Internal Revenue Service monitors small incomes provided at line 2 of this article and presents a report to the Minister of Economy and Finance. In case there are or are about to occur differences from the provisions of line 2, except for the adopted measures provided at article 11 line 3 letter l) of the Law no. 196 of 2009, the Minister of Economy and Finance, by own decree, shall use the resources provided at line 5 of this article. The Minister of Economy and Finance shall immediately report the Chambers, by a special report, the reasons of the differences and the adopted measures provided at title II of this line.

Article 16

Destination of savings for investments in case of damages resulted from earthquakes and natural disasters

1. Savings resulted from applying the provisions of article 1 in the years 2012 and 2013, ascertained by means of a decree of the Minister of Economy and Finance, within fifteen days as of the date this

law is enacted, shall be transferred to the incomes of the State budget in order to be re-allotted to the special program of the Estimate of the Minister of Economy and Finance regarding the Presidency of the Council of Ministers - Civil Protection Department, in order to be submitted to public administrations competent for coordinating the interventions resulting from prejudices caused by earthquakes and natural disasters that affected the national territory starting with January 1st 2009.

2. The Minister of Economy and Finance is authorized to make, by own decrees, the necessary budget changes. This law, bearing the state seal, shall be recorded in the official register of normative deeds of Italian Republic. All persons have the obligation to observe it and to request the observance of this law as a State law.

Drafted in Rome, today, July 6th 2012

NAPOLITANO

Monti, President of the Council of Ministers

For approval, the Minister of Justice: Severino