

Italian Law VAT

From 1st January 2001, the Italian VAT Department has published guidelines regarding VAT treatment of Yacht leasing where the yacht is used partly within the EEC waters and partly outside, the lease is subject to VAT according to the following scales

Sliding Scale:

- Length of the boat
- Type of the boat : motor or sailing
- Time spent outside EEC waters

Type of Yacht	% of time spent outside EEC	% of time subject to VAT	Effective rate of VAT
Yachts over 24 meters in length	70%	30%	6%
Sailing yachts between 20,01 and 24 m Motor yachts between 16,01 and 24 m	60%	40%	8%
Sailing yachts between 10,01 and 20 m Motor yachts between 12,01 and 16 m	50%	50%	10%
Sailing yacht up to 10 m Motor yacht between 7,51 et 12 m	40%	60%	12%
Motor yacht up to 7,50 m	10%	90%	18%