

Case 4: the family that returns to Milan

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

D, an Italian national, has lived in Lugano for twelve years under taxation according to expenditure. Her investment income is almost entirely from non-Italian sources. Her son, aged thirty, has worked as a portfolio manager in Lugano and has received an offer from a Milan asset manager. D considers moving back to Milan to be near her grandchildren.

Since D has not been resident in Italy for at least nine of the last ten years, she can opt for the flat tax under Art. 24-bis TUIR at EUR 300,000 a year. The flat tax would cover all her foreign income and exempt her foreign assets from Italian inheritance and gift tax. The comparison with her current Ticino tax will show whether the move is costly. The son can claim the impatriate regime if he has not been resident in Italy for the three previous tax periods, has the required qualification and commits to remain resident in Italy for four years. Half of his salary would then be exempt, up to an income of EUR 600,000. A trust or foundation that D has established during her Swiss residence must be reviewed before the move, because its Italian tax treatment will change once she and her son become Italian residents.

Case 4: the family that returns to Milan

For the practitioner. Checklist for Italian families with links to Ticino: - map the family: nationalities, residence and domicile of each member, marital property regime, children from different relationships; - map the assets: location, legal form, Italian and Swiss sources of income, real estate in each state; - determine the succession law in both states under Art. 21 and 22 of Regulation (EU) No 650/2012 and Art. 86 ff. PILA, and decide on an express choice of law and of authorities; - calculate the reserved shares under the applicable law (Art. 536 ff. Codice civile or Art. 471 SCC) and test all lifetime gifts, trusts and foundations against them; - consider a family pact (Art. 768-bis Codice civile) for Italian businesses and agreements as to succession (Art. 494 ff. SCC) where Swiss law applies; - compare Italian inheritance and gift tax (D.Lgs. 346/1990, Art. 4-bis for trusts) with the Ticino tax (Art. 154 and 164 LT), remembering that there is no treaty; - for a move to Ticino, document the change of domicile under the reformed Art. 2(2) TUIR, the AIRE registration, the permit and the family's centre of life; - test taxation according to expenditure against the Italian treaty requirement of modified lump-sum taxation and the prohibition of Swiss gainful activity; - for trusts, keep accounts that distinguish capital and income, document the trustee's independence and plan the Italian reporting of beneficiaries; - for a return to Italy, compare the flat tax (Art. 24-bis TUIR) and the impatriate regime (Art. 5 D.Lgs. 209/2023) with the Ticino position; - coordinate the Italian notary, the Italian tax adviser, the Swiss lawyer and the trustee, and keep the documentation that banks and registries will require after a death.

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/lugano-case-4-the-family-that-returns-to-milan