

Milan as a financial centre

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Milan is the financial capital of Italy. It is the seat of the Italian stock exchange, of the largest Italian banking groups' operational headquarters and of most of the asset managers, insurers, law firms and consultancies that serve Italian companies and families. The Italian securities regulator CONSOB, which has its seat in Rome, keeps a second office in Milan, where the Bank of Italy also maintains one of the branches it has in every regional capital.¹ The stock exchange, Borsa Italiana, was privatized in 1998 and merged with the London Stock Exchange in an all-share takeover on 1 October 2007. When the London group decided in 2020 to sell its Italian assets in order to secure its acquisition of Refinitiv, Euronext bought them. The transaction was completed on 29 April 2021 for EUR 4.444 billion and included the bond trading platform MTS, the clearing house Cassa di Compensazione e Garanzia and the central securities depository Monte Titoli. Cassa Depositi e Prestiti, through CDP Equity, and Intesa Sanpaolo became reference shareholders of Euronext in a private placement of EUR 579 million.²

The integration into Euronext gave Milan a function in the European market infrastructure that it had not had under London ownership. The Italian clearing house, renamed Euronext Clearing, became the central counterparty for the whole group. It took over the clearing of cash equities on all Euronext markets in November 2023, of commodity derivatives in July 2024 and of financial derivatives in September 2024, when Euronext ended its contractual relationship with LCH SA. According to Euronext, Euronext Clearing became the third-largest clearing house in Europe by collateral.³ The settlement of securities transactions remained with the central securities depository Monte Titoli S.p.A., which now operates under the commercial name Euronext Securities Milan.⁴ For a regional financial centre such as Lugano, whose banks hold large portfolios of Italian equities and government bonds for their clients, these changes are of practical relevance: the market infrastructure that settles and safekeeps

much of the Italian part of their clients' assets now belongs to a pan-European group with its clearing in Italy.

1 Milan after Brexit

The departure of the United Kingdom from the European Union in 2020 benefited Milan in several ways, although it did not make it a rival of Paris, Frankfurt, Dublin or Amsterdam as a destination for London-based banks. The most visible institutional gain was in patent litigation. Under the Agreement on a Unified Patent Court, which entered into force on 1 June 2023, the central division of the new court was to sit in Paris, Munich and London. After the British withdrawal, Italy, France and Germany agreed to assign the third section to Milan, a decision that the court's administrative committee approved on 26 June 2023. The Milan section has jurisdiction over patents in section A of the International Patent Classification, which covers "human necessities" and includes pharmaceuticals and food products. It began operating in June 2024.⁵

The second gain concerned private wealth. In 2017 Italy introduced a lump-sum tax regime for new residents in Art. 24-bis of the Testo unico delle imposte sui redditi (TUIR), under which an individual who has not been resident in Italy for at least nine of the previous ten years can pay a fixed annual substitute tax on all foreign-source income for up to fifteen years. The amount was EUR 100,000 at first. It was raised to EUR 200,000 for persons who transfer their residence after 10 August 2024, with EUR 25,000 for each family member. The Budget Law for 2026, Law No. 199 of 30 December 2025, raised the amount to EUR 300,000 and the amount for each family member to EUR 50,000 for options exercised from 1 January 2026. Persons who exercised the option earlier keep the amount applicable at that time.⁶ The regime attracted wealthy individuals from London and elsewhere to Milan and has made the Lombard capital a competitor of Lugano for a clientele that Ticino had long regarded as its own: entrepreneurs, financiers and heirs who want to live near Italy without being taxed in Italy on their worldwide income. Chapter E.V compares the Italian regime with the Swiss lump-sum taxation, and Chapter K.I assesses the competition between Milan and Lugano.

2 Notes

1. CONSOB, "Chi siamo", <https://www.consob.it/web/consob/chi-siamo> (seat at Via G. B. Martini 3, Rome, and office at Via Broletto 7, Milan); Banca d'Italia, "Organizzazione",

<https://www.bancaditalia.it/chi-siamo/organizzazione/index.html>
(branches in the regional capitals and some provincial capitals). ↩

2. Euronext, "Euronext today completes the acquisition of the Borsa Italiana Group and publishes Q1 2021 results", 29 April 2021, <https://www.euronext.com/en/investor-relations/financial-information/regulated-information-and-investor-news/euronext-today>. Privatization in 1998 and merger with the London Stock Exchange on 1 October 2007: Wikipedia, "Borsa Italiana", https://en.wikipedia.org/wiki/Borsa_Italiana; sale of the Italian assets to secure the Refinitiv transaction and exclusive talks with Euronext from 18 September 2020: Wikipedia, "London Stock Exchange Group", https://en.wikipedia.org/wiki/London_Stock_Exchange_Group. Wikipedia is used here as a last resort. ↩
3. Euronext, "Successful expansion of Euronext Clearing to all Euronext financial derivatives markets", 17 September 2024, <https://euronext.com/en/about/media/euronext-press-releases/successful-expansion-uronext-clearing-all-uronext-financial>. ↩
4. Euronext, "Euronext Securities Milan", <https://www.euronext.com/en/post-trade/euronext-securities/milan> ("Euronext Securities Milan is the new commercial name for the legal entity Monte Titoli S.p.A."). ↩
5. "Il Tribunale dei brevetti va a Milano", Eunews, 26 June 2023, <https://www.eunews.it/2023/06/26/tribunale-brevetti-milano/>. ↩
6. "Flat Tax For New Residents In Italy: Present And Future", Mondaq, 4 December 2025, <https://webiis08.mondaq.com/italy/tax-authorities/1713758/flat-tax-for-new-residents-in-italy-present-and-future>. Art. 24-bis para. 2 TUIR in the current version, <https://www.brocardi.it/testo-unico-imposte-redditi/titolo-i/capoi/art24bis.html> (EUR 300,000; EUR 50,000 for each family member; amended by Law No. 199/2025); deQuo, "Flat tax neo-residenti", 21 May 2026, <https://www.dequo.it/articoli/flat-tax-neo-residenti> (Law No. 199 of 30 December 2025; options exercised before 1 January 2026 keep the earlier amount). See Chapter E.V. ↩

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