



Tax Newsletter

Timely news and information on national tax issues

Application of the Tax Amnesty Law and its Orientation Guide

On 13 December 2019, the Legislative Assembly passed Legislative Decree No. 521, which contains the Special and Provisional Law facilitating Voluntary Compliance with Tax and Customs Obligations (Tax Amnesty Law).

This Law was published in the Official Gazette on 23 December 2019, and circulated on 27 January 2020.

Through this law, the legislators grant for a term of 8 months,

counting from the entering into effect of the law, the following benefits to taxpayers who wish to voluntarily rectify their tax situation:

1. Waiving of fines
2. Waiving of interest
3. Payment plan option

These benefits shall be applicable for taxes overseen by the General Office of Internal Revenue (DGII) and the General Customs Office (DGA), for obligations whose terms for filing or payment have expired

prior to the entering into effect of this Law, regardless of their stage of proceedings; that is, it may be applicable to the following cases:

1. Cases not audited by the Tax Authorities.
2. Cases audited by the Tax Authorities.
3. Administrative Proceedings that are in progress.

4. Cases in dispute prior to obtaining a ruling.
5. Cases with final debt, liquid and payable.
6. Pending payment due to application of past tax amnesties.

That said, for purposes of obtaining the benefits of this Law, taxpayers must perform the following:

1. Pay the original or supplementary taxes.
2. Amend the tax returns in which a balance in favor greater than what was due was reported.
3. In the cases in dispute prior to obtaining a ruling, taxpayers must desist before the Court or lower courts and present evidence of such petition upon paying the taxes.
4. In the cases of taxes pending payment, taxpayers must request a new statement of account and, with this statement of account, request that the benefits of the Amnesty Law be applied to them.
5. For taxpayers that wish to use the payment plan option, they may do so for a maximum period of 6 months, and must pay 10% of the debt upon approval of the payment plan.

Furthermore, due to the entering into effect of this Law, on January 28, 2020 the Tax Administration issued an orientation guide regarding the benefits of the Tax Amnesty Law.

This guide establishes how the benefits of the Amnesty Law are applied, as follows:

1. The period for applying the benefits of the Amnesty Law is from 27 January 2020 to 27 September 2020.
2. It is not applicable to Special Contributions that are not overseen by the DGII or DGA, for example: FOVIAL, CONTRANS and FEFE.
3. It is applicable to the monthly obligations for tax periods prior to December 2019 and to the corresponding annual obligations prior to the 2018 period.
4. The benefits of this law are not applicable to fines resulting from non-compliance with formal obligations, such as late filing of tax reports.
5. For taxes overseen by the DGA, in order to apply for the benefits of this Law, a written request must be filed in the format provided in Annex 2 of the application guide.

6. The rectifications of Declarations of Goods must be done in accordance with that indicated in Administrative Provision DACG 005-2019.
7. For payment plan requests, the forms provided in Annexes 3 and 4 of the application guide should be completed and filed before the respective administrative office (DGII, DGA or DGT).

In light of the above, it is important that taxpayers perform a diagnosis of their operations, tax situation and cases in dispute, in order to assess this opportunity to rectify their situation by taking advantage of the benefit granted by this Tax Amnesty Law.



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Tax Calendar

February 2020

The updated 2020 tax calendar is now available on the Tax Administration’s website, which includes the public holidays and the deadlines for all tax obligations.

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

**Download our
2020 Obligations Calendar**



February 14

VAT

Declaration and payment of the Tax on the Transfer of Movable Goods and the Rendering of Services (F-07).

Income and Financial Transactions

Monthly declaration of Payment on Account, and Tax Withheld on Income, Financial Transactions, and the Special Contribution for Citizen Security and Coexistence (F-14)

Specific and Ad-valorem

Declaration and payment of Specific Taxes, Ad Valorem Taxes and Special Contribution (F-06).

Other obligations

- Report on Donations (F-960)
- Report on Specific and Ad Valorem Taxes on Producers and Importers of Alcoholic Beverages, Potable Ethyl Alcohol and Beer, Carbonated Beverages, Isotonic Beverages, Fortified Beverages or Energy Drinks, Juices, Nectars, Soft Drinks and Concentrated or Powder Mixtures for the Preparation of Drinks (F-955).
- Report on Specific and Ad Valorem Taxes on Producers and Importers of Firearms, Ammunitions, Explosives and Similar Items, Producers of

Tobacco and Producers, Importers and those that clear fuels through customs (F-988)

- Monthly Report of Sales to Producers, Distributors and Retailers of Tobacco and Tobacco Products (F-956)

February 21

VAT

Monthly Report on Withholdings, Collections, or Payments on Account of VAT (F-930).

Printing Presses

Monthly Report on Documents Printed for Taxpayers of the VAT (F-945).

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