



HONDURAS

THE OBLIGATION TO PRESENT MUNICIPAL SOLVENCY IN FINANCIAL PROCEEDINGS

HAS BEEN REPEALED BY THE NATIONAL CONGRESS OF HONDURAS (DECREE 191-2018)

The MiPyMes (Micro, Small and Medium Enterprises) constitute a strong business network in Honduras. The activities of this sector allow the labor force to be boosted in large measure due to the dozens of economic activities in which they operate, such as agroindustry, food, services, manufacturing, among others. In Honduras, around 90% of the companies in general are MiPyMes and their contribution to the generation of employment is of the utmost importance. It is obligation of the State of Honduras to ensure the balanced development of the different production sectors for the economic growth of citizens and the nation in general. That is why the State recognizes the activity of the MiPyMes as a public interest to promote social development.

The MiPyMes are regulated by the Law of Support for Micro and Small Enterprises (Decree No.145-2018), whose purpose is to promote this business sector through incentives that promote economic growth, through the generation of new sources of employment, welfare and development of the human person.

On December twenty of the year two thousand and eighteen the Decree No. 180-2018 was published containing the General Budget of Revenues and Expenditures of the Republic, which in its article 191 establishes that all taxpayers must present their municipal solvency for the purposes of procedures of the financial system as well as for the registration of production and real estate. Considering that this provision contained in Article 191 of Decree No. 180-2018 hinders compliance with the Law of Support for Micro and Small Enterprises, in its purpose of simplifying the procedures prior to the creation and registration of companies, as well as for obtaining credits

in the financial system, both for new and existing entrepreneurs. In addition, it is necessary to guarantee the applicability of the Law of Support for SMEs, as part of the actions planned to promote the creation and expansion of industrial and commercial activity, with the purpose

The General Budget of Revenues and Expenditures of the Republic that contained the obligation to accredit Municipal Solvency in the procedures of the financial system.

of generating an economic movement that is translated into generation of wealth for Honduran entrepreneurs and families. The National Congress through Decree No.191-2018 published on January 22 of the year two thousand nineteen repealed Article 191 of the General Budget of Revenues and Expenditures of the Republic that contained the obligation

to accredit Municipal Solvency in the procedures of the financial system (mortgages and loans), as well as for the registration of production and real estate.

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