



THE GENERAL DIRECTORATE OF REVENUE INFORMS ALL TAXPAYERS THAT THEY MUST UPDATE THE INFORMATION DECLARED IN THE REGISTRY OF TAXPAYERS (RUC)

MONTHLY NEWSLETTER THE LAW FIRM OF CENTRAL AMERICA

Resolution No. 201-4393 of June 21, 2022 of the General Directorate of Revenue of the Ministry of Economy and Finances establishes the obligation for all taxpayers to update the information provided to the General Directorate of Revenue (Panamanian Tax Authority or “DGI”) in the RUC, when there are changes in the information contained therein.

The updates must be made through the DGI’s online filing system known as “e-Tax 2.0”, where the mandatory fields must be completed.

Through Resolution No. 201-6687 of September 13, 2022, the DGI resolved to extend the term and establish as new deadline for the obligation to update the information in the RUC no later than October 31, 2022.

Taxpayers who have not made their due updates by October 31, 2022, will not be able to file the corresponding forms for the compliance of their tax obligations, therefore, they will be subject to the penalties established by law in case of non-compliance.

Permanent or incidental legal persons, legal acts, or public entities, at the time of their registration in the RUC, will be registered depending on their nature, within the following types: a) Leasing of movable property; b) Non-profit association; c) Consortium; d) Cooperatives; e) Government Entity; f) Trust; g) Private Interest Foundations; h) PH co-owners Board; i) Political Party; j) Limited Liability Company; k) Syndicate; l) Accidental Company; m) Joint Stock Company; n) Partnership; o) General partnership; p) Limited partnership by shares; q) Limited partnership; r) Foreign company (not registered in the Public Registry); s) Partnership by purchase of shares; t) Branches or agencies of foreign companies; u) Limited Liability Entrepreneurial Company; and, v) Collective Benefit and Interest Companies (Law 303 of 2022).



For tax purposes, legal persons, legal acts or public entities, will be differentiated by the fact of having or not having taxable income in Panama, according to the following categories:

A. From Panamanian Source: They will have the obligation to file income tax returns and any other tax that applies to them, according to the line of business declared from the moment of their registration in the RUC, likewise, they must file a final tax return, at the time of their dissolution. Those legal entities that have a percentage of income from a Panamanian source, no matter how small, will be required to file an income tax return.

B. From Foreign Source: Includes income from those activities described in paragraph 2 of Article 694 of the Tax Code, as well as in Article 10 of Executive Decree 170 of 1993.

C. From Exempt and Non-Taxable Source: It shall be considered as exempt and non-taxable, those obtained from activities described as such in the Tax Code and in Executive Decree 170 of 1993.

Those legal entities that are constituted only for the ownership of assets, which will not generate taxable income, or for the performance of commercial or civil operations in a non-habitual manner in Panama, may also be registered within this category.

Additionally, it is mandatory for the identity of the Resident Agent and of the Certified Public Accountant who countersigns the Income Tax Returns and other taxes to be included in the RUC.

The legal entities that did not determine their obligation with any category and that require to file their tax returns because they have started to generate Panamanian source income, must adjust the information of the obligation in the e-Tax 2.0 system. In order to achieve the above, the same date in which the taxpayer started to generate income from the Panamanian source activity must be included in the obligation start date field. This will avoid the generation of fines for omissions.

Legal entities that did not determine their obligation and need to update their data, must indicate whether their obligation corresponds to category A, B or C, as mentioned above.

Please do not hesitate to contact us for further information on this matter.

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