



EXTRAORDINARY CORPORATE NEWSLETTER –

No. 6: Regulations for COVID-19

Considering the state of emergency declared by the Colombia Government for the calamity of COVID-19, the Government has implemented tax measures to respond effectively against this crisis. With this Extraordinary Newsletter, we inform our clients, colleagues, and friends the tax rules and measures taken:

1. Ruling 00041 of May 05, 2020.

Through this Ruling, the Ruling 0030 of March 29, 2020, is partially modified, through the emergency measures that are taken to guarantee the attention and provision of services by the Tax Authority -DIAN, Considering the State of Economic, Social and Ecological Emergency.

Section 6 of Decree 491 of March 28, 2020, provided that the authorities because of the emergency, may suspend, by an administrative act, the terms of the administrative or jurisdictional actions in administrative jurisdiction. The suspension will affect all legal terms, including those established in terms of months or years.

Section 8 of Ruling 0030 of March 29, 2020, ordered to suspend all the terms of administrative or jurisdictional actions in administrative jurisdiction, including disciplinary prosecutions until the Sanitary Emergency declared by the Ministry of Health and Social Protection remains in force. During the term of the suspension and until the moment in which the proceedings start over, the terms of expiration, prescription, or firmness established in the tax, customs and exchange legislation will be suspended and will not count.

The processes of Refunds or Compensations that are requested through the Electronic System of Refunds or compensations of the Tax Authority and the requests that are submitted to the electronic mailboxes authorized by the Tax Authority are excepted from the suspension of tax terms.

In that sense, This Ruling (Ruling 000041 of 5th of May of 2020) modify the paragraphs 2 and 3 of Section 8 of Ruling 0030 of March 29, 2020. Lifting the terms of suspension of the prior investigations of the Refund or Compensation process stated it in Section 857-1 of the Colombian Tax Code (CTC) (“AD Files”), only with respect to those that are finished and pending the issuance of the filing order only by the inspection area.

And for some matters customs related to denying or accepting the applications that have been presented or are presented to qualify as Authorized Economic Operator; issue the resolution of acceptance or rejection of the qualification of Authorized Economic Operator regarding those requests that as of the date of issuance of this resolution have the required actions. The administrative actions are necessary to carry out the process of provisional expansions of ports, docks, and warehouses. The processing of the loss of authorization, authorization, or registration dealt with in paragraphs 2 to 4 of article 139 of Decree 1165 of 2019, the administrative actions related to the approval of global guarantees. The processing of requests for authorization, registration, authorizations, and modifications of customs registers, except in those cases in which the applicant expressly states within the term to respond to the

requestor to make the visit, that it is not possible to attend to it. requested, for mandatory isolation. Issue tariff classification resolutions, functional units, and advance resolutions; and issue the qualification of an authorized exporter.

2. Ruling 000042 of May 05, 2020.

Through this Ruling is the billing systems developed, regulates the technological suppliers, the registration of the electronic sales invoice as a security, the technical annex of the electronic sales invoice is issued and other provisions regarding billing systems are issued.

Regulates, the requirements that must be applied for each of the billing systems are indicated and added, as well as the billing system that must be adopted by those obliged to issue a sales invoice or equivalent document and the subjects not obliged to issue an electronic invoice.

The conditions, terms, and technical and technological mechanisms for the generation, transmission, validation, dispatch, delivery, and reception of the invoice or equivalent document are established.

Information related to technical specifications and access to the software to be implemented is provided, as well as the information it must contain for the generation and interaction of billing systems with inventories, payment systems, tax on Sales -VAT, the national consumption tax, the withholding tax that has been practiced and in general with the accounting and tax information that is legally required.

The implementation schedule of the electronic sales invoice is established and the procedure and application of the requirements for the authorization, renewal, and cancellation of the Technology Providers are established.

3. Ruling 223 of April 30, 2020 -Tax Authority of Bogotá D.C.

The Tax Authority of Bogotá, through Ruling 223, of April 30, 2020, extended the measure of suspension of terms in the processes that advance the Tax Authority of Bogotá and Collection of the Tax Authority until 30 May 2020. According to this ruling during the suspension, the terms will be suspended for all law effects and matters.

The procedures associated with the administrative processes for the collection of tax and non-tax obligations carried out by the Tax Authority of Bogotá in which seize orders have been issued that affect the taxpayer's or debtor's assets, are exempt from the measure of suspension of terms. the lifting of injunctive relief measures proceeds if one of the following events occurs:

1. Full payment of the obligation evidenced by the respective payment receipt.
2. Granting of payments facilities, after complying with the requirements and guarantees demanded by the Tax Authority.

3. That the value of the seized assets exceeds the limitations contained in article 838 of CTC.

4. Ruling 71 of April 30, 2020 – Tax Authority of Cali

The Tax Authority of Santiago de Cali in Ruling 71 of April 28th, 2020 declared from that day the contingency for the filing and payment of the industry and trade tax (ITT- “ICA its Spanish acronym”)and its complementary corresponding to the taxable year 2019.

Therefore, taxpayers who failed to comply within the deadlines indicated for the filing and payment of ITT and notices and boards corresponding to the taxable year 2019, may make use of the functionality of the systems until May 12, 2020, and may file the ITT declaration and its complementary and pay the tax without settling the penalty for lateness or default interest provided that the filing and payment; provided that it is carried out no later than the day following that on which the functionality of the technological platform is declared reestablished.

Likewise, alternatively, the physical payment mechanism is established for the filing through a financial institution, once the form has been completed electronically on the page of the Tax Authority of Cali, taxpayers must print the form, for filing and payment in physical form the financial institutions without settling a penalty for lateness or late payment interest; provided that the presentation and payment are made no later than May 12th, 2020.





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