

Transfer Pricing News

Prepare for the presentation of the transfer pricing annex which expires on March 31

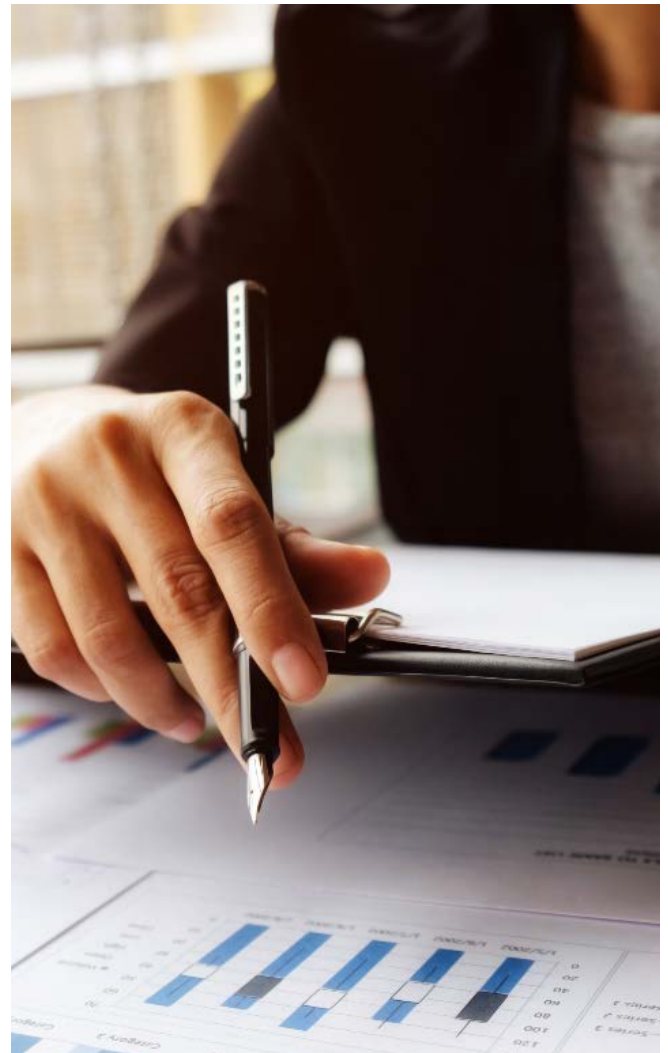
Since 2016, The SAT introduced the transfer pricing annex to the Annual Income Tax Return, which must be completed by taxpayers that perform any transactions with nonresident related companies during the tax year.

It is known that the Transfer Pricing annex expires on March 31, 2023 together with the Annual Income Tax Return. This annex is filled out in the Virtual Taxpayer Agency and when filling it is automatically linked to the Annual Return filed by the taxpayer for that same year.

The transfer pricing annex should contain the same information as the transfer pricing study. It is important to mention that, if the income tax return is amended, it is necessary to recertify the filing of the transfer pricing annex.

Failure to submit the transfer pricing annex on time corresponds to a violation of formal duties, for which the fine will be approximately USD \$7.00 for each day of delay up to a maximum of USD \$130.00, as stipulated in Article 94 of the Tax Code.

Additionally, it is important to highlight that the Tax Administration has focused more each year on auditing the issue of transfer pricing, we recommend that taxpayers carry out an exhaustive examination of their operations with related parties and document them appropriately through a transfer pricing study and that they be found at market values.



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