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Transfer Pricing News
July 2021

SAT starts requesting the 2020 Transfer Pricing Studies

As standard practice since 2016, the Superintendency of Tax Administration – SAT– has requested the submission of transfer pricing studies from taxpayers that have indicated in their Annual Income Tax Return that they have foreign related parties and have conducted transactions with them.

This year, **as of 1 July**, SAT has been sending to taxpayers, mainly electronically, the information requests for the **Transfer Pricing Study for the year 2020**. Therefore, it is important to recap the information that may be requested by SAT regarding transfer pricing.

First of all, there is the obligation to file the Transfer Pricing Annex for those taxpayers that selected the option “Yes, I have related parties and transactions with them” in their Annual Income Tax Return, which was due on 5 April. Access to this Annex is found on the Online Tax Portal.

Second, the taxpayer should have the Transfer Pricing Study available for SAT, as of the filing deadline for the Annual Income Tax Return. Of course, such study must support the information presented in the Transfer Pricing Annex mentioned above, according to that established in article 65, numeral 1 of Decree 10-2012 and its amendments: “Taxpayers must have, upon presenting their Income Tax return, the information and sufficient analysis for demonstrating and justifying the correct determination of the prices, the amounts of the considerations or the profit margins in their transactions with related parties, in accordance with the provisions of this book.”

Decree 10-2012 and its amendments indicates that the taxpayer has **a term of 20 business**

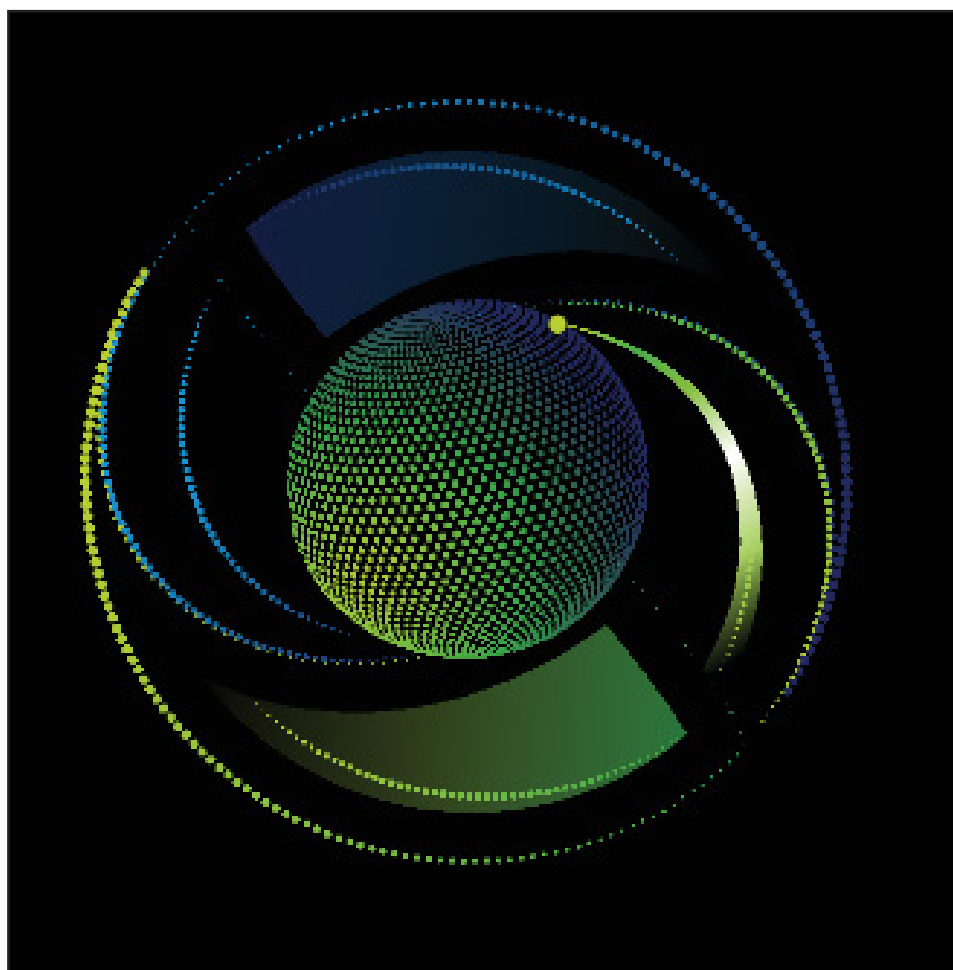
days to submit this study to SAT. It is precisely this requirement that is currently being notified by SAT, and as mentioned above, such notifications are mostly being sent electronically to the electronic mail address already established by the taxpayers for receiving notices.

The information requested by SAT in the transfer pricing study submission requests includes information similar to the one found in the Transfer Pricing Technical Guide issued by SAT some years ago. Although the information listed is more extensive than what is indicated by law, it is not contradictory to the law.

It is important for the taxpayer to keep in mind that all of the information submitted to SAT related to the Transfer Pricing Study must be in Spanish. We have observed that some taxpayers use regional transfer pricing studies that a related party prepared in a language other than Spanish and/or for general transactions that occur between the companies of the group. These types of documents must be adapted for local use, since the study must support the transactions that the taxpayer conducted with related parties for a specific period of time, and of course comply with the requirements of the Guatemalan legislation.

Furthermore, the studies must be updated each year since the study

only supports the transactions that are reported in each Annual Income Tax Return. It is recommended that the taxpayer check that their transfer pricing study contains the information required to comply with the Law, Regulation and the Transfer Pricing Technical Guide issued by SAT.



If you need assistance with verifying that your study complies with the local regulations, or support with the preparation of your transfer pricing study, or help with the requests sent by SAT, you can reach out to our contact people. Our specialized team in Transfer Pricing is available to support you with all your needs.

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