

Panama Tax News

Requirements and rules for Distribution and Sale of Tax Equipment

May 2021

Resolution No. 201-3781 of 2021, dictates technical requirements that Tax Equipment must contain.

Resolution 201-3782 of 2021, adopts standards and procedures for the homologation and authorization for the distribution or alienation of Tax Equipment.

Resolution 201-4097 of 2021, establishes terms and conditions for the recognition of tax credits for the acquisition of tax equipment with communication devices or data transmission components.

Resolution 201-3781 complements Executive Decree 770 of 2020 and provides:

- The technical requirements that the Fiscal Equipment must have to be approved by the National Government Innovation Authority (AIG) and obtain authorization from the Tax Authority (DGI) to be distributed or sold in the national territory are

dictated.

- The tax equipment must have a Communication Device (DC) or an external Data Transmission Component (CTD) that allows the Internet connection. The DC or CTD will send the operations report to the Api Web according to the standards defined within the PLACEF data sheet.

- Among the functions to be performed by a Tax Equipment are:
 - Restrict what is printed on the Tax Proof and validate the data with the tax transaction;
 - Print the precise information in each transaction;
 - Record in the Audit Report the company's



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- information for each tax or non-tax transaction;
 - Record the total amount of sales and the total tax for each Tax Receipt
 - List and identify tax and non-tax receipts;
 - Record all tax receipts issued and the sales of the day;
 - Save daily totals in the Fiscal Memory;
 - Issue the daily global report or Z Report and enable the extraction of the Fiscal Report and Audit Report;
 - Control the time sequence of fiscal daily closures;
 - Prevent any unauthorized activity that interferes with the functions of the tax equipment,
 - Carry out the arithmetic of the tax receipts issued;
 - Use a counter for each type of document with a numerical sequence.
 - The tax equipment has two operating modes. Training Mode: can only be used during the fiscal equipment installation process. In this mode, tax receipts cannot be generated; Operation Mode: is the mode used to issue tax Receipts and record tax information.
 - In case of inconsistency in the Fiscal Report, Audit Memory or in the Working Report the tax equipment will be blocked.
 - Tax equipment have two types of documents: Tax and Non-Tax receipts. Tax Receipts include Invoices, Debit Notes, Credit Notes and other credits indicated by the DGI. Non-Tax Documents include the reprinting of Tax Receipts stored in the Audit Memory or any other document issued by the tax equipment.
 - The fiscal equipment shall contain the necessary functionalities to generate the Global Daily Report or Z Report stored in the Fiscal Memory and its totals in determined date ranges. Additionally, the equipment shall produce a report of the data stored in the Audit Memory, as well as detailed information of all the events recorded by the Fiscal Equipment and the control of shift changes during the day (X Report).
 - Z report must be sent un-encrypted via the API Web to the Tax Authority in order to be audited and verified by auditors.
- Resolution 201-3782 states the following:**
- The technical requirements complementing the provisions of Decree 770 of December 30, 2020 with respect to the homologation of tax equipment by the
- AIG and obtaining authorization from the DGI for its distribution and sale in the national territory.
- Rules and procedures are adopted for the approval process of a tax equipment and the DC and CDT, and obtain authorization for distribution or disposal.
 - Any manufacturer or representative, distributor or seller interested in initiating the homologation process must submit a request to the Tax Authority.
 - Once the application has been received and verified, the Tax Authority will authorize the start of the homologation process by means of an e-mail notification indicating the period assigned for delivery to the AIG of the prototypes of one or more models of Fiscal Equipment with its CTD and DC
 - In the case of non-compliance by the Distributor, either with the period allocated or with the delivery of all required prototypes, material and information, the tax equipment together with its CDT and DC shall be deemed not presented for evaluation.
 - Distributors notified by the tax authority will be the only ones authorized to deliver to AIG the tax equipment prototypes together with its CTD and DC

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component. For each model of Fiscal Equipment, CTD and/or DC, the distributor shall deliver to AIG, during the assigned period, two prototypes of the fiscal equipment CTD and/or DC, accompanied by two copies.

- AIG shall issue an approval certificate accompanied by the technical evaluation report.
- Through Resolution, the Tax Authority will authorize the applicant to dispose of the approved tax equipment model together with its CD or CDT.
- The Resolution will identify the authorized company, the brand, the model, the code applied to the fiscal equipment DC or CTD, as applicable, that is authorized to be commercialized, which is part of the Fiscal Equipment Registration Number and Fiscal Equipment Stamp, as well as the Communication Device Registration Number or Fiscal Communication Equipment Stamp, as applicable.
- The distributor shall deliver to the taxpayer that will make use of the Fiscal equipment together with its CD and/or CDT, a copy of the Resolution of the fiscal

authority in which the model is authorized, so that it has knowledge of the obligations that must be fulfilled as user.

Through Resolution 201-4097, the following is established:

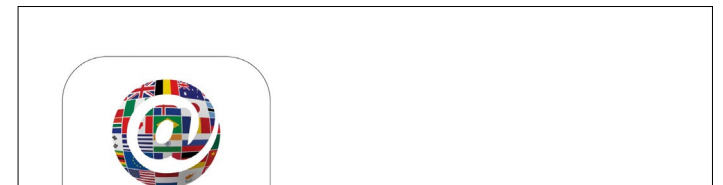
- According to Executive Decree 770 of 2020, the DGI will recognize the user owner of the fiscal equipment a tax credit for 100% or up to USD400.00, whichever is lower, calculated based on the total value of each fiscal equipment with communication device or data transmission component purchased and installed by the user.
- For the purposes of recognition, users must submit, by 31 December 2021, an application to the Tax Authority, accompanied by:
 - A copy of the purchase invoice of the communication device or data transmission component issued to the end user by a company authorized to sell these, which includes the name, company name and RUC of the purchaser and the

details of the tax equipment including brand, model, serial number, registration number and unit sale price.

- If new tax equipment is purchased, provide a certificate issued by the distributor stating that the user's existing tax equipment could not be adapted to the new technical requirements.
- The credit must be recognized by means of a Resolution and may be used for the payment of taxes administered by the tax authority, with the exception of ITBMS.
- The credit may be used after one year has elapsed, counted from the filing of the application for recognition of the credit with the tax authority.

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