



Municipality of Panama approves 100% exemption of surcharges and interest for taxpayers.



With the approval of Agreement No. 200 of August 20, 2024, by the Municipal Council of Panama, exemptions were established for surcharges, interest and fines that taxpayers of this municipality have, as long as they pay all the balances owed and comply with the formalities in the period between September 16 and October 16, 2024.

The agreement details the scope of the exemptions as follows:

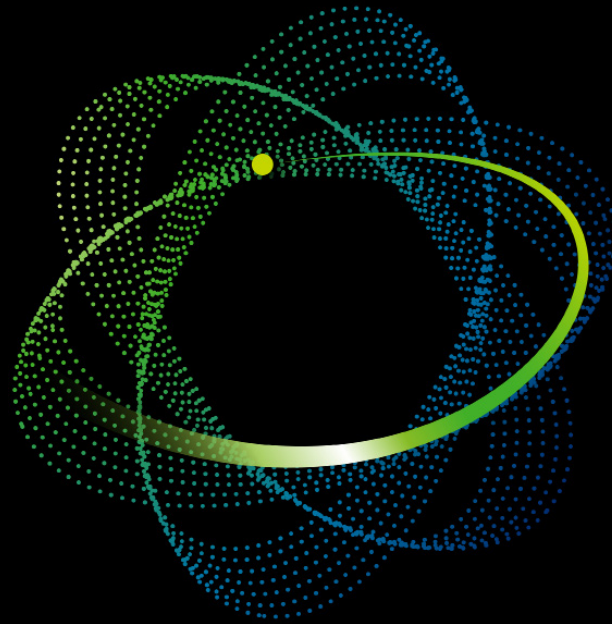
- Taxpayers who pay the full amount of capital owed may benefit from a 100% exemption of surcharges and accrued interest.
- 50% of the fines for non-filing of the annual affidavit of gross income will be exempted, if all those that correspond until the current year are presented.

It is important to note that such exemptions will also apply to processes under payment arrangement conditions and in coercive jurisdiction, but not to cases in which the taxpayer, being obliged to notify the Municipal Treasurer of the establishment of any taxable activity, has omitted it.

For this, the provision of Article 5 of [Agreement No. 40 of April 19, 2011](#), will remain in force, which refers to the obligation to pay the corresponding tax from the date of commencement of the activity, with its respective surcharge.

Finally, the agreement establishes that the Municipal Treasury will execute the necessary adjustments to ensure that municipal finances are not affected by this measure. It should be noted that the Municipality of Panama, through an official statement, indicated that the measure is an alternative for taxpayers to regularize their tax situation and clarified that the exemptions they do not apply to vehicle, advertising or construction debts.

This agreement will enter into force upon its promulgation in the Official Gazette and shall be applicable for the period specified.



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