

Law Reform on Liquor and Alcoholic Product tax



Decree No 1418 regarding the Reform Law on Liquor and other Alcoholic Product tax was published in Extraordinary Official Gazette No 6151 dated November 18th, 2014. The most remarkable reforms are the following:

- The issuing tax imposed to the customers on national or imported liquor product equivalent to 0.00005 tax units for beer and 0.0001 tax units for other alcoholic product per liter was removed.
- The tax rate that shall be applicable to the customer sales of national or imported liquor is as follows:

Liquor	From	TO
Beer	15%	15%
Wine	15%	35%
Others up until 50° GL	20%	50%

- The period to pay off the aforementioned tax was modified, by establishing one for **producer**, at the moment the product is withdrawn from the establishment and another one for **importer** when nationalizing merchandise. This was a 90-day period subsequent to the merchandise issuance or withdrawal in Customs.
- The power to be regulated involving procedure for tax paying off and collection in compliance with the law is maintained. Nevertheless, legal authorization for establishing periods to pay taxes by regulation means is omitted.
- This reform is incorporated within the People's Power Ministry for Light Industry and Commerce law and, additionally, to the People's Power Ministry for Finances as a governing entity to establish norms, procedures and requirements for production, import and Alcohol and Alcoholic product sales activities.

1. Effective date

This reform will be effective ninety (90) days from its publication date in Official Gazette of the Bolivarian Republic of Venezuela, which is November 18th, 2014. Regarding liquor sales and schedules, the regulating municipal orders shall still be effective until the People's Power Ministry with competence in citizen security does not plan new regulations on that matter.

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