

Adjustments to the Federal Fiscal Code

The last amendment to article 27 of the Federal Fiscal Code (CFF) incorporated several sections, in order to organize the obligations of taxpayers.

Specifically, section VI of section B sets forth the obligation for legal entities to file a notice providing the name and tax identification number of partners or shareholders, “every time there is a modification or incorporation” in connection to them.

For these purposes, rule 2.4.19 of the Tax Administrative Rules Resolution (RMF) for 2020 sets forth that the notice will provide the name and tax identification number of partners or shareholders every time there is a modification or incorporation, according to form 295/CFF “Notice of updated information of partners or shareholders” (*“Aviso de actualización de socios o accionistas”*), contained in Appendix 1-A, within a 30-business day term after the date in which the relevant hypothesis, before the Decentralized Administration for Services to Taxpayers.

Consequently, if there has not been a modification or incorporation related to the partners or shareholders during 2020, there should not be an obligation to file the notice, until such hypothesis is incurred.

One-time update notice

Since the amendment to the CFF did not include a transitory procedure for the application, the Fortieth Transitory Article of the RMF for 2020 set forth an option to update the information of partners or shareholders with the Federal Registry of Taxpayers, under the notice indicated in rule 2.4.19 mentioned above.

For such purposes, legal entities must file, a single time, the update notice on or before June 30, 2020.

Penalties

According to the penalties set forth in the provisions in force, a failure to update the information of partners and shareholders may be comprised in the breaches included in section III of article 79 of the CFF, thus the taxpayer could receive a penalty from \$4,200 to \$8,390 pesos.

Furthermore, the cause of cancellation of digital seal certificates could be incurred, as provided in section IX of article 17-H Bis of the CFF, which is applicable when authorities detect one or more breaching conducts included in article 79.

Shortly

Considering the possible uncertainty regarding the confirmation whether the information of partners or shareholders is updated in the databases of tax authorities, it is important to verify if the tax authority has been recently informed of the details of partners or shareholders in force, directly by the entity, through notary publics (regarding corporate transactions in public deeds) or through the official form 96, filed on an annual basis within the first 3 months of the fiscal year, in order to inform the list of partners or shareholders residing abroad.

Finally, it is worth to bear in mind that, in order to file the abovementioned notice in the clarifications service of the SAT website, a protocolized and digitalized document must be attached thereto to evidence the modifications, as well as the incorporation of partners and shareholders, this we also recommend to consider the foregoing.

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