



Tax Reform 2022 approved by Congress

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On November 17, the Congress of the Republic concluded the approval of the 2022 tax reform, missing only the presidential sanction and the publication in the Official Gazette for it to enter into force. The reform, which was initially presented on August 8, had multiple changes during its legislative process, compared to what has finally been approved. **Below, we present a summary of the most relevant changes included in the approved tax reform.**

Legal person - Income tax

A. Income tax rate

- The general income tax rate remains at 35%, but with several exceptions, as mentioned below and in the section on measures for the extractive sector.
- For financial institutions, insurance and reinsurance entities, stock and agricultural commission agents, stock exchanges for agricultural goods and products, and infrastructure providers of the stock market, among others, that have a taxable income from 120,000 UVTs (Taxable Unit Value), a surcharge of 5 additional points (total rate of 40%) is to be applicable during the years 2023 to 2027, inclusive.
- For taxpayers whose main economic activity is the generation of energy through water resources, that have net income from 30,000 UVT (considering the net income of related entities), a surcharge of 3 additional points will be applicable (total rate of 38%). This applies for the years 2023 to 2026, inclusive. The surcharge will not be applicable to power plants with an installed capacity of less than 1,000 kW.
- A reduced rate of 15% will be applied for the provision of hotel services, ecotourism and/or agrotourism theme parks, for a term of 10 years, in municipalities with less than 200,000 inhabitants, or municipalities listed in development programs with a territorial focus -PDET. Remodeling or expansion projects would have to be carried out and start activities within 5 years of the entry into force of the law. In the case of remodeling or expansion, the value of these could not be less than 50% of the value of the acquisition of the remodeled and/or expanded property. The Ministry of Commerce, Industry and Tourism will be in charge of authorizing this benefit to taxpayers.
- Several differential rates are eliminated (currently 9% or 2%), for hotel services and ecotourism that are dealt with in numerals 3, 4 and 5 of article 207-2 of the ET - Tax Statute -; late yield crops (cocoa, rubber, oil palm, citrus and fruit trees); publishing companies under certain requirements; certain hotel services, theme parks, ecotourism, agrotourism and nautical docks built and/or developed in



municipalities of up to 200,000 inhabitants; care services, food, nursing, accommodation, physiotherapy, recovery and other assistance services for elderly tourists; income generated by the stabilization reserve constituted by the pension and severance fund administrators (special gross income): and income from the international maritime transport service, which make ships or naval devices registered in the Colombian registry.

- For industrial and commercial companies of the State and mixed economy companies of the Departmental and Municipal order where the state owns more than 90% participation and that betting and of liquors and alcohols monopolies exercise, the rate will continue in the 9%.

B. Income tax rate – Free Zones

As of 2024, industrial users of free zones will apply a 20% rate for goods and services export activities, and the general income rate (35%) for other activities. The net income subject to each rate will be determined based on a proportion between the tax revenue for each activity compared to the total tax revenue (excluding occasional earnings).

However, for industrial users who have had a 60% growth in their gross income in 2022 compared to 2019, they may continue to apply the 20% rate for all their income until 2025, inclusive.

For the purpose of applying the 20% rate, the income from the provision of health services to patients without residence in Colombia, as well as the income from free zones dedicated to the development of airport related infrastructures, among others, will be considered as export of goods and services.

To opt for the regime that allows the 20% rate for exports, industrial users of free zones must sign an internationalization plan with the Ministry of Commerce, Industry and Tourism (MinCIT) in 2023 or 2024, where maximum objectives of income from operations are established with the national customs territory (and other income from activities other than those for which it was authorized). In case of not subscribing or not complying with the plan, the general rate of 35% would be applied. This will be regulated by the national government.

In any case, the 20% rate will continue to apply for: (i) offshore free zones; (ii) industrial users of special permanent free zones of port services; (iii) industrial users of free zone port services; (iv) industrial users of special free zones whose main purpose is the refining of fuels derived from petroleum or the refining of industrial biofuels; (v) industrial users of services that provide logistics, transportation, handling, distribution, packaging, repackaging, bottling, labeling or classification services (numeral 1 of article 3 of Law 1004 of 2005); and (vi) the free zone operator users. Likewise, for those users who have a legal stability contract, the rate agreed in said contract will continue to apply.



C. Minimum taxation of 15%

A minimum tax rate of 15% is introduced for income taxpayers. This minimum rate is called the Cleansed Tax Rate -TTD (Tasa de Tributación Depurada), and may not be less than 15%. The TTD is determined by dividing the adjusted tax (ID - Ingreso Depurado) over the adjusted utility (Utilidad Depurada). In turn, the factors that make up the ID and UD are established to delimit their determination. If the TTD is less than 15%, it must be adjusted to reach the minimum 15%.

This minimum taxation does not apply in several cases, including foreign legal entities without residence in the country; Special Economic and Social Zones - ZESE, during the period that your income tax rate is 0%; the ZOMACs (Most Affected Zones by the Armed Conflict); income from hotel services subject to a 15% rate; publishing companies with the exclusive corporate purpose of publishing books; industrial and mixed economy companies of the state with a 9% rate; and concession contracts.

D. Measures for the extractive sector

- **Permanent surcharge**

For legal entities that receive income from any of the activities of extracting hard coal -CIIU 0510-, lignite coal -CIIU 0520- (API2 reference minus the BCI7 freight value), and crude oil -CIIU 0610- (BRENT reference), and who have net taxable income from 50,000 UVT (considering the net income of related entities) permanent surcharges are established.

The surcharge rates will depend on a calculation that incorporates the average prices of the mineral/oil during the 10 years prior to the year in which the calculation is made, and the average price of the product in the year in which the calculation is made.

For the extraction of hard coal and lignite coal, the surcharge will apply as follows according to the percentile in which the average price is found.

Below 65 percentile	Between 65 and 75 percentile	Over 75 percentile
0 points (35% total rate)	5 points (40% total rate)	10 points (45% total rate)

The surcharge for oil will apply as follows, depending on the percentile in which



the average price is found.

Below 30 percentile	Between 30 and 45 percentile	Between +45 and 60 percentile	Over 60 percentile
0 points (35% total rate)	5 points (40% total rate)	10 points (45% total rate)	10 points (50% total rate)

If income comes from the sale of natural gas, the surcharge will be determined proportionally so that this income is not taxed.

No later than the last business day of January of each year, the Mining-Energy Planning Unit (UPME) and the National Hydrocarbons Agency (ANH) will publish the average prices and percentiles that allow determining the percentage of the surcharge.

When a taxpayer has income that generates a surcharge for different economic activities, the activity that generates the most tax revenue will determine the applicable surcharge percentage.

- **No deductibility of royalties**

The economic contribution as a royalty for the exploitation of non-renewable resources will not be deductible from income tax. The foregoing, regardless of the accounting record or the denomination or form of payment of said royalties.

For the hydrocarbon sector taxpayer who pays the royalties in kind, the non-deductible value will be the total production cost of the volume paid to said title. To determine the aforementioned cost, the volume of hydrocarbon paid as a royalty in kind for each well must be taken and multiplied by the unit production cost of each well. In turn, the unit cost will be the result of dividing the total annual costs of the well (including costs of extraction, collection, treatment, storage, amortization, etc.) by its annual production.

- **Derogatory**

The following are repealed: (i) The possibility of accelerated amortization in a term of 5 years for exploratory investments made between 2017 and 2027 (transitory paragraph of article 143-1 ET - Tax Statute) and (ii) The incentive for investments in hydrocarbons and mining CERT- (article 365 of Law 1819 of 2016).

E. Taxation of non-resident entities with Significant Economic Presence (PES)



in Colombia.

Non-residents who sell goods and/or provide certain digital services (listed in the regulation) to people located in Colombia, could have a PES in the country and would be subject to a 10% withholding at source, or could choose to present income statement and apply a fee of 3% on gross income.

PES would exist when the non-resident (also considering its related parties):

- Obtain gross income of more than 31,300 UVT for transactions carried out with people located in Colombia, and
- Have a systematic and deliberate interaction with the Colombian market. The foregoing is presumed to happen if an interaction or marketing display is maintained with 300,000 or more users located in Colombia, or if there is the possibility of viewing prices in Colombian pesos (COP) or allowing payment in COP.

Potentially, PES rules may not apply under double taxation avoidance treaties and future international treaties on digital economy taxation.

It is noted that in case that a non-resident with PES was classified as a Large Taxpayer, he would not have the formal obligations of Colombian residents with this status.

The rules regarding PES would come into force as of January 1, 2024.

F. Global limit for certain stimuli and tax benefits

The value of some non-rental income, special deductions, exempt income and tax discounts may not exceed 3% of the ordinary liquid income before deducting the special deductions.

G. Elimination of some special treatments

Various special treatments are repealed, including: non-rental income and occasional gain from certain capitalizations; orange economy exemptions, farm development exemptions, those associated with the sale of land for urban renewal projects and interests in mortgage portfolio securitization, exempt income for fluvial transportation, and exempt income for forest plantations. The mega-investment regime is also repealed.

For its part, the terms to benefit from the Zese regime for Buenaventura and Barrancabermeja will apply until December 31, 2024.



In any case, it is noted that for those who have complied with the legal requirements, the benefits will be respected during the time they were provided.

H. Other income tax modifications

- It is established that foreign entities will have their "effective headquarters of administration" in Colombia and, therefore, they will be tax residents in the country, based on day-to-day activities, since it eliminates mentions such as "decisive management", "senior executives" and "senior management".
- The untaxed income from the sale of shares listed on a Colombian Stock Exchange will apply when said sale does not exceed 3% of the outstanding shares of the respective company, during the same taxable year (currently, this percentage is 10%.)
- A presumption is included to determine the cost of labor in potato cultivation, equivalent to 30% of the value of the producer's taxable income.
- It is established that the sentences originating from administrative, judicial or arbitration processes considered as non-deductible would be those that have a punitive, sanctioning or damage compensation nature.
- The special deduction for investments in research, technological development and innovation is eliminated (article 158-1 of the ET). However, taxpayers will be entitled to discount 30% (currently 25%) of the value invested in said projects in the taxable period in which the investment was made.
- The restriction of concurrent tax benefits is extended. Currently, it is not allowed to simultaneously request a special deduction (without a causal relationship with the income-producing activity) and a tax discount for the same economic event. The previous benefits that cannot be requested simultaneously based on the same economic fact now include exempt income, income that does not constitute income or occasional gain, and the reduction of the tax rate in income tax. Although income that is considered non-constitutive of income, but that does not actually generate an increase in the net worth of the taxpayer, would not be subject to this restriction.
- Payments or account credits to natural persons not responsible for VAT (IVA) for activities arising from transfers in or through payment service providers, aggregators, acquiring or paying entities will not be subject to withholding at the



source of income.

- The term that the entities of the special tax regime (RTE) have annually to update said quality is extended to the first 6 months of each year (currently 3 months). Additionally, some terms are established for the qualification process in the RTE, contemplating 10 business days for the DIAN to rule on the qualification requests to the RTE that do not meet the regulatory requirements and one month for the taxpayer to correct the request.
- The mechanism of payment of works for taxes will be applicable in the PDET and ZOMAC territories of the Special Industrial, Port, Biodiverse and Ecotouristic District of Buenaventura, subject to compliance with legal requirements.
- The possibility of a voluntary contribution in the income tax declaration is established, which will be used for the development of social programs.

Natural Person - Income Tax

A. Tax determination

- It is established that the income associated with: income from work, capital, non-labor, pensions and dividends and participations, are taxed jointly at the progressive rates specific to natural persons (between 0% and 39%). Within this sum of income, occasional earnings will not be included.
- The 25% exemption limit applicable to work income is reduced to 790 annual UVT (\$34 million COP approximately). Today the limit is 2,880 UVT (\$109 million COP).
- The limit of exempt income and special deductions of the general certificate continues to be 40% of gross income minus non-income income, without exceeding an annual value equivalent to 1,340 UVT per year (\$57 million COP approximately). Today the limit is 5,040 UVT (\$192 million COP).
- Apart from the previous limit, a deduction of up to four economic dependents (dependientes económicos) is proposed, each for 72 UVT (approximate \$3 million COP).



- Those who have income from the general certificate (work income, capital income and non-labor income), may request as a deduction 1% of the purchases of goods and/or services made during the taxable period and supported by an electronic sales invoice with previous validation. This deduction has the following characteristics: i) It may not exceed 240 annual UVT (approximate COP \$10 million); ii) It is not incorporated within the general limit of exempt income and deductions of 40% or 1,340 UVT; iii) It does not require that there is a causal relationship; iv) No other tax benefit may be taken for this deduction; and v) The payment of the goods and/or services must be made through bank means of payment in the taxable year in which the deduction is requested.
- In determining the net income of the 'cédula general' (schedular taxation system), a ceiling is included on deductible costs and expenses from work income, which would be 60% of gross income. If this limit is exceeded, the taxpayer must expressly inform it in the declaration and have invoices or electronic documents that support said expenses.
- The gross income threshold from which natural persons are taxed is not modified.

B. Pensions

The currently existing pension exemption is finally maintained at 12,000 annual UVT (approximately COP \$509 million). This benefit is extended to pensions obtained abroad by taxpayers residing in the country.

Dividend taxation

A. Resident natural persons

Dividends paid to resident natural persons from the distribution of profits that paid tax at the head of the company, will be taxed at the progressive rate between 0% to 39% that corresponds to the level of taxation of the taxpayer's schedular income (today rates apply between 0% to 10%). However, for resident natural persons, a tax discount of up to 19% on the value of dividends will be allowed, which would lead to a maximum income tax rate of 20%.



The dividend withholding fee will be up to 15% (currently 10%), from dividends greater than 1,090 UVT (COP \$46 million).

B. Non-resident natural persons and legal entities

Dividends paid to natural persons or non-resident legal entities, from the distribution/transfer of profits that paid corporate tax at the company/branch level, will be subject to a rate of 20% (currently 10%).

C. Withholding of dividends between national companies

The withholding tax on the distribution of dividends between national companies will be 10% (currently 7.5%). Said withholding will be transferable to the natural person who is a tax resident in Colombia, or to the investor (natural or legal person) residing abroad. The exception treatments for not applying this withholding are still in force.

Property tax

- A.** The wealth tax is reestablished, now on a permanent basis. Said tax will be incurred on January 1 of each year.
- B.** As in the past, the tax would be levied mainly on natural persons (in the case of non-residents, it would be levied on assets owned in the country), but it would also be levied on some non-resident companies and entities that own assets in the country, such as real estate, yachts, boats, motorboats, works of art, aircraft or mining or oil rights. Non-resident companies or entities will not be taxed on the shares, accounts receivable, and portfolio investments that they have in Colombia, nor will they be taxpayers with respect to the financial leasing contracts that they sign with residents in Colombia.
- C.** The tax would be generated by the possession of net worth equal to or greater than 72,000 UVT (approximate \$3,054 million COP.)
- D.** To determine the taxable base of the tax, the exclusion of the first 12,000 UVT (approximately \$509 million COP) of the taxpayer's residence is appropriate.



- E. The wealth tax base will be determined according to the following range of marginal rates:

Ranges UVT		Marginal rate	Tax
From	To		
0	72.000	0%	0
72.000	122.000	0,5%	(Taxable Base in UVT less 73.000 UVT) x 0,5%
122.000	239.000	1,0%	(Taxable Base in UVT less 122.000 UVT) x 1,0% + 250 UVT
239.000	Onwards	1,5%	(Taxable Base in UVT less 239.000 UVT) x 1,5% + 1.420 UVT

- F. The 1.5% rate will be temporary from 2023 to 2026, inclusive. Therefore, from 2027 the maximum rate will be 1%.

- G. The following special rules are added to determine the taxable base of the wealth tax:

- The shares or quotas of interest of national companies that are not listed on the Colombian Stock Exchange or any entity of recognized suitability, will be declared for the lower value between its intrinsic value and the fiscal cost determined based on the percentage increase of the CPI (in the terms of article 73 of the ET) from the date of acquisition. For purposes of the adjustment, the shares or quotas of social interest acquired before January 1, 2006 will be understood as acquired in the year 2006.
- The shares or quotas of social interest that are listed on the Stock Market, will be declared at the average market value of the year or fraction of the year immediately prior to the date of causation of the tax.
- The equity value of the shares in private interest foundations, trusts, insurance with a material savings component, investment funds or fiduciary businesses abroad, will be the same as the fiduciary rights, for which reason the same current regulations related to this type of product will be applied (articles 271-1 and 288 of the ET).
- However, when you have shares or participations in certain companies considered



"start-ups", the value to be taken into account for wealth tax purposes would be their fiscal cost. This treatment would be allowed for a period of 4 years from the moment the investment is made in the company, and as long as the following requirements are met:

- (i) That the company has not been incorporated more than 4 years ago and its purpose is the development of an "innovative and scalable" business, in addition that its main economic activity involves the intensive use of digital technologies or the execution of research, development and innovation (R+D+i);
- (ii) That they have received at least 105,000 UVT (approximately \$4,450 million) of investment in the capital during the taxable year or the previous 4, in exchange for at least 5% participation in the capital of the company;
- (iii) That he has not had taxable net income in the immediately preceding year; and
- (iv) That the tax cost of the shares of one or more of the non-founding shareholders is at least 3 times their intrinsic value as of December 31 of the immediately preceding taxable year.

Occasional earnings

- A.** The rate of occasional earnings for both natural persons and legal entities (tax residents and non-residents) will increase to 15%. The foregoing with the exception of occasional earnings from lotteries, betting raffles and the like, which will remain at 20%.
- B.** Compensation for life insurance will be taxed on the amount that exceeds the 3,250 UVT (approximate \$138 million COP). Currently, the tax applies to the excess of 12,500 UVT (\$475 million COP).
- C.** The following exempt occasional earnings applicable to the allowance due to death, or the conjugal portion to the legitimate people, or to the spouse are modified as follows:

Exempt occasional gain	Current	Reform
Value of the urban housing property owned by the deceased	7.700 UVT (\$293 million COP).	13.000 UVT (\$551 million COP approximately).



Value of the rural property owned by the deceased	7.700 UVT (\$293 million COP).	6.500 UVT (\$276 million COP approximately) of real estate other than the dwelling owned by the deceased.
Value of the allowances received by the surviving spouse and each of the heirs or legatees, as the case may be, as a conjugal portion or inheritance or legacy.	3.490 UVT (\$133 million COP).	3.250 UVT (\$138 million COP approximately).
Assets and rights received by persons other than the legitimate ones and/or the surviving spouse by way of inheritances and legacies, and of the assets and rights received by way of donations and other inter vivo legal acts entered into free of charge.	20% of the value constitutes occasional gain, maximum 2,290 UVT (\$87 million COP).	20% of the value constitutes occasional gain, maximum 1,625 UVT (approximate \$69 million COP).

The first 5,000 UVT (approximately \$212 million COP) of the profit on the sale of residential housing will constitute exempt occasional gain (today it is 7,500 UVT, \$285 million COP). Regarding the current norm, the requirement to reinvest the resources to buy another home will be maintained. This exemption will not be conditioned to the cadastral value or self-assessment of the property, as is currently the case.

Other taxes

A. Sales tax – VAT

- The non-causation of VAT is maintained for imports of goods subject to postal traffic, urgent shipments or express delivery shipments of less than \$200 USD. However, it would no longer be enough for the goods to come from a country with which there is a Free Trade Agreement (FTA) where the non-collection of this tax has been agreed, but also compliance with the provisions of each FTA to opt for the benefit.
- VAT exclusions include immediate prize incentives for territorial games of luck and chance, and the marketing of products that are made, prepared, manufactured and produced within prison establishments. On the other hand, the commercialization of domestic pets and the tickets for bullfighting, equestrian and canine shows are eliminated from the activities excluded from VAT (and therefore begin to be taxed).
- The value transport service will be taxed with the general rate of 19%, but said rate would be applied on a special basis of the AIU (Administration, Contingencies and Utility).



- For electronic slot machines that operate in premises whose main activity is different from gambling, the VAT tax base will be 10 UVT. In addition, for the localized games indicated in numeral 5 of article 34 of Law 643 of 2001 (except for slot machines and bingo games), the monthly tax base will be 10 UVT.
- As of 2023, the "days without VAT" are eliminated.

B. Stamp duty

A stamp tax is established for documents elevated to public deed, which correspond to acts of alienation of real estate for a value that exceeds 20,000 UVT, the tax also applies to public deeds in which ships are sold, or in which mortgages are established. on any of the above assets. The rate will be 1.5% (on the value that exceeds 20,000 UVT), and 3% (on the value that exceeds 50,000 UVT).

C. Tax on financial movements – GMF

- It is established that the credit and debit movements originated in electronic payment operations by a cardholder or by the user of an electronic means of payment, will be considered a single transaction taxed by the cardholder or user of the means of payment until the dispersal of funds to the businesses through the acquirers or their payment service providers as long as they are operations carried out in the development of the contract for the acceptance of means of payment in the business.
- Financial entities and/or cooperatives supervised by the Superintendence of Finance or Solidarity Economy must adopt an information system that allows the GMF exemption of 350 monthly UVT to be applied to each person (considering their different bank accounts), without the need to have to mark a single account. For this, a term of up to 2 years is given.

Provisions on procedures and sanctioning issues

- A.** Adjustments are introduced to the penal regulations in tax matters for the crimes of omission of assets or inclusion of non-existent liabilities and tax fraud or evasion. Such changes include: (i) reduction of the amounts for the offense to apply; (ii)



impossibility of filing a complaint when an administrative claim is in process, or when there is a reasonable interpretation of the applicable law, provided that the facts and figures declared are complete and true; (iii) although in principle the criminal action is extinguished with the due payment, it is pointed out that this possibility can only be requested twice, since if it is done on a third occasion it will only lead to a reduction of the sentence; and (iv) it is established that the DIAN, through a committee led by the Director General or his delegate, may request the initiation of criminal action. On the other hand, the suspension of the prescription of criminal action is established when there is a subscription to payment agreements with the tax administration (and for a term of up to 5 years).

- B.** Reductions are established in the sanctions applicable to the sending of tax information (which, among others, includes magnetic media). Additionally, a transitional regime is foreseen with even more reduced sanctions (up to 95% reduction), provided that no statement of objections has been notified and the correction is made until April 1, 2023.
- C.** The declaration of withholding at the source that has been presented without full payment will produce legal effects when the unpaid value does not exceed 10 UVT and is canceled no later than the following year from the expiration date of the declaration term. In relation to declarations of withholding at source that have been presented without full payment, and therefore are considered ineffective on the date of issuance of the reform, said ineffectiveness may be corrected if the value payable in each declaration is equal to or less than 10 UVT, and the same is paid, together with default interest, no later than June 30, 2023.
- D.** Flexibility is introduced to the payment facilities, empowering new officials within the DIAN to enter into payment agreements and enabling the granting of payment facilities without guarantees under certain assumptions.
- E.** Some reductions / temporary benefits:
 - For tax and customs obligations that are paid in full by June 30, 2023, and for payment facilities or agreements that are signed on that date, the default interest rate will be 50% of the interest rate generally applicable.
 - For taxpayers who, as of December 31, 2022, have not submitted the tax returns



to which they were obliged by the taxes administered by the DIAN, and who submit them before May 31, 2023, with payment or with facilities or agreements for payment requested on this date and subscribed before June 30, 2023, the penalty of late payment and the default interest rate will be reduced by 60%. This benefit also applies to tax return corrections.

- Those responsible for VAT who have submitted declarations considered without any legal effect as of November 30, 2022, due to having been submitted in a different period, will not be required to settle and pay a penalty for late payment or late payment interest; this provided that they are presented within four months following the effective date of the Law. The amounts actually paid with the initial declarations may be taken as a credit to the balance to be paid in the declaration of the corresponding period.
 - Several of the sanctions proposed or determined by the UGPP (Pension and Parafiscal Management Unit), which are paid by June 30, 2023 (or for which a payment agreement is signed on that date, for which the request must be filed by May 15), may be reduced to 20% (80% reduction).
- F.** The President of the Republic is empowered for a term of 6 months, to issue a new penalty regime and confiscation of merchandise in customs matters, as well as the applicable procedure to be followed by the DIAN.

Other provisions

- A.** It is noted that the contribution base to the social security system of independent contractors remains at 40%, as well as the need to contribute on each contract and the exclusion of VAT from the contribution base. The value of the base for those not obliged to keep accounts is changed, going from the monthly value of the contract to the value actually received.
- B.** The tariff for the importation of agricultural inputs will be 0% for a term of one year.
- C.** A new contribution is established by Higher Education Institutions, with respect to the amounts disbursed by ICETEX for reimbursable credits for higher education, which do not have a rate subsidy and that the beneficiary of the credit is not in the repayment period. of this. The rate will be the difference between the interest rate



contracted by the student with ICETEX and the annual variation of the CPI in force at the time of the transfer.

Simple tax regime (SIMPLE)

- A. The rates of different categories of the SIMPLE regime are reduced.
- B. Professional, consulting and scientific services in which the intellectual factor predominates over the material, including liberal profession services, may be maintained in the SIMPLE, as long as gross, ordinary or extraordinary income does not exceed 12,000 UVT in the taxable year. previous. For them, rates between 7.3% and 8.3% would be established.
- C. For economic activities identified with ISIC Codes No. 4665 (Wholesale trade of waste, scrap and scrap), 3830 (material recovery) and 3811 (collection of non-hazardous waste) the rate will be 1.62%. However, they may not belong to SIMPLE, those who develop the aforementioned economic activities, when they obtain net profits greater than 3% of gross income.
- D. A group of education and activities of human health care and social assistance is created with rates between 3.7% and 5.9%.
- E. SIMPLE taxpayers may take as a tax discount the GMF that has been effectively paid during the respective taxable year, regardless of whether or not it has a causal relationship with the economic activity of the taxpayer, provided that it is duly certified by the withholding agent and does not exceed 0.004% of the taxpayer's net income.
- F. Individuals who pay SIMPLE, with a net income of less than 3,500 UVT, would not be liable for VAT, regardless of their activity.