

Legal Update

Reform to Venezuela's Tax Law on Big Financial Transactions

September 2018

Tax

On August 17, 2018, the Constituent National Assembly issued a Decree with the Rank, Value and Force of Law, to reform the Tax Law on Big Financial Transactions (TLBFT)¹, which was published in the Official Gazette of the Bolivarian Republic of Venezuela, Special Issue No 6.396, dated August 21, 2018.

Rate

Through this reform, article 13 of the TLBFT was modified, which sets a tax rate with a maximum limit of 2%, and included the power of the National Executive Government to set a rate up to such limit.

The tax rate was set at 1%, which represents an increase of 0.25%, in comparison to the 0.75% rate set in the reformed TLBFT.

Effective date

This reform of the TLBFT became effective on September 1, 2018.

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Footnote

¹ Decree with the Rank, Value and Force of a Law Law on Big Financial Transactions published in Official Gazette No 6.210 Special dated December 30, 2015.

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