

# Update

| March 26th, 2020

## National Magnetic media

Deadlines for submitting 2019 national magnetic media before the DIAN were extended as follows:

### Large taxpayers

Last NIT numbers	Deadline (2020)
0	May 15
9	May 18
8	May 19
7	May 20
6	May 21
5	May 22
4	May 26
3	May 27
2	May 28
1	May 29

### Other companies and physical persons

Last NIT numbers	Deadline (2020)
96 - 00	June 1
91 - 95	June 2
86 - 90	June 3
81 - 85	June 4
76 - 80	June 5
71 - 75	June 8
66 - 70	June 9
61 - 65	June 10
56 - 60	June 11
51 - 55	June 12
46 - 50	June 16
41 - 45	June 17
36 - 40	June 18
31 - 35	June 19
26 - 30	June 23
21 - 25	June 24
16 - 20	June 25
11 - 15	June 26
06 - 10	June 30
01 - 05	July 1

## Other deadlines related to magnetic media

Concept	Extended deadline (2020)
Magnetic media related to Industry and Trade Tax	August 31
Cooperation and technical assistance agreements with International Organizations (Resolution 000070 of 2019)	August 31
Foreign exchange and external debt (Resolution 9147 of 2006)	August 31
Purchase and sale of foreign currency (Resolution 9149 of 2006)	August 31
Administrative resolutions of municipal or district tax obligations	June 12

## Tax measures implemented in Bogotá

Bogotá	Real Estate Tax (RET)	Executive Order 093 dated March 25, 2020, extended the deadline for paying the RST on residential and non-residential properties until June 5, 2020 with a 10% discount and until June 26, 2020 without discount.
	Vehicle Tax	Executive Order 093 dated March 25, 2020, extended the deadline for paying the vehicle tax until July 3, 2020 with a 10% discount and until July 24, 2020 without discount.

# Update

| March 24th, 2020

## 1 Filing of financial statements before the Superintendency of Companies

External Circular No. 100-000003 of March 17, 2020 issued by Superintendency of Companies extended the deadlines for the filing of financial statements. The new deadlines are as follows:

Last NIT numbers	Deadline
01-05	April 14 (Tuesday)
06-10	April 15 (Wednesday)
11-15	April 16 (Thursday)
16-20	April 17 (Friday)
21-25	April 20 (Monday)
26-30	April 21 (Tuesday)
31-35	April 22 (Wednesday)
36-40	April 23 (Thursday)
41-45	April 24 (Friday)
46-50	April 27 (Monday)
51-55	April 28 (Tuesday)
56-60	April 29 (Wednesday)
61-65	April 30 (Thursday)
66-70	May 4 (Friday)
71-75	May 5 (Monday)
76-80	May 6 (Tuesday)
81-85	May 7 (Wednesday)
86-90	May 8 (Thursday)
91-95	May 11 (Friday)
95-00	May 12 (Monday)

## 2 Scope of Executive Order 434 of 2020 regarding ordinary shareholders meeting

The Superintendency of Companies through External Circular 100-000004 dated March 24, 2020, provide guidance to Executive Order 434 of 2020 regarding ordinary shareholders meetings as follows.

**1.** Pending Call: companies that have not called the 2019 ordinary meeting may benefit from the new deadline set on Executive Order 434 of 2020.

**2.** Call made but not held: companies that in the terms of External Circular 100-00002 of 2020 have not been able to hold the ordinary meeting must make the new call according Executive Order 434 of 2020.

**3.** Call made but postponed due to Executive Order 434 of 2020: Companies that have made a call for the ordinary meeting may postpone it in accordance with the deadline set forth on Executive Order 434 of 2020.

Likewise, it is not possible to hold meetings in own right on April 1, 2020.

## 3 Tax matters

Due to Covid-19, local tax authorities have extended the deadlines for the filing and payment of local taxes.

Regarding national taxes:

■ **VAT exemption:** Executive Order 438 of 2020 granted a temporary VAT exemption to some medical equipment (nebulizers, vital signs monitors, ventilators, defibrillators, oxygen bullets, among others) applicable during the period of the economic and social emergency.

■ **Special Tax Regime:** Executive Order 438 of 2020 extended to June 30, 2020, the deadline for the update process in the Special Tax Regime (ESAL). Hence, the deadline was extended for three months.

■ **Magnetic media:** The Colombian Tax Commissioner, José Andrés Romero, announced that such entity is planning to extend the deadlines for filing national magnetic media.

The measures implemented by local tax authorities are as follows:

Municipality	Measures
<b>Armenia</b>	<p>Executive Order 0137 of 2020 extended the deadlines for filing Real Estate Tax (RET) and Industry and Trade Tax (ITT)</p> <p>RET: Deadline for benefit from the 15% discount was extended to April 20.</p> <p>ITT: The initial deadlines for filing and paying ITT were between March 25 and 30. Such deadlines were extended between April 24 to 30.</p>
<b>Bogotá</b>	<p>Resolution No. SDH-000177 issued on March 24, 2020, suspended the terms for local tax procedures until May 4, 2020.</p> <p>RET: Deadline for paying the RET for real estate listed in stratum 1, 2 and 3 was extended to June 4.</p>
<b>Barranquilla</b>	<p>Resolution No. DSH-001 of 2020 allows filing tax returns to the following email: <a href="mailto:declaracionesica@barranquilla.gov.co">declaracionesica@barranquilla.gov.co</a>. A special bank account was set for money wires for paying taxes.</p>
<b>Bucaramanga</b>	<p>v The deadline for filing and paying ITT was extended to April 30.</p>
<b>Cali</b>	<p>The deadlines for filing and paying ITT were between March 24 and April 28. Resolution No. 4131.040.21.0045 of 2020 extended the deadlines between April 20 and June 1.</p>
<b>Medellín</b>	<p>The deadlines for filing and paying ITT were between April 13 and April 24. Resolution 2020031748418 of March 16, 2020, extended the deadlines between May 15 and May 29.</p>
<b>Itagüí</b>	<p>The deadlines for filing and paying ITT were between April 13 and April 24. Executive Order 425 of 2020, extended the deadlines between May 15 and May 29.</p>
<b>San Gil</b>	<p>Executive Order 100-080-2020 extended the deadline for filing and paying ITT to May 29.</p>

# Update

| March 20th, 2020

## 1 Deadline for the renewal of public records and having ordinary shareholders' meetings

Executive Order 434 of March 19th, 2020, issued by the Ministry of Commerce, Industry and Tourism extended the deadline for the renewal of the mercantile registry, the RONEOL, and other registries related to the Unique Business and Social Registry - RUES – except for the single registry of bidders (RUP) until July, 3rd 2020. Anyone registered in the RUP must present the information to renew their registration no later than July 5th, 2020.

The ordinary shareholders' assembly meetings of year 2019 may be held until the month following the end of the health emergency.

## 2 Ministry of Finance extends the validity of the UAP and ALTEX

Executive Order 436 of 2020 issued by the Ministry of Finance extended until May 31st, 2020, the validity of the recognition and registration of permanent customs users and highly exporters users, a measure that will continue until the declaration of the health emergency caused by COVID-19 is lifted.

In order to qualify for this treatment, users must bear an approved global insurance valid until May 31st, 2020 and three more months, that is, until August 31st, 2020. If the company is not insured, a new insurance or its modification must be requested within 5 business days following the entry into force of the guidance, which is March 20th, 2020.

The Executive Order also establishes measures for the entry into force of the benefits of consolidated payment, automatic clearance and global insurance envisaged at section 693 of Resolution 046 of 2019, which will apply as from June 1st, 2020.

### 3 Changes to the tax filing deadlines

On March 19th, 2020, the Ministry of Finance, attending the requests from the country's economic sectors affected due to COVID-19, issued the Executive Order 435 of 2020, by which the deadlines for the filing and payment of the income tax return of FY 2019 for large taxpayers and legal entities were extended.

Additionally, the deadlines for the payment of the Value-Added Tax (VAT) for the bi-monthly period of March - April 2020 and the four-month period of January - April 2020 and the national consumption tax for the by-monthly period of March - April 2020, were extended for companies engaged in activities of restaurants and beverage, travel agencies and tourism.

#### 3.1 Income tax return

##### Large taxpayers

Filing of income tax return and payment of the 2nd installment	
Initial deadline	Extended deadline
April 14th to April 27th	April 21st to May 5th

For financial institutions deemed as large taxpayers, the deadlines for the payment of the first installment of the surcharge (50%) of taxable year 2019 was modified. Initially, the deadlines were set between April 14th to April 27th. The Executive Order extended the deadlines between April 21st to May 5th, 2020, according to the last number of the taxpayer's NIT.

##### Companies and other taxpayers

Filing of income tax return and payment of the 1st installment	
Initial deadline	Extended deadline
April 14th to May 12th	April 21st to May 19th

### 3.2 Assets held abroad return

#### Large taxpayers

Filing of assets held abroad return	
Initial deadline	Extended deadline
April 14th to April 27th	April 21st to May 5th

#### Companies

Filing of assets held abroad return	
Initial deadline	Extended deadline
April 14th to May 12th	April 21st to May 19th

### 3.3 VAT

Taxpayers registered for VAT purposes engaged in the activities listed in Resolution 139 of 2012 (expense of prepared meals, expense of alcoholic beverages within an establishment, travel agencies, tour operators) will have as deadline for the filing and payment of the VAT tax return and the National Consumption tax:

#### Bi-monthly period

bi-monthly period	Deadline
March – April	June 30th

#### Four-month period

four-monthly period	Deadline
January – April	June 30th

### 3.4 National excise tax (NET)

#### Bi-monthly period

bi-monthly period	Deadline
March – April	June 30th

## 4 Summary of measures adopted due to COVID-19

Due to the exceptional circumstances that are currently occurring in public health, in the last few days several governmental entities have issued extraordinary regulations in different matters. PwC has compiled and summarized these regulations in this Newsletter for the benefit of our clients. Additional editions will be prepared as new provisions on the matter are enacted.



## Legal

- 1** Executive Order 389 issued on March 13, 2020, allows to have online meetings instead of face-to-face meetings for corporate law purposes; however, requirements for quorum are still applicable.
- 2** Through Resolution 11792 of 16 March 2020, the Superintendency of Industry and Commerce suspended the procedural terms of the administrative proceedings as from March 17th to March 31st, 2020. During those days terms will not run nor the following platform services will be available: Web portal, email, information systems, the Internet, procedure system, collection system and service to the public.
- 3** Likewise, the latter Superintendency through Resolution 11790 dated March 16th, 2020, suspended the terms in jurisdictional proceedings related to Consumer Protection, Violation of Industrial Property Rights and Unfair Competition, as from March 17 to April 30, 2020. During those days terms will not run nor the following platform services will be available: Web portal, email, information systems, the Internet, procedure system, collection system and service to the public.
- 4** The Superintendency of Companies, through Resolution 2020-01-107881 dated March 16th, 2020, suspended the terms for the jurisdictional procedures held in Bogotá and the Regional Intendencies as from March 17th to 22nd and will not provide attention to the public in the Bogotá headquarters nor in the Regional Intendencies.
- 5** The Superior Council of the Judiciary by Agreement PCSJA20-11517 dated March 15th, 2020, suspended judicial terms throughout the country as from March 16th to March 20, 2020, except for criminal proceedings in which the hearings can be held online and except also for human rights actions.
- 6** Finally, the Chamber of Commerce affiliated with Confecámaras have proposed to the National Government alternatives for extending the renewal deadline of the commercial register and others public records, given that March 31st is the current deadline. Information related to the medical condition of people is considered sensitive and its disclosure is prohibited under the law with exceptions.

**Contact:**  
**Juan Duarte**  
[duarte.juan@pwc.com](mailto:duarte.juan@pwc.com)

## Immigration law

- Foreigners are not allowed to enter to Colombia until May 30th, 2020.
- Only Colombian nationals and resident aliens (holders of migrant or resident visas), diplomatic members and aircraft crew, can enter the country, but they must comply with the preventive obligation of quarantine for 14 days.
- Any person entering the country must fill out the preventive control form for coronavirus arranged by the Colombian migration authority.
- Starting March 17th, 2020, Colombians Consulates will not process visa requests regardless of the visa category, except for courtesy visas.

Contact:  
Adriana Hincapié  
adriana.hincapie@pwc.com  
Karen Castillo  
karen.castillo@pwc.com

## Labor Law

Through Circular 021 dated March 17, the Ministry of Labor recalled the alternatives envisaged in labor law for developing labor activities which are:

**Home Office:** it is a temporary measure in which the rules for telecommuting does not apply.

**Telecommuting:** services are rendered by employees without requiring his physical presence. In this case, provisions related to working hours, overtime and night work are not applicable.

**Flexible workday:** employers may modify the working hours, reducing its duration or, assigning work shifts that avoid crowding of on-site workers employer an4d systems of mass transportation.

### Annual, early and collective vacations:

Employers may assign vacations, even if the employee has not met the year of service; employer should bear in mind that in these cases: (i) it is a paid period, (ii) workers cannot demand a new period of vacation after completing the year of work (iii) collective vacations can be announced by companies in order to counteract situations arising from health emergency.

### Paid leave - salary without labor activities:

Employers may assign these types of permits guaranteeing the payment of wages.

Any measure implemented by employers should ensure compliance with labor obligations, particularly the payment of wages and payroll contributions. Employers may have an obligation to promote self-care measures for employees.

After Resolution 0784 of 2020 was issued, the Ministry of Labor adopted the following administrative measures in order to comply with the guidelines issued by the different public health authorities:

- 1** Suspend procedural terms in all the procedures and actions of competence of the Vice Ministry of Labor Relations and Inspection, the Dependencies for Inspection, Surveillance, Territorial Control and Management of Labor Risks, the Office of Internal Disciplinary Control, the Territorial Dependencies and Special Offices of Labor and Safety Inspections.
- 2** The Labor Ministry would have inspectors or officials available to attend to those procedures not listed in the Resolution, such as example human rights actions.
- 3** Suspend inspection visits, settlement hearings and any activity which requires physical displacement unless it is strictly necessary.
- 4** Suspend all the activities related to the mobile inspection program.
- 5** Suspend all the activities related to issuing certificates that requires original signature.
- 6** Suspend face-to-face attention to public and enabled electronic means for assistance for each territory.

Contact:  
Adriana Hincapié  
adriana.hincapie@pwc.com  
Karen Castillo  
karen.castillo@pwc.com

## Customs Law

The Ministry of Commerce, Industry and Tourism issued Executive Order 410 of 2020, which partially modifies the customs tariff in order to lift tariffs on the import of goods needed for the health emergency caused by the COVID19, which will apply for 6 months.

The Decree lifted an overall of 110 subheadings tariffs, divided into two groups; the first for imports in general and the second exclusively for air cargo or passenger transport companies operating in or from Colombia.

Contact:  
Rafael Vesga  
rafael.e.vesga@pwc.com

## Tax Law

On March 13th, 2019, the Ministry of Finance issued the Executive Order 401 of 2019 which modified Executive Order 1625 of 2016 (Regulatory Guidance in Tax Matters) as follows:

### **1** Measures for commercial airlines, hotels and those taxpayers engaged in theatrical activities, live music shows and other shows

#### **a. Income tax return**

Commercial airlines, hotels and taxpayers who have as their main economic activity: 9006 "theatrical activities", 9007 "activities of live music shows" and 9008 "other live entertainment activities" deemed as large taxpayers, will have until July 31st, 2020, to pay the 2nd installment and until August 31st, 2020, to pay the 3rd installment. The latter companies not deemed as large taxpayers will have until July 31st, 2020, to pay the first installment and until August 31st, 2020, to pay the 2nd installment.

#### **b. VAT return**

Commercial airlines, hotels and taxpayers who have as their main economic activity: 9006 "theatrical activities", 9007 "activities of live music shows and 9008 "other live entertainment activities", will have until June 30th, 2020, to pay the bi-monthly period of March-April 2020, and until June 30th, 2020, to pay the four-month period of January -April 2020.

## **2** Suspension of terms in national tax procedures between March 19th and April 3rd, 2020

By resolution 000022 of March 18, 2020, the DIAN suspended the terms in administrative procedures and actions in tax matters, customs and foreign exchange between March 19th and April 3rd, 2020. The DIAN will determine whether to continue with this measure when it expires.

This suspension includes: i) Terms for authorizations or habilitations, ii) responses to ordinary information requirements, iii) internal deadlines for visits, iv) storage transits and multimodal transport, v) deadlines to re-import the temporarily exported merchandise, vi) deadlines for importing household goods, and vii) deadlines for filing urgent deliveries.

Additionally, between March 19 and April 3, 2020 the terms for the internal management of requests and complaints by the Electronic Computing Service (SIE) and PQRS, the deadlines for applications related to the Tax Registry and, in general, the requests made to through the Electronic Information Service pending to manage, were suspended.

During this time there will be no public attention in the dependencies of the Sectional Departments of Taxes, Customs and Tax and Customs delegates and the Central Level.

## **3** Other tax topics included on Executive Order 401

### **3.1. Income tax return - Works for taxes**

- a.** Companies that as of March 31st, 2020, apply to the mechanism of "works for taxes" in accordance with section 238 of Law 1819 of 2016, may file the income tax return and pay the 1st installment until May 29th, 2020.
- b.** Companies deemed as large taxpayers that as of March 31, 2020, apply to the mechanism of "works for taxes" in accordance with section 238 of Law 1819 of 2016, may file the income tax return and pay the 2nd installment until May 29th, 2020.
- c.** Taxpayers entitled to the mechanism of "works for taxes" in accordance with the provisions of Executive Order 401, must contribute the funds in the trust no later than May 29th, 2020.



### 3.2. Income tax return – financial institutions

Financial institutions obliged to pay the 2019 surcharge must pay it in two equal installments (April and June).

### 3.3. Assets held abroad return

The obligation to file the tax return for assets held abroad will only be applicable if the value of the foreign asset owned on January 1st, 2020, is higher than 2,000 UVT (COP \$ 71,214,000).

Taxpayers who file the tax amnesty return and normalized assets located abroad that were omitted for tax purposes, will have until September 25th, 2020, to file the return of assets held abroad except for physical taxpayers if at that date the deadline to file such return has not expired, which can be done within the applicable deadlines.

### 3.4. Simple Tax Regime

Taxpayers who belong to this regime must make advance payments on bi-monthly basis for taxable year 2020. Taxpayers who register in the Simple Regime during 2020 are required to make two advance payments through electronic receipts for each bi-monthly period, on the first due date of the advance payment applicable after its registration. There are also provisions for the collection of taxes by financial institutions.

### 3.5. Deadlines for filing wealth tax return

The deadline for filing the wealth tax return is between September 29th and October 9th of 2020. These taxpayers must pay the overall tax in two installments (May and September-October)

The deadline for filing and paying the tax amnesty for taxpayers that do not benefit from section 59 of Law 2010 of 2019, is September 25th, 2020, regardless of the taxpayer's last NIT number.

**Contact:**  
**Daniela Tamayo**  
**[daniela.tamayo@pwc.com](mailto:daniela.tamayo@pwc.com)**