



# The obligation to update the Single Taxpayer Registry (RUC) is established

Tax Newsletter



**KPMG in Panama**

July 27, 2022

# The obligation to update the Single Taxpayer Registry (RUC) is established and the procedure for the registration of legal entities in the Single Taxpayer Registry (RUC) is regulated

By means of Resolution No. 201-4393 of June 21, 2022, the General Directorate of Revenue (DGI), through the Ministry of Economy and Finance (MEF), establishes that all taxpayers, whose information declared in the Tax Identification Number (“RUC” in Spanish) has undergone changes, must comply with the update of the same no later than July 31, 2022. The updates that are made through the e-Tax 2.0 system will have to be made by completing all the mandatory fields.

Taxpayers who have not made their due updates by the date indicated will not be able to file the corresponding tax forms for the fulfillment of their tax obligations and could be subject to the provisions established by law.

On the other hand, through Resolution No.201-4984 of July 12, 2022, whereby Resolutions No. 201-1254 of March 7, 2018, and No. 201-3616 of June 4, 2018, are repealed, the following adjustments are required to be updated to the RUC of the taxpayers:

1. Permanent or incidental legal entities, legal acts, or public entities, at the time of their registration in the RUC, will be registered depending on their nature, within the following activities:

Financial Lease of Movable Goods	Limited Liabilities Company
Nonprofit associations	Public Company
Consortium	Civil Society
Cooperatives	Partnership
Government entities	Limited joint-stock partnership
Thrust	Limited Partnership
Private Interest Foundations	Foreign Company (not registered in the public registry)
Homeowners Associations of Horizontal Properties	Joint Stock Company
Political Parties	Branch or agencies of Foreign Companies
Joint Ventures	Entrepreneurship Limited Liabilities Companies
Unions	Beneficial and collective interest companies

2. For tax purposes, legal entities, legal acts, or public entities, will be differentiated by the following categories by the fact of having or not having taxable income in Panama, and may select one of the following categories of obligations:
  - A. **Panamanian Source:** Will have the obligation to file income tax returns and any other taxes that applies to them, in accordance with the line of business declared from the moment of their registration in the RUC, likewise, they must file a final income tax return, at time of its dissolution. Legal entities that have a percentage

from Panamanian source income, without consideration of the amount, will be required to file an income tax return.

- B. **Foreign Source:** Includes income from those activities that are described in paragraph 2 of article 694 of the Tax Code, as well as in article 10 of Executive Decree 170 of 1993.
- C. **Exempt and Non-Taxable Source of Income:** Those that are obtained as a result of the activities described as such in the Tax Code and in Executive Decree 170 of 1993, as well as those legal entities incorporated only to keep the ownership of assets, which will not generate taxable income from the realization of commercial or civil operations in an unusual way in Panama.

3. The RUC will include the identification of the Resident Agent in the “Resident Agent” section, as well as the identification of the Certified Public Accountant who endorses the income tax returns and other taxes that must be identified within the “related third party” section.
4. Through the e-Tax 2.0 system, the Resident Agents will have the power to update the information of the legal entities to which they provide services as Resident Agents and may, at the same time, request information on the account statement of the Corporate Annual Tax (“Tasa Única” in Spanish) and process its payment. This, with the proper use of the RUC and NIT (Tax Identification Number) of the persons or legal acts.
5. Legal entities that fail to determine their obligation with any of the above referred categories and that need to file tax return from starting to generate income from Panamanian sources, must adjust the information of the obligation in the e-Tax 2.0 system, adding the date when the activity that generate income from the Panamanian source activity began in the field of the obligation's commencement date. Similarly, indicate if the obligation corresponds to category A, B or C, as previously explained. This will prevent the generation of fines for omission.

Since the deadline for updating the RUC is close to expiring, some unions have requested an extension of the date; however, the DGI has not approved such request officially.

# Contact us

## Tax and Legal Services

### **Luis Laguerre**

Lead Partner

E: llaguerre@kpmg.com

### **Jair Montufar**

Partner

E: jmontufar@kpmg.com

### **Jose Andres Romero**

Partner

E: jromero4@kpmg.com

### **Jony Afu**

Director

E: jafu@kpmg.com

### **Gloriberth Buschbeck**

Director

E: gloriberthbuschbeck@kpmg.com

### **Jaime Carrizo**

Director

E: jcarrizo@kpmg.com

### **Andres Kosmas**

Director

E: akosmas@kpmg.com

### **Zita Segismund**

Director

E: zsegismund@kpmg.com

### **Angellinne Colona**

Assistant, Author of this edition

E: acolona@kpmg.com

### **KPMG Panama**

56 E. Street and Samuel Lewis Ave.  
Obarrio, Panama City

T: (+507) 208-0700

E: pa-fminformation@kpmg.com

**kpmg.com.pa**

KPMG Panama, Obarrio, 56th E. Street and Samuel Lewis Ave, Panama, 0816-01089

© 2022 KPMG, a Panamanian civil partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The information contained herein in this publication is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.