



Fiscal Flash

KPMG in the Dominican Republic

Tax and Legal Practice
November 2020

60 days remaining to apply for the DR's tax amnesty and transitory relief mechanisms implemented by the DGII



The Dominican Tax Authority ("DGII") publishes General Rule 05-20 (hereinafter the "General Rule"), which has implemented certain tax amnesty measures and facilitates tax compliance.

Detailed below are the most relevant measures implemented in the General Rule:

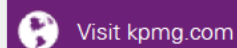
- **Revalue and make assets transparent through a single payment of 2%**, including the adjusted fiscal cost of shares in Dominican companies;
- **A tax amnesty has been set forth**, which would allow taxpayers to settle their debts concerning FYs 2017, 2018, and 2019, by paying a 3.5% tax on the average of the net operating income declared during the aforementioned FYs.



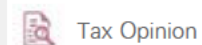
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CONTACT












TAX PRACTICE SERVICES



The taxes paid in said periods would serve the taxpayer as a credit.

- **Pending declarations of real estate or motor vehicles**, would be subject to a payment of 2% on the declared equity value, in addition to the applicable transfer tax.
- Tax liabilities currently under appeal, either before the DGII or a Tax Court, may be settled by a **single payment of 70% of the corresponding tax liability**, thus eliminating the surcharges and interest fees.
- **One hundred percent (100%) of surcharges can be eliminated** from the tax liabilities arising from ordinary declarations, self-assessments, and voluntary amendments, along with a 12 months interest payment; by means of which, taxpayers may settle or reduce outstanding tax obligations. Please bear in mind that this is a transitory relief mechanism implemented by the DGII and will be available until January 11, 2021.

KPMG confirms its interest to further assist you by providing tax advisory and compliance services to comply with the tax obligations described above before the DGII.

-  Fiscal Assistance
-  Tax Compliance
-  Tax Diagnosis
-  Tax Planning for Mergers and Acquisitions
-  Tax Planning and Audit
-  Individuals Tax Planning
-  Preparation and Filing of Returns and Monthly Reports
-  Reconsideration Requests
-  Transfer Pricing

Services

Corporate:	International Trade:	Fiscal Litigation:	Other Legal Services:
<ul style="list-style-type: none"> • General legal advice • Negotiation of transactions on behalf of clients • Legal services in mergers and acquisitions (including legal due diligence services) • Consultancy and opinion before the tax authority 	<ul style="list-style-type: none"> • International trade and customs assistance • Rules of origin and customs classification • International trade diagnosis • Customs audits 	<ul style="list-style-type: none"> • Legal fiscal assistance • Representation of clients before tax courts / arbitration forums • Fiscal legal procedures and constitutional rights • Customs and international trade dispute resolution • Double taxation and tax treaties dispute resolution • Enquiries to tax authority 	<ul style="list-style-type: none"> • Labor law assistance • Legal due diligence • Legal immigration assistance • Arbitration and alternative dispute resolution • Administrative and regulatory issues • Business and competition law • Intellectual property • Energy law, mining, telecommunications, aeronautic, maritime,

- Social security and remunerations

securities, banking and currency

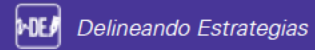
- Foreign investment, Free Trade Zones, Law 173

- Legal compliance

- Global entity management

- Regulatory compliance of financial services

Links of interest



Privacy | Legal

If you have any questions, email us at do-fmkpmg@kpmg.com

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