

## Frequently Asked Questions Development Poles (FAQ)

**DECREE promoting the investment of taxpayers engaged in productive economic activities within the Development Poles of the Isthmus of Tehuantepec.**

### Questions

#### 1.- Who can access the tax benefits granted in the Decree?

##### Answer

The legal entities that pay taxes under the general regime or under the simplified trust regime, and individuals who pay taxes under the income regime for business activities, if they carry out productive economic activities within the Development Poles (DP).

#### 2.- In which regions of Mexico can the benefits of the Decree be obtained?

##### Answer

The benefits can be obtained in the DP located in the Isthmus of Tehuantepec, in the states of Oaxaca and Veracruz. In accordance with the declaration issued by the decentralized public organism named "Interoceanic Corridor of the Isthmus of Tehuantepec". The PDs are: 1) Coatzacoalcos I; 2) Coatzacoalcos II; 3) Salina Cruz; 4) San Blas Atempa; 5) San Juan Evangelista; 6) Texistepec; 7) Matías Romero Avendaño; 8) Santa María Mixtequilla; 9) Ciudad Ixtepec; and 10) Asunción Ixtaltepec.

#### 3.- What tax incentives does the Decree grant?

##### Answer

##### Income Tax (ISR)

- A 100% income tax credit for the first three fiscal years, starting from the issuance of the certificate, and a 50% discount for the following three years, or up to 90% if employment targets are exceeded.
- Immediate 100% depreciation of investments in new fixed assets for the first six fiscal years.

##### Value Added Tax (IVA)

- A tax credit for 4 years equivalent to 100% of the value-added tax (VAT) that must be paid for the sale of goods, the provision of services, or the granting of temporary use or enjoyment of goods, carried out between taxpayers within the PDs.

#### 4.- What is meant by productive economic activities?

##### Answer

For the purposes of the Decree, productive economic activities are understood to include the following vocations:

- I. Electrical and electronic;
- II. Semiconductors;

- III. Automotive (electromobility);
- IV. Auto parts and transportation equipment;
- V. Medical devices;
- VI. Pharmaceutical;
- VII. Agroindustry;
- VIII. Electric power generation and distribution equipment (clean energies);
- IX. Machinery and equipment;
- X. Information and communication technologies;
- XI. Metals and petrochemicals, and
- XII. Any other not included in the previous sections determined by the Board of Directors of the Interoceanic Corridor of the Isthmus of Tehuantepec for the Development Poles, in accordance with the applicable legal provisions.

**5- Is there any procedure to fulfill in order to access the tax benefits of the Decree?**

**Answer**

Yes, it is necessary to request a certificate from the Tax Policy Unit of the Ministry of Finance and Public Credit, accrediting compliance with the requirements that interested parties must meet.

**6.- What is the certificate, and what is it for?**

**Answer**

The certificate is the document issued by the Tax Policy Unit of the Ministry of Finance and Public Credit, which serves to accredit compliance with the requirements established in the Decree and the Guidelines. The certificate allows the application of the tax benefits granted in the Decree to taxpayers engaged in productive economic activities within the Poles.

**7.- What is the validity period of the certificate?**

**Answer**

The certificate will be valid for six years, starting from the date of its issuance.

**8.- To issue the certificate, does the Ministry of Finance and Public Credit need to request an opinion from any other public entity?**

**Answer**

Yes, a favorable prior opinion from the General Director of the Interoceanic Corridor of the Isthmus of Tehuantepec is required.

### **9.- When can the certificate be processed?**

#### **Answer**

When taxpayers are interested in obtaining tax benefits and administrative facilities and have all the requested requirements.

### **10.- What are the requirements for processing the certificate?**

#### **Answer**

The requirements are:

- a) Being in compliance of all tax obligations;
- b) Having a valid concession title or be the owner of a surface within a Development Pole;
- c) Presenting the investment project for which the concession title was granted, if applicable;
- d) Having a tax address within the DP where they carry out their economic activities;
- e) Tax status certificate;
- f) Items containing the commitments for investment progress and employment from the new investment project;
- g) CFDI (Digital Tax Invoice), fiscal receipt, or import declaration of new fixed assets or quotations; for used goods used for the first time in Mexico, a document covering a period not exceeding 2 years;
- h) Positive opinion on compliance with tax obligations by SAT (Tax Administration Service);
- i) Having an advanced electronic signature;
- j) Having access to the tax mailbox through the SAT Internet Portal;
- k) Providing an address and email for receiving notifications, as well as the name(s) of authorized person(s) to receive them;
- l) Not having with tax debts, or if registered in the Federal Taxpayers Registry (RFC), not be located, have had any tax debt forgiven, committed any tax crime, used documents that cover non-existent operations, and are not listed on the SAT website for such reasons.
- m) Not falling within the presumption of issuing tax receipts without having assets, personnel, and infrastructure, or be legal entities with a partner or shareholder that falls on this presumption;
- n) Not falling on the presumption of generating undue tax losses, i.e., when, as a result of a restructuring, spin-off, or merger of companies, losses have been transferred to those who are not entitled to them.

- o) Not being in the process of temporary restriction of the use of digital seals for the issuance of CFDI;
- p) Not having their certificates for the issuance of CFDI cancelled by SAT;
- q) Providing a description of their productive economic activities, indicating the code of the North American Industry Classification System (NAICS);
- r) Presenting the information regarding job creation during the validity of the certificate, specifying the number of jobs for each fiscal year and indicating whether they are indefinite or temporary jobs, in accordance with the investment project, understanding that it will be the minimum level, in accordance with the Guidelines.

**11.- Are the tax benefits only for the owner of a surface within the Development Poles, or also for companies engaging in productive economic activities within a Development Pole?**

**Answer**

The tax benefits can be obtained by both the owner of a surface in the DP and by companies with a valid concession to that set up operations within them, provided they obtain the certificate issued by the Tax Policy Unit of the Ministry of Finance and Public Credit.

**12.- From which fiscal year can the 100% tax credit against income tax (ISR) be obtained?**

**Answer**

It can be obtained for three fiscal years starting from the one in which taxpayers get the certificate. In the following 3 years, they can obtain a 50% income tax (ISR) credit, or up to 90% if they meet employment targets.

**13.- From which fiscal year can immediate deduction be obtained?**

**Answer**

It can be obtained for six fiscal years starting from the year in which taxpayers get the certificate. The immediate depreciation of investments can be made in the fiscal year in which the asset is first used or in the following year.

**14.- When are fixed assets considered to be new?**

**Answer**

Fixed assets are considered new when they are used for the first time in Mexico.

**15.- Are there any restrictions for the immediate depreciation of new fixed assets?**

**Answer**

Yes, immediate depreciation will not be applicable to office furniture and equipment, automobiles, armored car equipment, or any non-individually identifiable fixed asset.

**16.- Can the tax incentives for income tax (ISR) be combined with other treatments, regimes, or tax incentives?**

**Answer**

No, taxpayers applying the tax credit against income tax (ISR) and immediate deduction cannot combine them with the tax treatment for maquiladoras; the optional regime for groups of companies; the treatment for trusts dedicated to the construction of real estate investment trusts (FIBRAS); and tax incentives for the production and distribution of national cinema and theater, research and development of technology, and the promotion of high-performance sports

**17.- Can the benefit of immediate depreciation be applied to the provisional income tax payments of the fiscal year?**

**Answer**

Yes, the benefit of immediate depreciation can be applied to the provisional income tax payments of the fiscal year.

**18.- If the products obtained from the development of activities covered by the Decree within the poles are sold in different states of the national territory, does this sale qualify as income from the productive economic activity carried out within the Poles and, would this income be subject to the income tax (ISR) credit?**

**Answer**

Yes. Tax incentives on income tax (ISR) apply regardless of the place, region, or entity within the national territory where the products manufactured by productive economic activities within the DP are sold.

**19.- Is the VAT incentive limited solely to economic activities (considerations) carried out between individuals located within the same Development Pole?**

**Answer**

No, the incentive will apply when activities are carried out between taxpayers located in the same or in different Development Poles;

It does not apply to operations carried out by taxpayers within the DP with individuals outside the poles or abroad (exports).

**20.- What is the deadline for the application of the VAT tax incentive?**

**Answer**

Four years. The deadline is calculated from the publication of the "Decree to promote investment by taxpayers engaging in productive economic activities within the Development Poles for the Well-being of the Isthmus of Tehuantepec" in the Official Gazette of the Federation (June 5, 2023).

In the case of the Development Poles whose declaration is published in the Official Gazette of the Federation after the mentioned date, the deadline will begin from the effective date of such publications.

**21.- When can the VAT tax incentive be obtained?**

**Answer**

From the effective date of the Decree, provided that the certificate issued by the Tax Policy Unit of the Ministry of Finance and Public Credit is obtained.