



Deadline for the cancellation of tax obligations is extended

KPMG in Panama

January 6, 2023

Deadline for the cancellation of tax obligations due on December 31st, 2022 is extended until January 13th, 2023.

Through Executive Decree No. 1 of January 4th, 2023 the Ministry of Economy and Finance (MEF), grants an additional term for the cancellation of tax obligations payable as of December 31st, 2022.

This decree states that "An additional term is granted until Friday January 13th, 2023 for the payment of taxes that are caused or must be paid during said period and that are under the jurisdiction of the General Revenue Directorate (DGI), without this entailing the generation and payment of interest, surcharges and fines."

The following are subject to the aforementioned benefits:

- Direct and indirect national taxes;
- Taxes;
- Special contributions;
- Any other debts of money, liquid and enforceable, that in any concept a natural or juridical person, as well as the real estate must pay before the DGI.

Are excepted those whose obligation arises from the quality of withholding agents, which are detailed below:

- Income Tax withheld from employees.
- Income Tax withheld from non-residents.
- I.T.B.M.S.T. withheld to non-residents.
- I.T.B.B.M.S. withheld by the State.
- I.T.B.B.M.S. withheld by local withholding agents.
- Tax on dividends.

The DGI has communicated that this decree covers taxes corresponding to the year 2022 and those included in the Law 337 of November 14th, 2022 for tax regularization (See Tax Newsletter: [New Tax Regularization Law enters into force](#)).

It should be noted that with this new extension, taxpayers are given an additional term to comply with their responsibilities before the DGI and take advantage of the benefits of the Moratorium established in Law 337 of 2022.

If you have any questions regarding this and other related issues, please do not hesitate to contact our specialists.

Contact us

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