

CORPORATE TAX IS BACK!

As of September 1st 2017, you can now pay your corporate tax again, which was recently reinstated. (Law 9428).

For this year, it is a partial payment.

When is this partial payment due?

It is due by the end of September 2017.

How can I pay it?

You have options.

1. You can pay it online with Banco de Costa Rica, but you must log into your account, go to Payments (*Pagos*) and go to Tax Administration (*Ministerio de Hacienda*) and then find the option that says "*Impuesto de Personas Jurídicas*" and then go to "consult" (*consultar*) and punch in your corporate ID number (*cédula jurídica*) that starts with 3-101- or 3-102-.

2. Or, you can go to the bank directly and do the payment there through your account or with cash. You need to have your ID number handy (*Cédula Jurídica*) and give it to the teller and tell him or her you want to pay the "*impuesto a personas jurídicas*".

3. If you are not in Costa Rica and do not have a BCR account, or you would prefer it done for you, you can also use the services of **E & T Escrow and Trust Solutions SRL** to pay the tax. They may have already contacted you to this regard. For assistance, contact: **paymentinstructions@escrowtrustsolutions.com**

When do I have to pay this again?

Since this payment is only a partial payment, the entire payment for 2018, is due in January 2018 for the entire year. This needs to be paid during the month of January.

What does "active" or "inactive" corporation mean?

Active means commercially active and paying income tax and/or sales tax with the Costa Rican tax administration. An inactive corporation is a corporation that is not active in any business or receiving income and therefore has not been registered in the tax office. Normally people hold their assets in corporations, therefore many hold vehicles or properties. If you are not sure if you are active or inactive, you can check with your ID number on this website:

http://196.40.56.20/consultasic/wf_consultajuridicas.aspx, insert where it says "cédula jurídica" the number of your ID (3-101- 3-102-...) or the corporate name. It will then state if you are Activa or Inactiva. If you are surprised by the result, feel free to contact us, E & T Escrow and Trust Solutions SRL or your accountant.

How much does my corporation have to pay?

CORPORATIONS, active & inactive	From September to December 2017	All of year 2018	Approximate in dollars for 2018
Inactive corporation	¢21,308 (\$36.55)	¢63.930	\$109.66
Active corporations – income less than ¢51,144.000 colones	¢35,513 (\$60.91)	¢106.550	\$182.76
Active corporations – income more than ¢119 million colones	¢71,026 (\$121.83)	¢213.100	\$365.52
Active corporations- income between ¢51 and ¢119 million colones.	¢42,616 (\$73.10)	¢127.860	\$219.31

What if I don't pay the partial payment by September 2017?

The amount owed will accrue interest and penalties daily, that come out to about 11.73% yearly.

What if I owe from the last corporate tax that was due last time (Law 9204)?

You will have three months to pay the former tax without interest or penalties.

Situations that may occur if I don't pay my corporate tax:

- a.) You cannot obtain a corporate certification (*Certificación de personería jurídica*)
- b.) You cannot make changes in your corporation or purchase properties or vehicles.
- c.) After 3 terms of not paying the tax, your corporation could be dissolved.