

Extract from the VAT Law of the United Mexican States

CHAPTER VI About the exportation of goods and services

Article 29.- Companies residing in the country shall calculate the tax by applying a 0% rate to the value of the alienation of goods or rendering of services, when these are exported.

Paragraph modified DOF 31.12.1981

For the effects of this Law, exportation of goods or services shall mean:

I.- A final exportation in the terms of the Customs Law.

Fraction modified DOF 31.12.1998, 31.12.2000, 30.12.2002

II.- The alienation of intangible goods made by an individual or corporation residing in the country to an individual or corporation residing abroad.

III.- The temporary use or usufruct in a foreign country of intangible goods provided by individuals or corporations residing in the country.

IV.- The usufruct in a foreign country of services rendered by individuals or corporations residing in the country for the following concepts:

a).- Technical assistance, technical services related to the same and information related to industrial, commercial or scientific experiences.

Item modified DOF 30.12.1980

b).- Assembly and sub-assembly operations for export in the terms of the customs legislation and of the Decree for the Promotion and Operation of the Export Assembly Industry. For the above effects it shall be understood that the services are exploited in a foreign country when the goods subject of the assembly or sub-assembly are exported by the cross-border assembly company.

Item modified DOF 30.12.1983, 30.12.2002

c).- Advertisement

Item added DOF 30.12.1980

d).- Commissions and mediations

Item added DOF 30.12.1980

e).- Insurances and reinsurances, as well as bonding and rebonding.

Item added DOF 30.12.1980

f).- Financial operations

Item added DOF 30.12.1980

g).- Filming or recording, provided they meet the corresponding requirements established in the regulation to this Law.

Item added DOF 30.12.2002

h).- Assistance service from telephone call centers in a foreign country, hired and paid by a resident in a foreign country without any permanent establishment in Mexico.

Item added DOF 28.06.2005

V.- The international transportation of goods carried out by residents in the country and the loading, unloading, consignment, storage, custody, stowing and haulage services within the ports and port facilities, provided these are granted in relation with the export of goods.

Fraction added DOF 31.12.1979, modified DOF 29.12.1993

VI.- The flight transportation of individuals rendered by residents in the country for the part of the service that pursuant to the second last paragraph of Article 16 is not considered rendered on domestic territory.

Fraction added DOF 31.12.1979, modified DOF 31.12.1998

VII.- The rendering of hotel and related services carried out by hotel companies to foreign tourists who enter the country to participate exclusively in congresses, conventions, expositions or fairs to take place in Mexico, provided said foreigners show their migratory document that accredits said quality in the terms of the General Population Law, pay the referred services by means of a credit card issued abroad and that the hotel and related services were hired by the organizers of the event.

For the effects of the previous paragraph, hotel and related services means the lodging, shuttle transportation between the hotel and the bus terminal, ports and airports, as well as the complementary services rendered within the hotels. Food and beverage service are considered included in the scope of the hotel services when integrated into tourist packages.

The taxpayers this fraction refers to must be registered before the Tax Administration Service Office and meet the control requirements established by the regulation to this Law, where it may be authorized that the services are paid from abroad by other means. According to said regulation, payment by other means may also be authorized when the services this fraction refers to are hired through a Travel Agency.

Fraction added DOF 15.12.2002

VIII.- (Derogated)

Fraction added DOF 31.12.1998, modified 31.12.2000, derogated DOF 30.12.2002

The established in the first paragraph of this article shall be applied to the residents in the country who render independent personal services that are fully exploited abroad by residents in a foreign country without any establishment in the country.

Paragraph added DOF 29.12.1993. Modified DOF 30.12.2002

Article 30.- In the case of the suppositions foreseen in Articles 9 and 15 of this Law, the exporter of goods and services shall calculate the tax by applying a 0% rate to the value of alienation of goods or rendering of services. Accreditation will also proceed when the companies residing in the country export tangible goods to alienate them or to grant their use or exploitation abroad.

Paragraph modified DOF 31.12.1981

(The second paragraph is derogated)

Paragraph modified DOF 31.12.1979, derogated DOF 30.12.1980

Devolution in case of exporting tangible goods shall be applicable once the export took place in the terms of the customs legislation. In all the other cases it will be applicable once the consideration has been collected and proportional to the same.

Paragraph modified DOF 31.12.1979, 30.12.2002