



# TAX NEWSLETTER

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## DECREE No. 4.619

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### PRESIDENCY OF THE REPUBLIC

Decree No. 4,619, which establishes exemptions from import taxes, value-added tax and fee for tax assessment of the customs rules for the goods and sectors indicated therein.



## DECREE No. 4.619 DECREE OF EXEMPTIONS IN CUSTOMS MATTERS

### What is the purpose of this Decree?

The purpose of this Decree is to establish exemptions from import taxes, value-added tax and fee for tax assessment of the customs rules for the goods and sectors indicated in Chapter II of this decree. (Art. 1)

### What is understood by Tariff (Excise) Contingent?

It is the commercial policy measure that allows the total or partial exemption of the payment of customs duties for a determined quantity of imported goods. (Art. 2)

### What is meant by exemption?

It is the total or partial deduction of the payment of the tax liability, optionally granted by the Executive Branch in the cases authorized by the Law. (Art. 2)

### For the purposes of this Decree, what is the Value-Added Tax?

It is the tax whose tax base is the customs value of the goods, plus the levies, surcharges, countervailing duties, anti-dumping duties, default interest and other expenses that are caused by the import, in accordance with articles 21 and 27 of the Decree with Rank, Value and Force of Law that establishes the Value-Added Tax. (Art. 2)

### What is the Import Tax?

It is the ad valorem rate indicated in column three (3) or four (4) of article 37 of the Customs Tariff, promulgated by Decree No. 4,111 dated February 5, 2020, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 6,510 Special Issue, of the same date, by means of which the Partial Reform of Decree No. 2,647 dated September 30, 2016, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 6,281 Special Issue of the same date. (Art. 2)

### What is understood by the Fee for tax assessment of the customs rules?

It is the one that is caused and becomes enforceable on the date of registration of the respective declaration, presented to the customs office in order to assess the rules of the merchandise, which will be collected in the same way and time as the corresponding taxes according to what is established in article 16 of the Regulation of the Decree with Rank, Value and Force of Organic Customs Law on Customs Duties. (Art. 2)

**DECREE No. 4.619**  
**DECREE OF EXEMPTIONS IN CUSTOMS MATTERS**

**What merchandise and sectors are covered by the exemptions of this Decree and until when?**

✓ Until August 31, 2021, payment of Import Tax and Value-Added Tax (VAT) is exempted on definitive imports of personal property, new or used, as applicable, carried out by the bodies and entities of the National Public Administration (government-owned companies), as well as those carried out with their own resources, by individuals or legal entities, classified in the tariff codes indicated in Appendix I that is an integral part of this Decree. This exemption operates in its own right. (Art. 3)

✓ The payment of the Value-Added Tax is exempted and the aliquot of 2% or 0% ad valorem will be applied, as appropriate, by virtue of the provisions of articles 8, 10, 11 and 12 of the Customs Tariff, to imports definitive capital goods, computer and telecommunications goods, their parts, pieces and accessories, not produced or with insufficient production in the country, of first use, identified as BK or BIT, in column three (3), of article 37 of the Customs Tariff, under the terms and conditions set forth in the respective "BK or BIT Exemption Certificate", administered by the People's Power Ministry with powers in industrial matters. (Art. 4)

✓ Until August 31, 2021, the payment of Import Tax and Value-Added Tax (VAT) is exempted on definitive imports of tangible movable property, made by legal entities whose economic activity corresponds to the automotive sector, classified in the tariff codes indicated in Appendix II that is an integral part of this Decree, in the terms and conditions provided by the respective "Certificate of Exemption of the Automotive sector" administered by the People's Power Ministry with competency in matters of industries or "Import Authorization under the Rules of Imported Assembly Material for Vehicles", issued by the Integrated National Service of Customs and Tax Administration (SENIAT), as appropriate. (Art. 5)

✓ The payment of Import Tax, Value-Added Tax and Fee for tax assessment of the customs rules, as well as any other applicable levy or fee in accordance with the current legal system, including the Value-Added Tax applicable to sales made in the national territory, to the definitive imports of tangible movable property made by the Organs and Entities of the National Public Administration (government-owned companies), destined to prevent the expansion of the Coronavirus pandemic (Covid-19), classified in the tariff codes indicated in Appendix III, that is an integral part of this Decree, under the terms and conditions set forth in the respective "Exemption Document", issued by the National Integrated Customs and Tax Administration Service (SENIAT). (Art. 6)

✓ Until August 31, 2021, payment of Import Tax and Value-Added Tax (VAT) is exempted under the terms and conditions provided by this Decree, to definitive imports of tangible goods, new or used, as soon as applicable, carried out by the organs and entities of the National Public Administration (government-owned companies), classified in tariff codes 7307.11.00.00, 7307.19.20.00 and 7307.99.00.00. This exemption operates in full right, under the terms and conditions provided by the respective "Exemption Document", issued by the Integrated National Service of Customs and Tax Administration. (Art. 7)

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**What are the common requirements to have the exemptions provided by this Decree?**

In order to have the benefits indicated in the previous Chapter II "Exemptions", at the time of registering their declaration, the beneficiaries must hand over the following documents before the respective Customs Office:

1. Descriptive list of the tangible goods to be imported.
2. Commercial invoice issued in the name of the beneficiary in charge of the acquisition of the tangible personal property. (Art. 9)

**What are the specific requirements to have the exemptions provided by this Decree?**

➤ In order to have the benefit defined in article 4 of this Decree, the importer must submit together with the respective Customs Declaration the corresponding "Certificate of Exemption of BK or BIT" issued by the People's Power Ministry with powers in matters of industries, which should indicate:

1. The non-production or insufficiency of national production of the goods classified in the tariff codes that are intended to be imported;
2. That the good in reference corresponds to the goods marked as BK or BIT in column three (3) of article 37 of the Customs Tariff;
3. That the use and destination of these goods is in correspondence with the development objectives of the country and;
4. That the goods in reference are adjusted to the economic activity of the company. (Art. 12)

➤ In order to have the benefit defined in article 5 of this Decree, the importer must submit together with the respective Customs Declaration the corresponding "Certificate of Exemption of the Automotive sector" issued by the People's Power Ministry with competency in industrial matters. , in the case of Appendix II merchandise, which forms an integral part of this Decree, classified in Chapters other than Chapter 98 of the Customs Tariff.

In the case of goods from Appendix II, which is an integral part of this Decree, whose tariff codes belong to Chapter 98 of the Customs Tariff, the submission of the respective "Import Authorization under the Rules of Imported Assembly Material for Vehicles" together to the respective Customs Declaration, it will be a sufficient requirement to have the benefit defined in article 5 of this Decree. (Art. 13)

## DECREE No. 4.619 DECREE OF EXEMPTIONS IN CUSTOMS MATTERS

### What are the specific requirements to have the exemptions provided by this Decree?

- For the purposes of having the benefit defined in articles 6 and 7 of this Decree, the importer must submit, together with the respective Customs Declaration, the corresponding "Exemption Document" issued by the Integrated National Service of Customs and Tax Administration (SENIAT) . (Art. 14)
- For the purposes of having the benefit defined in article 8 of this Decree, the importer must submit together with the respective Customs Declaration the corresponding "Certificate of Exemption under the Tariff Contingent Set of Rules", issued by the People's Power Ministry with competency in matters of economy, finance and foreign trade. (Art. 15)

### What causes the loss of the exemption benefit?

The breach of any of the conditions by the beneficiaries will cause the loss of the exemption benefit provided by this Decree. In such circumstances, imports of the goods that are the object of the benefit are considered taxed, without prejudice to the penalties that may correspond, in accordance with the provisions of the Constituent Decree through which the Organic Tax Code and the Constituent Decree is issued, and by means of which the Organic Customs Act is enacted. (Art. 21)

Likewise, those who fail to comply with:

1. The periodic evaluation established in articles 19 and 20 of this Decree and with the parameters determined by the Integrated National Service of Customs and Tax Administration (SENIAT).
2. The liabilities established in the Constituent Decree through which the Organic Tax Code and other tax regulations are enacted, as well as in the Constituent Decree through which the Organic Customs Act is issued. (Art. 23)

### Other aspects to consider

- In those cases in which this Decree does not refer to the validity of the exemption benefit, it will be from the entry into force of this Decree until December 31, 2021. (Art. 26)
- Decree No. 4,604 dated May 1, 2021, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 6,623 Special Issue, dated May 1, 2021 and the Resolutions issued in execution of said Decree are repealed. (Art. 28)
- This Decree will come into force as of its publication in the Official Gazette of the Bolivarian Republic of Venezuela. (Art. 29)



Breach to comply with tax liabilities within the terms provided by the Calendar of Special Taxpayers and other tax provisions will be penalized in accordance with the Organic Tax Code. Ask our experts about the periodic review service of compliance with formal tax duties, and avoid the risks of tax contingencies due to financial penalties and measures to close establishments, in the event of a possible inspection procedure by the Tax Administration.



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