

Legal update

Sanctioning tax unit

December 2017

Labour

On December 21, 2017, a “Constitutional Law” was enacted by the National Constituent Assembly that created the sanctioning tax unit, as published in Official Gazette No. 41,305.

Purpose

The sanctioning tax unit shall be used exclusively for the purposes of establishing the value of those penalties (fines) set forth in the relevant legal instruments that are calculated in tax units.

Value of the sanctioning tax unit

The Executive Branch must establish the value of the sanctioning tax unit and adjust it each year at the beginning of February in accordance with the variation in the consumer price index of the Caracas Metropolitan Area of the immediate previous year, after hearing the opinion of the ministry in charge of citizen security, the Supreme Court of Justice and the Citizens' Branch.

The Executive Branch will still adjust the value of the ordinary tax unit on the same date.

Effective date

The “Constitutional Law” on the creation of the sanctioning tax unit entered into force after being published in the Official Gazette, namely, after December 21, 2017.

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