

Legal update

Amendment to Decree No. 2,680

February 2017

Tax

On January 18, 2017, an official notice was published in Official Gazette No. 41,085 announcing that Decree No. 2,680,¹ which granted an income tax exemption on net income of Venezuelan source obtained by resident individuals up to an amount equivalent to 6,000 tax units (TU), was amended.

The amendment consists of the inclusion of a new provision into Decree No. 2,680 that expressly repeals Decree No. 2,266 issued by the president of the republic in March 2016,² which granted an income tax exemption of 3,000 TU on territorial revenue derived by resident individuals in fiscal year 2016.

Therefore, the only income tax exemption in force for Venezuelan resident individuals with respect to fiscal year 2016 is the one set forth in Decree No. 2,680 of 6,000 TU.

Luis De Freitas

Footnotes

¹ Published in Official Gazette No. 41,077, dated January 18, 2017

² Published in Official Gazette No. 40,864, dated March 9, 2016.

For further information, please contact one of the following lawyers:

> Luis de Freitas	Caracas	+58.212.276.0031	luis.defreitas@nortonrosefulbright.com
> Leopoldo Escobar	Caracas	+58.212.276.0029	leopoldo.escobar@nortonrosefulbright.com
> Fernando Fernández B.	Caracas	+58.212.276.0048	fernando.fernandez@nortonrosefulbright.com
> Carlos Fernández S.	Caracas	+58.212.276.0006	carlos.fernandez@nortonrosefulbright.com

Norton Rose Fulbright Canada LLP, Norton Rose Fulbright LLP, Norton Rose Fulbright Australia, Norton Rose Fulbright South Africa Inc and Norton Rose Fulbright US LLP are separate legal entities and all of them are members of Norton Rose Fulbright Verein, a Swiss Verein. Norton Rose Fulbright Verein helps coordinate the activities of the members but does not itself provide legal services to clients.

References to "Norton Rose Fulbright", "the law firm", and "legal practice" are to one or more of the Norton Rose Fulbright members or to one of their respective affiliates (together "Norton Rose Fulbright entity/entities"). No individual who is a member, partner, shareholder, director, employee or consultant of, in or to any Norton Rose Fulbright entity (whether or not such individual is described as a "partner") accepts or assumes responsibility, or has any liability, to any person in respect of this communication. Any reference to a partner or director is to a member, employee or consultant with equivalent standing and qualifications of the relevant Norton Rose Fulbright entity.

The purpose of this communication is to provide general information of a legal nature. It does not contain a full analysis of the law nor does it constitute an opinion of any Norton Rose Fulbright entity on the points of law discussed. You must take specific legal advice on any particular matter which concerns you. If you require any advice or further information, please speak to your usual contact at Norton Rose Fulbright.