

## Legal Update

### Reform to Venezuela's Tax Law on Big Financial Transactions

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**September 2018**

**Tax**

On August 17, 2018, the Constituent National Assembly issued a Decree with the Rank, Value and Force of Law, to reform the Tax Law on Big Financial Transactions (TLBFT)<sup>1</sup>, which was published in the Official Gazette of the Bolivarian Republic of Venezuela, Special Issue No 6.396, dated August 21, 2018.

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#### Rate

Through this reform, article 13 of the TLBFT was modified, which sets a tax rate with a maximum limit of 2%, and included the power of the National Executive Government to set a rate up to such limit.

The tax rate was set at 1%, which represents an increase of 0.25%, in comparison to the 0.75% rate set in the reformed TLBFT.

#### Effective date

This reform of the TLBFT became effective on September 1, 2018.

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#### Footnote

<sup>1</sup> Decree with the Rank, Value and Force of a Law Law on Big Financial Transactions published in Official Gazette No 6.210 Special dated December 30, 2015.

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