

Legal and regulatory updates (November - December 2021)

Mexico City, January 7, 2022

The following are the most relevant legislative and regulatory updates on international trade matters during November and December 2021.

A. Preliminary resolution concluding the antidumping investigation on imports of carbon and alloy steel plates from Brazil and Russia

On November 4, 2021, the "Preliminary resolution concluding the administrative procedure of antidumping investigation on imports of carbon and alloy steel plates originating in the Federative Republic of Brazil and the Russian Federation, regardless of the country of origin", was published in the Official Gazette of the Federation (for its acronym in Spanish "DOF").

Through such resolution, it was concluded the antidumping investigation procedure without the imposition of antidumping duties on imports of carbon and alloy steel plates.

This product is imported into Mexico through the HTS tariff codes 7207.12.02, 7207.20.02, 7224.90.02 and 7224.90.99 of the General Import and Export Tax Tariff Law (for its acronym in Spanish "TIGIE").

Since the Ministry of Economy concluded that there is enough evidence to support that during the investigated period, imports of such merchandise were made under dumping conditions; however, the information provided by the parties did not allow the Ministry of Economy to make an objective damage analysis on the situation of the domestic industry and, consequently it was limited to rule on the other elements.

To review the complete official publication use the following link (available only in Spanish):
https://www.dof.gob.mx/nota_detalle.php?codigo=5634495&fecha=04/11/2021

B. Amendment to the Income Tax Law, Value Added Tax Law, Special Tax on Production and Services Law, and the Federal Tax Code

On November 12, 2021, the “Decree by which several provisions of the Income Tax Law, Value Added Tax Law, Special Tax on Production and Services Law, and the Federal Tax Code are amended, added or eliminated”, was published in the DOF.

It is a robust economic plan, which mostly includes amendments to the Federal Tax Code and the Income Tax Law. Even though the modifications to the Value Added Tax Law, the Special Tax on Production and Services Law, the Federal Law on Duties and the Federal Income Law are fewer, they are not insignificant.

Notwithstanding the large amount of content included in this reform, the absence of a serious and informed debate in the parliamentary process that preceded is striking. The bill proposed by the Federal Executive was approved by Congress practically without any changes.

A more detailed analysis of such tax package was made and shared internally and externally in Galicia Abogados, which is included in the following link:

https://mcusercontent.com/f5a8f812f2a4f58d06c4ef1e3/files/ae1ade44-cb8b-5ff2-f5c7-5a3b48a1df21/GA_Reforma_Paquete_Econ%C3%B3mico_2022.01.pdf

In this regard, the Decree became effective as of January 1st, 2022, however the administrative procedures initiated prior to such date, will be processed in terms of the applicable provisions in force as of the date when they were initiated.

Among the provisions that were modified, it stands out the elimination of article 16-C of the Customs Law, which established the powers of the Tax Administration Service to authorize legal entities, which must prove their economic solvency, technical, administrative and financial capacity, as well as that of their partners and shareholders, and being up to date in the compliance of their tax obligations, to manufacture or import official or electronic locks to be used in containers and vehicles that transport goods that are subject to customs clearance.

Likewise, among the different amendments, it is stated that for purposes of article 36-A, section I, paragraph f) of the Customs Law, which refers to the information and documentation that the customs agent, customs agency and those who introduce or extract merchandise from the national territory to be destined to any customs regime are obliged to transmit electronically as attachments to the customs declaration, it is stated that the Tax Administration Service will establish, by means of general rules, the information and technical specifications that the weight, volume and other characteristics report inherent to the merchandise referred to in article 2,

section I, paragraph d) of the Law of the Special Tax on Production and Services, regarding to automotive fuels, must include.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5635286&fecha=12/11/2021

C. Third Resolution of Amendments to the Miscellaneous Tax Resolution for 2021 and its attachments 1 and 1-A

On November 18, 2021, the “Third Resolution of Amendments to the Miscellaneous Tax Resolution for 2021 and its attachments 1 and 1-A”, by which several rules are amended, added or eliminated, was published in the DOF.

Among the relevant modifications, we find rule 2.7.1.9, referring to the Digital Tax Receipt (for its acronym in Spanish “CFDI”) depending the type of income with which the transportation of goods is certified, providing that from now on, for purposes of article 29 of the Federal Tax Code, the taxpayers dedicated to render services of transportation of general and specialized cargo, through land, rail, air or sea, as well as those who provide the service of packaging or courier, towing cranes, deposit of vehicles and transfer of funds and assets or hazardous materials and waste, among other services, must issue a CFDI of the type of income with the specifications set forth on article 29-A of the CFF, and incorporate the complement of the Bill of Lading.

Such complement is necessary to certify and demonstrate the rendering of the services, as well as the transportation and legal possession of the goods with its printed representation, on paper or in a digital format.

Likewise, it is stated that the carrier may prove the legal possession of the goods during their transportation within national territory with the CFDI and its corresponding bill of lading, as long as the import customs declaration number is detailed in such receipt. In case that a merchandise transportation service is carried out without having the CFDI, and the bill of lading, or if it does not comply with the requirements set forth in the “standard of the bill of lading” and the “instructive for filling out the CFDI to which the bill of lading is incorporated”, both, the party that hired the transportation service, as well as the party rendering the service, will be responsible for any irregularity detected in the bill of lading complement.

Finally, it is indicated that for purposes of supporting the transportation or distribution of hydrocarbons and oil products referred to in rule 2.6.1.1, the printed representation, on paper



or in digital format of the CFDI of the type of income, and the bill of lading complement and the hydrocarbons and petroleum products complement referred to in rule 2.7.1.45 must be attached.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5635649&fecha=18/11/2021

D. Amendment to the General Import and Export Tax Tariff

On November 18, 2021, the “Decree by which the TIGIE, the decree that establishes the General Import Tax for the Northern Border Strip and the decree that establishes several Sectorial Promotion Programs are amended”, was published in the DOF.

Through such amendment, 51 HTS tariff codes were created and 15 HTS tariff codes were eliminated, with the purpose of identifying several goods that have a Denomination of Origin in order to recognize the importance of such goods through both national and international markets, pointing out the necessity to promote and strengthen its value as unique products of Mexico.

Among these goods, the Amber of Chiapas, the Rice of Morelos State, the Bacanora, the Grijalva Cocoa, the Chiapas Coffee, the Veracruz Coffee, the Pluma Coffee, the Charanda, the Habanero pepper from the Yucatan Peninsula, the Yahualica pepper, the Ataúlfo Mango from Soconusco Chiapas, the Mezcal, the Olinalá, the Raicilla,, Sotol, Talavera, Tequila and Vanilla from Papantla.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5635654&fecha=18/11/2021

E. Amendment to the General Import and Export Tax Law

On November 22, 2021, the “Decree amending the General Import and Export Tax Law”, was published in the DOF. Through such decree, it was established that since the global context and situation of the steel market that motivated the establishment of the temporary tariff of 15% to several HTS tariff codes of the steel sector, as well as Section 232 measure established by the U.S. in which Mexico is excluded, are still in force, and taking into consideration that the international economic context is recovering after the adverse effects of the pandemic generated by the SARS-CoV-2 virus (COVID-19), which is estimated to have a 3.2% drop in the world economy during 2020; the Mexican steel industry requires a period of adjustment that allows it to recur to the necessary legal instruments against unfair trade practices, in order to establish the favorable conditions for its recovery.

Therefore, the government concluded it was necessary to reestablish the temporary measure of 15% tariff until June 29, 2022 and continue with the medium-term tariff reduction scheme set forth in the Decree of December 24, 2020 as follows.

For steel products listed in paragraph a), the applicable tariff rate shall be 10%, beginning on June 30, 2022, 5% beginning on September 22, 2023, and 0% beginning on October 24, 2024.

With respect to the HTS Tariff Codes related to steel products listed in paragraph b) (7308.30.02 and 7308.90.99), the applicable tariff rate shall be 10% as of June 30, 2022 and 7% as of September 22, 2023.

For the products listed in paragraph c), the applicable tariff rate shall be 10% beginning on June 30, 2022, and 5% beginning on September 22, 2023. In addition, the applicable tariff rate for HTS Tariff Code 7210.41.01 shall be 10% beginning on June 30, 2022, 5% beginning on September 22, 2023, and 3% beginning on October 1, 2024.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5635991&fecha=22/11/2021

F. Amendments to the General Rules in Foreign Trade of the Tax Administration Service for 2020

On November 23, 2021, the "Ninth Resolution of Amendments to the General Rules of Foreign Trade for 2020 and its annexes 1, 1-A, 4, 10, 22 and 27", was published in the DOF. Among other modifications, rules 2.4.1 and 2.4.2 stand out, as well as the incorporation of rule 2.4.1.1, regarding the authorization and procedure to clear goods through a different place than the authorized one.

It should be noted that on June 11, 2021, several amendments to the above-mentioned rule were published in order to establish that only the State Productive Enterprises (for its acronym in Spanish "EPEs") could request authorization to import or export through a different place than the authorized one, in case that the operation to be carried out for hydrocarbons, petroleum products, petrochemicals, biofuels, essential chemicals, among others.

With this amendment, the authorization regime is modified again, eliminating the restriction regarding the fact that only EPEs may obtain authorization for the entry or exit of goods through a different place than the authorized one of hydrocarbons, petroleum products, petrochemicals and their specialties, biofuels, chemical precursors of fentanyl, methamphetamine and essential chemicals.

Finally, in terms of the amendments to Rule 2.4.1, it is established that certain merchandise such as chemical precursors of fentanyl, methamphetamine and essential chemicals may not be subject to the authorization referred to in Rule 2.4.1, not even by the EPEs.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5636006&fecha=23/11/2021

G. Antidumping duties expiration dates notice

On November 29, 2021, the "Antidumping duties expiration date notice", was published in the DOF. Through such notice, the domestic producers and any other person having legal interest are provided with a list of the definitive antidumping duties that are about to expire, as detailed below.

- Coated steels originating in China, with an expiration date of June 6, 2022, the deadline for filing arguments and evidence is April 26, 2022.
- Zinc-coated (galvanized) steel wire mesh in hexagonal form originating in China, with an expiration date of July 25, 2022, the deadline for filing arguments and evidence is June 17, 2022.
- Chicken leg and thigh originating in the United States of America, with an expiration date of August 7, 2022, the deadline for filing arguments and evidence is June 30, 2022.
- Coaxial cable of type RG (Radio Guide), with or without messenger originating in China, with an expiration date of August 11, 2022, the deadline for filing arguments and evidence is July 6, 2022.
- Dicloxacillin sodium originating in India, with an expiration date of August 18, 2022, the deadline for filing arguments and evidence is July 13, 2022.
- Amoxicillin trihydrate originating in India, with an expiration date of November 28, 2022, the deadline for filing arguments and evidence is October 19, 2022.

Any national producer of such goods may inform to the Ministry of Economy its interest in order to initiate a sunset review procedure to determine the possible consequences of eliminating the antidumping duty in question and must propose a review period of six months to one year included in the sunset review period.

The notice of interest must be submitted within 25 working days prior to the expiration of the corresponding term, at the International Trade Practices Unit (for its acronym in Spanish “UPCI”), which may also be submitted electronically.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5636596&fecha=29/11/2021

H. Sunset review of antidumping duties on imports of high carbon ferromanganese, originating in Korea

On December 1st, 2021, the “Resolution declaring the initiation of the sunset review of antidumping duties on imports of high carbon ferromanganese, originating in Korea, regardless of the country of origin”, was published in the DOF, initiating a sunset review of the definitive and temporary antidumping duties for ferromanganese, imported through HTS Tariff Code 7202.11.01 and under Rule 8, through the HTS Tariff Code 9802.00.13 of the TIGIE, or by any other.

Furthermore, the review period was set from October 1, 2020 to September 30, 2021 and the analysis period from October 1, 2016 to September 30, 2021.

The national producers, importers, exporters, foreign legal entities or any person that proves having a legal interest in the result of this sunset review, will have a term of 28 working days to prove their legal interest and submit the response to the official form established for such purpose, as well as the arguments and evidence they consider convenient.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5636933&fecha=01/12/2021

I. Amendment to the Commercial Identification Numbers of the HTS Codes

On December 2, 2021, the “Agreement amending the Commercial Identification Numbers and their correlation tables” was published in the DOF.

In such agreement, it is stated that in order to have precise statistics and to have full identification of the commercial flows of the steel sector goods, 3 NICO’s were created, related to flat steel products 7225.30.07 NICO 08, 7225.50.07 NICO 92, 7306.61. 01 NICO 91, on the other hand, the description of 2 NICO’s of Chapters 72, 73, and 85 were modified to be as follows 7225.50.07 NICO 10, 7306.61.01 NICO 03, 8541.40.04 NICO 01 and as a result, 5 NICO’s

of Chapter 17 and 85 of the TIGIE were eliminated, 1702.60.03 NICO 01 and 03 and 8544.42.99 NICO 01, 02, 05, 06 and 91.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5637031&fecha=02/12/2021

J. Decision No. 108 of the Administrative Commission of the Free Trade Agreement between Mexico and Colombia

On December 3, 2021, the "Agreement by which Decision No. 108 of the Administrative Commission of the Free Trade Agreement between the United Mexican States and the Republic of Colombia is disclosed" was published in the DOF.

Through such decision, the Commission granted from December 10, 2021 to June 28, 2022 a temporary exemption with an increase in the amount of inputs to certain textile goods classified in the subheadings of the Harmonized Commodity Description and Coding System: 6108.22 and 6212.10, manufactured entirely in the Colombia Republic using material produced or obtained outside the free trade zone, complying with the other requirements established in the corresponding rule of origin, as well as with the other applicable conditions for preferential tariff treatment in accordance with the Treaty.

To review the complete official publication use the following link (available only in Spanish): https://www.dof.gob.mx/nota_detalle.php?codigo=5637194&fecha=03/12/2021

K. Sunset review of the antidumping duties on imports of liquid caustic soda originating in the US

On December 3, 2021, the "Resolution declaring the initiation of the sunset review of the antidumping duties on imports of liquid caustic soda originating in the United States of America regardless of the country of origin", was published in the DOF. Through which the initiation of the sunset review of the definitive and temporary antidumping duties for liquid caustic soda, imported through HTS Tariff Code 2815.12.01 of the TIGIE, or by any other.

Furthermore, the review period was set as July 1, 2020 to June 30, 2021. Indicating that domestic producers, importers, exporters, foreign legal entities or any person that proves to have a legal interest in the outcome of such investigation, will have a period of 28 business days to prove their legal interest and submit their response to the official form established for such purpose, as well as the arguments and evidence they consider relevant.

To review the complete official publication use the following link (available only in Spanish):
http://dof.gob.mx/nota_detalle.php?codigo=5637196&fecha=03/12/2021

L. Sunset review final resolution of antidumping duties imposed on imports of iron or non-alloy steel wire rod originating in Ukraine

On December 10, 2021, the “Sunset review final resolution of the antidumping duties imposed on imports of iron or non-alloy steel wire rod originating in Ukraine, regardless of the country of origin”, was published in the DOF. By means of which the administrative procedure for the sunset review is declared concluded and the validity of the antidumping duty is extended for five more years, counted as of September 19, 2020.

Such goods that enter through HTS Tariff Codes 7213.91.03 and 7213.99.99 of the TIGIE, or through any other.

To review the complete official publication use the following link (available only in Spanish):
http://dof.gob.mx/nota_detalle.php?codigo=5637881&fecha=10/12/2021

M. Sunset review final resolution of the validity of the antidumping duties imposed on imports of seamless steel pipe from Japan

On December 13, 2021, the “Sunset review final resolution of the antidumping duties imposed on imports of seamless steel pipe from Japan, regardless of the country of origin”, was published in the DOF. By means of which the administrative procedure for the sunset review is declared concluded and the validity of the antidumping duty is extended for five more years, from November 11, 2020.

Such goods enter into Mexico through HTS Tariff Codes 7304.19.01, 7304.19.02, 7304.19.03, 7304.19.99, 7304.39.10, 7304.39.11, 7304.39.12, 7304.39.13, 7304.39.14, 7304.39.15, 7304.39.91, 7304.39.92, 7304.39.99 y 7304.59.99. of the TIGIE, or through any other.

To review the complete official publication use the following link (available only in Spanish):
http://dof.gob.mx/nota_detalle.php?codigo=5637996&fecha=13/12/2021

N. Extraordinary amount of sugar export quota for the US

On December 17, 2021, the “notice announcing the extraordinary amount of sugar exports to the United States of America for the period between October 1, 2021 and March 31, 2022, for 150,000 tons of raw sugar value”, was published in the DOF.

The Ministry of Economy will allocate the extraordinary amount considering the beneficiaries that have submitted their request for quota allocation to participate in the 2021/2022 sugar cycle, and have responded to the consultation issued in November 2021 on the availability of sugar with polarization lower than 99.2 degrees, in case of an additional need from the USA.

To review the complete official publication use the following link (available only in Spanish): http://dof.gob.mx/nota_detalle.php?codigo=5638663&fecha=17/12/2021

O. Amendment to the Internal Regulations of the Ministry of Finance and Public Credit and the Internal Regulations of the Tax Administration Service, as well as the issuance of the new Regulation of the National Customs Agency of Mexico

On December 21, 2021, the “Decree by which several provisions of the Internal Regulations of the Ministry of Finance and Public Credit and the Internal Regulations of the Tax Administration Service are amended, as well as the issuance of the Internal Regulations of the National Customs Agency of Mexico”, was published in the DOF.

Internal Regulations of the Ministry of Finance and Public Credit

Subsection VII was added to Section D of Article 2 to include the National Customs Agency of Mexico as a deconcentrated administrative body.

As well, article 98-C provides that the National Customs Agency of Mexico will have the organization and faculties established by the applicable legal provisions, which means that with such inclusion, the faculties of the Agency can be regulated by means of secondary regulations.

Internal Regulation of the Tax Administration Service

A few legal provisions were correctly amended in order to adjust and eliminate any mention of old faculties of the General Customs Administration, as well as its faculties, in the understanding that such powers and faculties now belong to the National Customs Agency of Mexico.

Internal Regulation of the National Customs Agency of Mexico

It is a fully new regulation, delimitating the rights and faculties of such deconcentrated administrative body of the Ministry of Finance and Public Credit, which is granted with technical, operational, administrative and management autonomy, with the status of customs and tax

authority with respect to federal customs taxes, with the power to issue resolutions within the scope of its competence.

This regulation establishes that the National Customs Agency of Mexico, in aid of the Tax Administration Service, is exclusively responsible for the management, organization and operation of the customs and inspection services, in order to apply and ensure compliance with the legal rules that regulate the entry and exit of goods from the national territory, as well as the collection of federal customs taxes, as well as those that are expressly instructed by the head of the Ministry of Finance and Public Credit.

The National Customs Agency of Mexico is in charge of, among others, of the following functions:

- Collect federal customs taxes, in accordance with the applicable provisions and in accordance with international treaties to which Mexico is a party.
- To carry out the surveillance and custody of bonded warehouses and of the goods and securities deposited therein, as well as to verify compliance with the obligations of taxpayers with respect to contributions, benefits and their accessories established by the customs provisions and, in general, to collaborate in the development of the other activities entrusted to them in accordance with these Regulations and other applicable legal provisions.
- Request information from the registers of importers, importers of specific sectors and sectorial exporters.
- Represent the interest of the Federation in tax and customs disputes related to the entry or exit of goods into or out of the national territory.
- Determining and settling federal and customs taxes.
- Coordinate with the armed forces, national security and public security institutions to preserve security at country access points.
- Request and provide other public, national or foreign authorities and institutions the access to the necessary information to prevent tax evasion or avoidance in customs matters and other illegal acts or violations, in accordance with the laws and international treaties on customs matters.

- To monitor and ensure compliance with customs provisions related to the entry or exit of goods and, when needed, to exercise the faculties of verification.
- To participate in the negotiation of international treaties carried out by the Federal Executive in customs matters, as well as to execute inter-institutional agreements within the scope of its competence.
- Propose the customs administration policy and execute the actions for its application, for which purpose it must provide certain and verifiable data, in a timely manner, for the design of said policy.
- To integrate statistical information on foreign trade operations within its competence.
- To issue the general provisions and administrative agreements necessary for the effective exercise of its powers.
- Share with the Tax Administration Service the necessary information for the correct administration, collection and accounting of federal taxes and benefits and their accessories, related to the import and export of goods.

The National Customs Agency of Mexico, will be composed as it follows:

A. Head of the Agency

B. Central Administrative Units

1. General Directorate of Customs Operations
2. General Directorate of Customs Investigation
3. General Directorate of Customs Service and International Affairs
4. General Directorate of Customs Modernization, Equipment and Infrastructure
5. General Directorate of Customs Legal Affairs
6. General Directorate of Collection
7. General Directorate of Information Technology
8. General Directorate of Customs Planning
9. General Directorate of Evaluation
10. Administration and Finance Unit

C. Customs offices

Regarding the organization of the National Customs Agency of Mexico, establishes that the Agency may appoint personnel that belong or have belonged to the Mexican Armed Forces, who



will be assigned to the border, maritime and inland customs offices, therefore, it is not an obligation for such Agency to have personnel from the Armed Forces.

Additionally, it is important to point out that the Felipe Angeles International Airport Customs Office was created, with headquarters in the State of Mexico, due to the construction of the airport commonly known as Santa Lucia.

Finally, in the transitory articles, several provisions were added, delimiting the transition of powers to this new entity derived from the entry into force of such publication, highlighting the following:

- It is established that such Decree will enter into force on January 1, 2022.
- The Decree creating the National Customs Agency of Mexico as a deconcentrated administrative body of the Ministry of Finance and Public Credit published in the Official Gazette of the Federation on July 14, 2021 was abrogated, in the understanding that with such Decree the formal creation of such Agency is incorporated, delimiting powers and obligations, making the previous Decree dated July 14, 2021 unnecessary.
- The Tax Administration Service may provide the National Customs Agency of Mexico with communications and information technology services until such time as it is able to carry them out on its own, under the terms of the collaboration agreement executed for such purpose.
- The expenses generated by the entry into force of said Decree will be charged to the budget approved for the Ministry of Finance and Public Credit; therefore, no additional resources will be authorized and its budget will not be increased during the respective fiscal year.
- The human, financial and material resources of the General Customs Administration and the Customs of the Tax Administration Service will be transferred to the National Customs Agency of Mexico.
- The administrative procedures that upon the entry into force of such Decree are being processed by the General Customs Administration, the Customs and the administrative units that depend on them, as well as those handled by the administrative units of the Tax Administration Service that modify their attributions by virtue of the entry into force

of the Regulation in question, will be transferred to the National Customs Agency of Mexico, because they fall under the jurisdiction of the National Customs Agency of Mexico, will be processed until they are concluded by said Agency, its Customs Offices and the administrative units that depend on them, within the scope of its competence.

- The references made and the powers granted in decrees, regulations, agreements, rules, manuals and other administrative provisions to the General Customs Administration and the Customs Offices of the Tax Administration Service shall be understood to be made or conferred to the National Agency.

To review the complete official publication use the following link (available only in Spanish):
http://dof.gob.mx/nota_detalle.php?codigo=5638663&fecha=17/12/2021

P. Tenth Resolution of Amendments to the General Rules in Foreign Trade

On December 22, 2021, the “Tenth Resolution of Amendments to the General Rules of Foreign Trade for 2020”, was published in the DOF. Amending Rule 2.4.1, section II, paragraph a), in order to add an exception case and allowing to make direct transfers to pipes or tankers and not only by means of pipelines or for its storage, under de condition that the operation is considered of national security and it implies the entry and exit of hydrocarbons and petroleum products from national territory.

To review the complete official publication use the following link (available only in Spanish):
https://www.dof.gob.mx/nota_detalle.php?codigo=5639050&fecha=22/12/2021.

Q. Sunset review final resolution of antidumping duties imposed on imports of corrugated rebar originating in Brazil

On December 23, 2021, the “Sunset review final resolution of the antidumping duties imposed on imports of corrugated rebar originating in Brazil, regardless of the country of origin”, was published in the DOF. By means of which the administrative procedure for the sunset review is declared concluded and the validity of the antidumping duty is extended for five more years, counted from August 12, 2020.

Such goods that enter through HTS Tariff Codes 7214.20.01 of the TIGIE, or through any other.

To review the complete official publication use the following link (available only in Spanish):
http://dof.gob.mx/nota_detalle.php?codigo=5639157&fecha=23/12/2021



R. New General Rules in Foreign Trade for 2022

On December 24, 2021, the “General Rules in Foreign Trade for 2022 and its Attachment 13”, were published in the DOF. Through such resolution, the following relevant modifications were made:

- Update of the amounts of the fines established in the Customs Law and its Regulations, which are set forth in Annex 2 of the RGCE.
- Minor clarifications were included regarding the validity of the electronic signature and the Ministry of Communications and Transportation is replaced by the Ministry of Infrastructure, Communications and Transportation.
- In the case of operations implying transportation, the obligation of transmission of the CFDI with the complement of the Bill of Lading was included.
- Rule 1.4.15 was created regarding the cancellation customs agent license for smuggling automotive fuels.
- The list of goods that could not be destined to tax warehouse contained in Rule 4.5.9 was eliminated, and now to be included in Annex 18.
- In line with the recent subcontracting labor reform, that the applicable Rules to the company certification scheme, both in its VAT and IEPS modality, as well as Certified Companies or Authorized Economic Operator, eliminates the possibility of having subcontracted personnel, specifying that (in principle it is to obtain the certification), the company must have at least 10 workers hired directly for “A” modality, with at least 1,000 workers hired directly for “AA” modality, and with at least 2,500 workers for “AAA” modality.

Derived from such obligation, transitory article Eighth of the new General Rules in Foreign Trade, establishes that those companies that already have their respective VAT and IEPS Certificate in any of its modalities (A, AA and AAA), for the purpose to comply with the obligation to have directly contracted personnel (previously subcontracted) will have 15 working days, counted from the entry into force (initiating on January 1st, and ending on January 21), to inform the Foreign Trade Audit General Administration (for its acronym in Spanish “AGACE”), the compliance of such obligation according to the specific modality, attaching the corresponding

documentation, such as the registered personnel certificates in the IMSS and SUA, as well as documents certifying the employer's fees payment for the last two months.

We consider importance to bear in mind this new obligation, since, in case it is not complied, the Tax Administration Service could issue a requirement or a cancelation procedure.

- Rule 1.4. 13, which stated that for the purposes of articles 165, section III, paragraph b) of Customs Law and 231 of its Regulations, customs agents shall not be considered to be in the situation of cancellation of its license, when it is detected that the tax domicile of the importer or exporter was incorrectly declared in the customs declaration, having declared in the tax domicile field the domicile previously registered before the Tax Administration Service, of the establishment or branch where the goods are stored, as long as the benefit foreseen in this Rule is requested, in accordance with processing form 22/LA of Annex 1-A.

To review the complete official publication use the following link (available only in Spanish):
https://dof.gob.mx/nota_detalle.php?codigo=5639315&fecha=24/12/2021

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