

### Economic Plan 2024 | Modification of the interest withholding tax rate paid by the financial system

Mexico City, October 11, 2023

On September 8, 2023, the Federal Government through the Ministry of Finance and Public Credit, sent to Congress the bill with the Economic Plan for fiscal year 2024 ("Economic Plan 2024") which, if approved, will become effective from January 1, 2024.

The Economic Plan 2024 includes amendments to, among other regulations, the Federal Income Law ("FIL"). In this regard, it is important to note that the bill includes an amendment to Article 21 of the FIL for the fiscal year 2024 which would increase the annual withholding tax rate referred to in Articles 54 and 135 of the Mexican Income Tax Law. Specifically, the proposed withholding tax rate applies on the principal amount that gives rise to interest payments as a provisional tax payment and paid by financial institutions, which will be 1.48%, compared to the 0.15% rate in 2023.

Please be aware that the presentation of the Economic Plan started a parliamentary debate, so the proposed modification cannot be considered as a definitive change to the FIL.

If you require further information, please contact:

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