

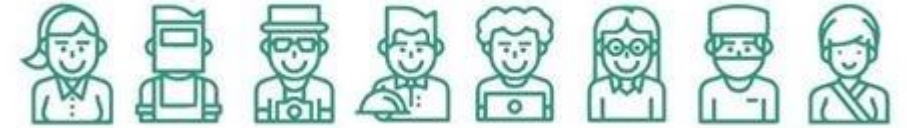
Colombia 2018



J.A. Del Río
Certified Public Accountants

Helping companies do business in Latin America®


SIMPLE TAX REGIME





**Encourage
Formalization**

**Simplify and
facilitate the
implementation of the
tax
compliance**



**Reduce the formal
and substantial
encumbrances of
taxpayers**



With a single annual return up to 6 taxes are paid



Simple (substitute for income)



Occasional Income



N. Consumption Tax



Industry and Commerce



Notices and Bulletin Boards



Bomberil Surtax

With a single receipt a payment of up to 6 taxes is paid

1



Can be discounted:

- The payments made by the employer to pensions
- The 0.5 per cent of payments received by the taxpayer by electronic means

2



Will not be subject to withholding at the source and are not obliged to practice them

- Exceptions
- Labor Payments
 - Withholdings as VAT

3

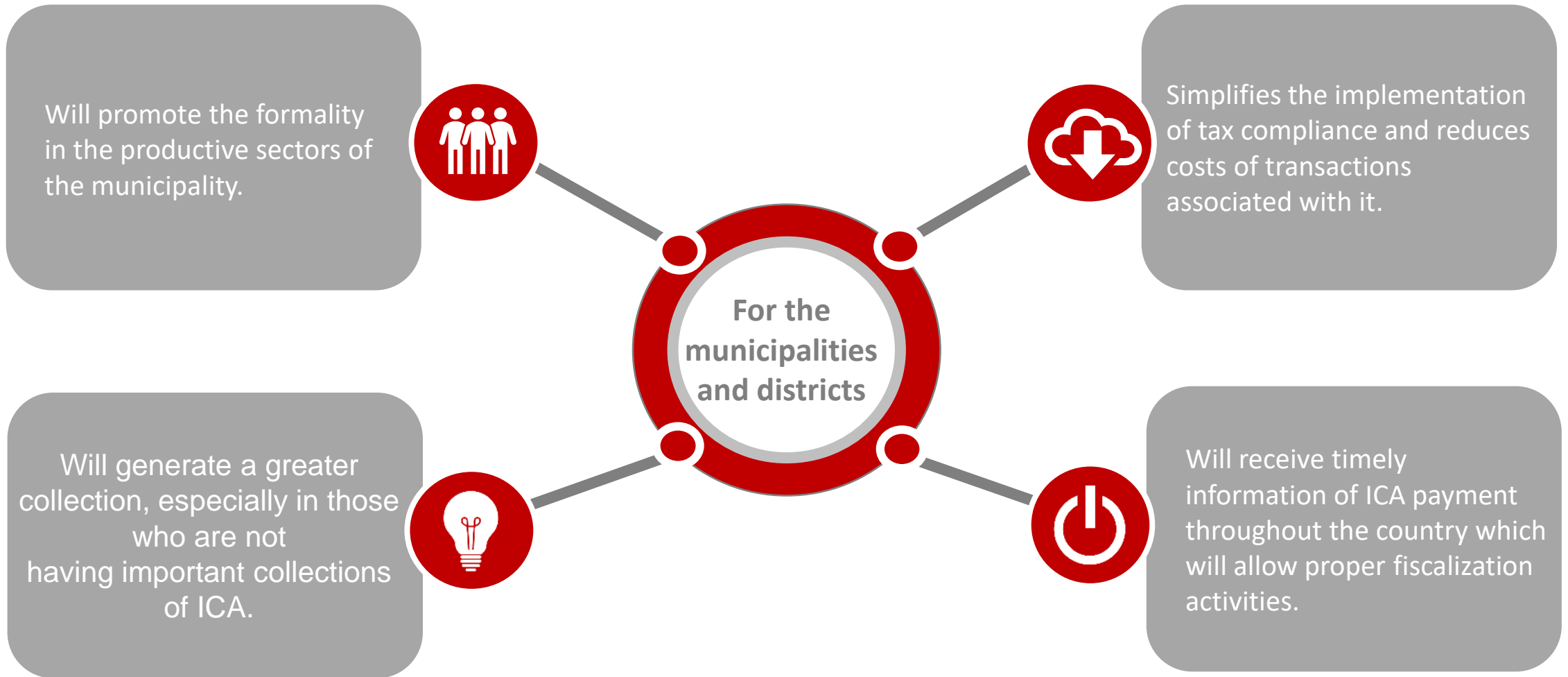


Simplification in the renewal of RUT

4



Payment is made through bimonthly advances to be submitted through electronic payment networks.



Exempt from all parafiscal parties in accordance of article 114 - 1 of ET.



Health



SENA

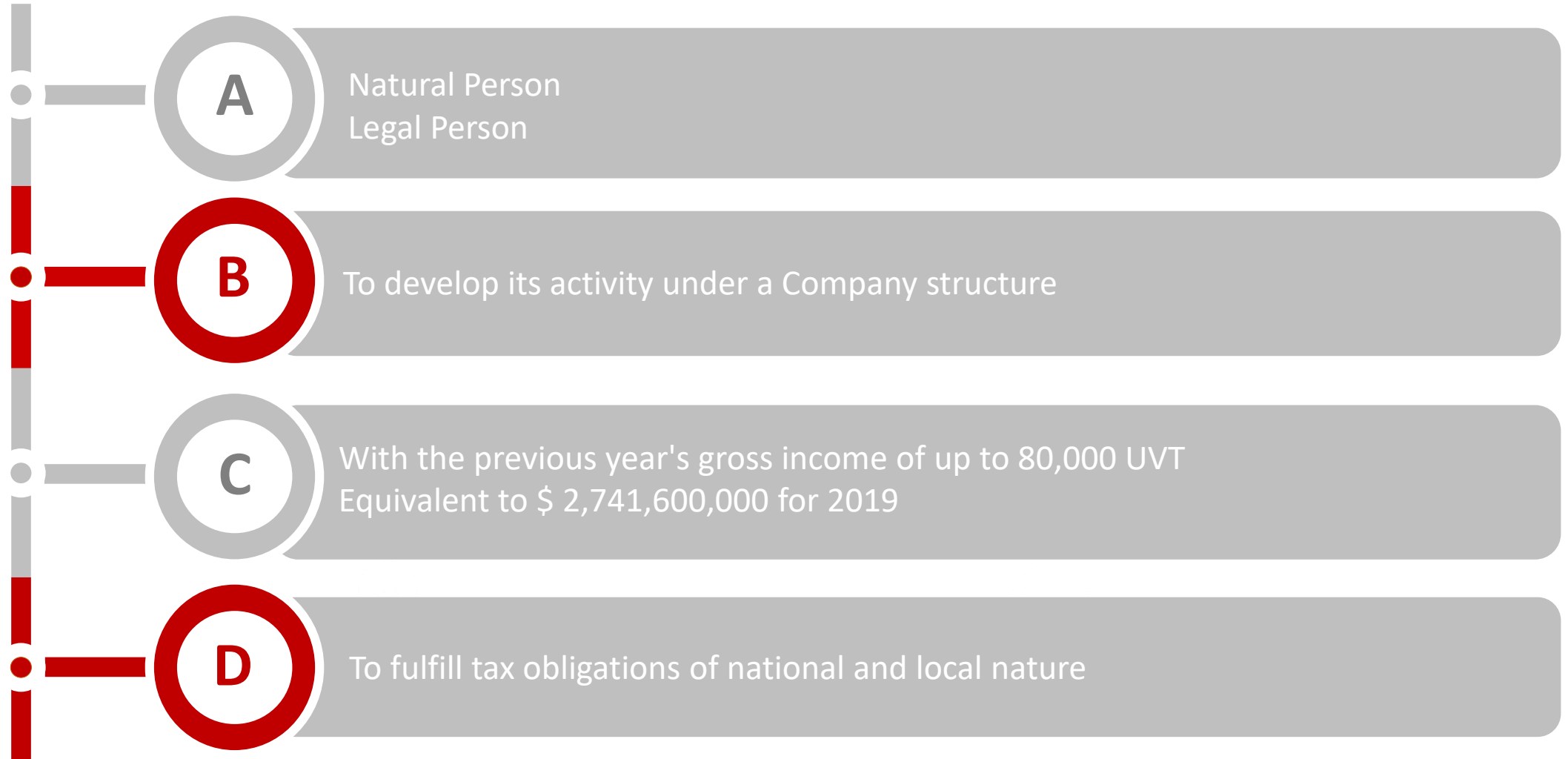


ICBF

Requirements:

- At least two workers if natural persons and from the first worker for legal persons
- Workers who earn less than 10 applicable minimum legal wage.
- In any case, meeting the standards of article 114-1 of ET

Those who can access



Those who cannot access



Those who cannot access



Natural or legal persons engaged in any of the following activities



Microcredit Activities.

Asset management activities, intermediation in the sale of assets, leasing assets and/or activities that generate liability income that represent a 20% or more of gross revenue

Factoring.

Generation, transmission, distribution or marketing of electrical energy.

Natural or legal persons engaged in any of the following activities



Generation, transmission, distribution or marketing of electrical energy.

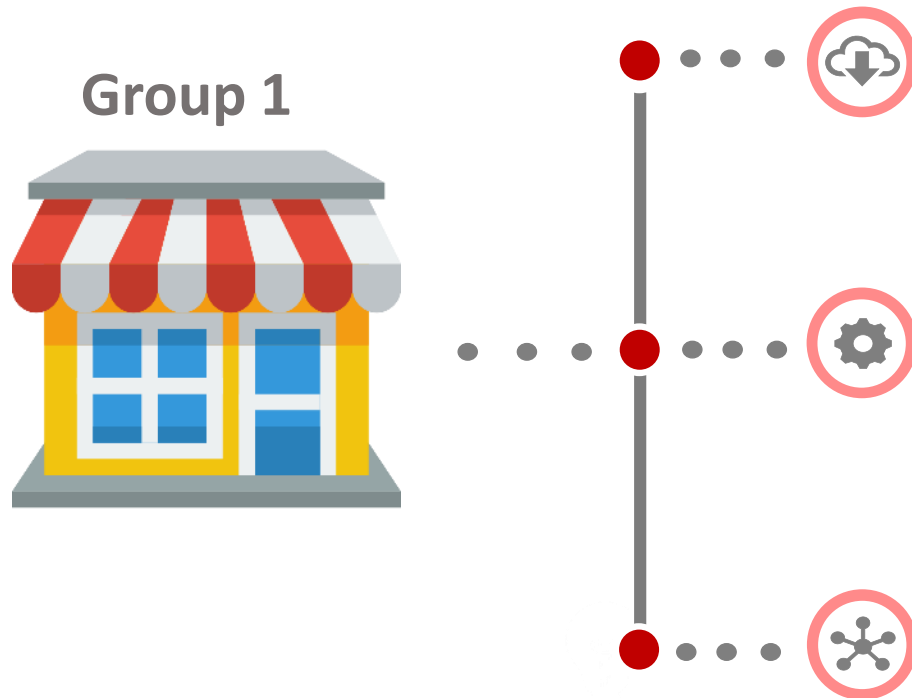
Activity of manufacture, import or marketing of automobiles.

Import Activity of Fuel

Production or marketing of firearms, ammunition and gunpowder, explosives and detonators.

Financial counseling services and/or structuring of credits.

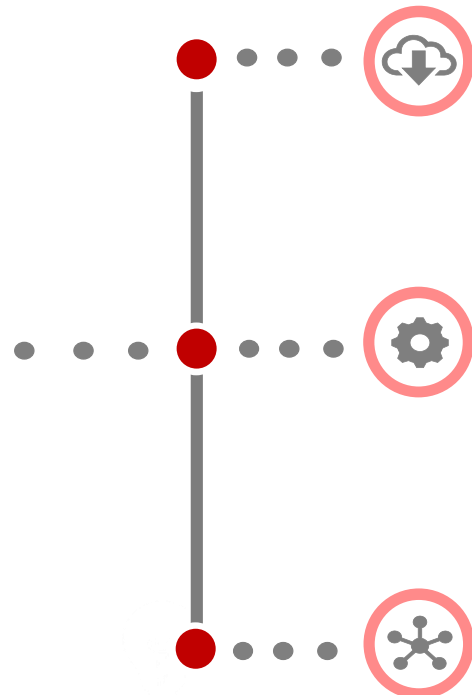
Small shops, mini-markets, micro markets and beauty salons



ANNUAL GROSS INCOME		Consolidated SIMPLE rate
Equal or superior (UVT)	Lower (UVT)	
()	6.000	2.0%
6.000	15.000	2.8%
15.000	30.000	8.1%
30.000	80.000	11.6%

- Wholesale and retail
- Technicians and mechanics services with a dominant material over the intellectual factor
- Electricians and Construction Workers, Construction Services.
- Mechanical Workshops for vehicles and electrical appliances.
- Industrial Activities, telecommunication and other activities not included in other groups

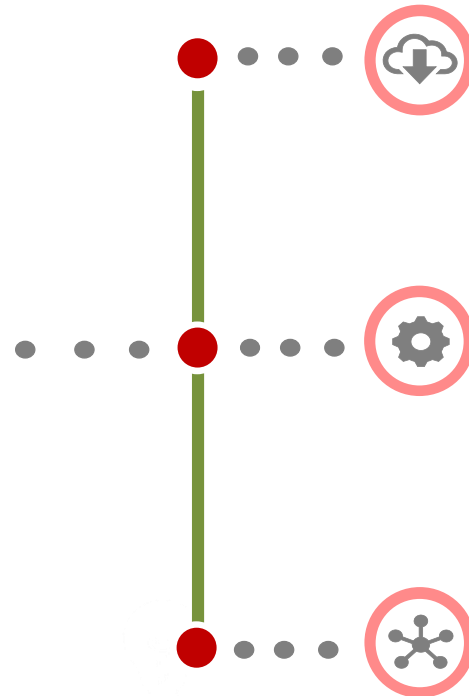
Group 2



ANNUAL GROSS INCOME		Consolidated SIMPLE rate
Equal or superior (UVT)	Lower (UVT)	
()	6.000	1.8%
6.000	15.000	2.2%
15.000	30.000	3.9%
30.000	80.000	5.4%

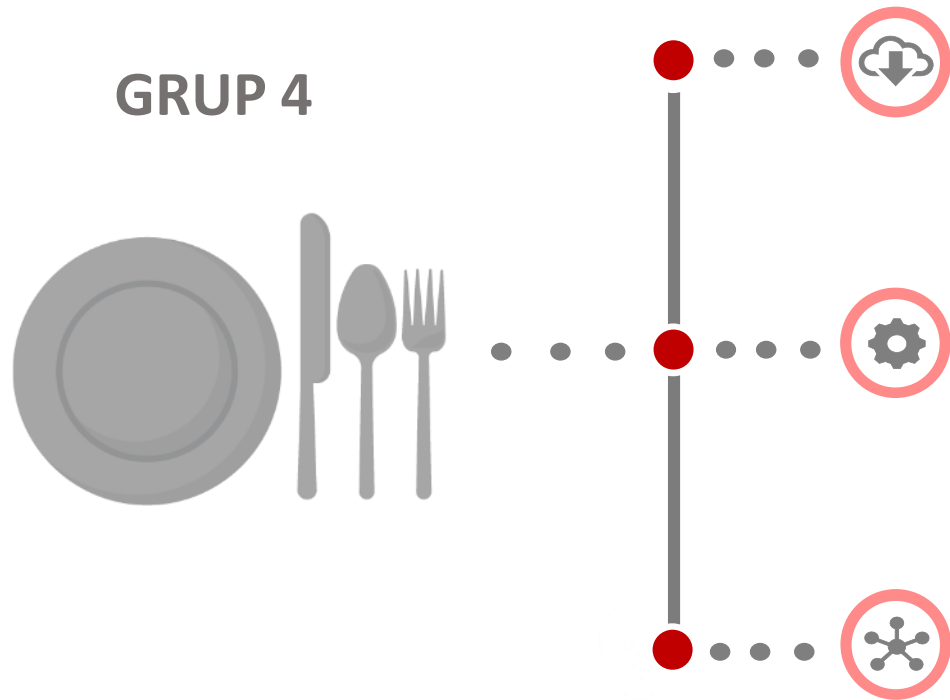
Professional services, consulting services and scientists in which predominates the Intellectual factor over the material, including the services of professional freelancers.

GROUP 3

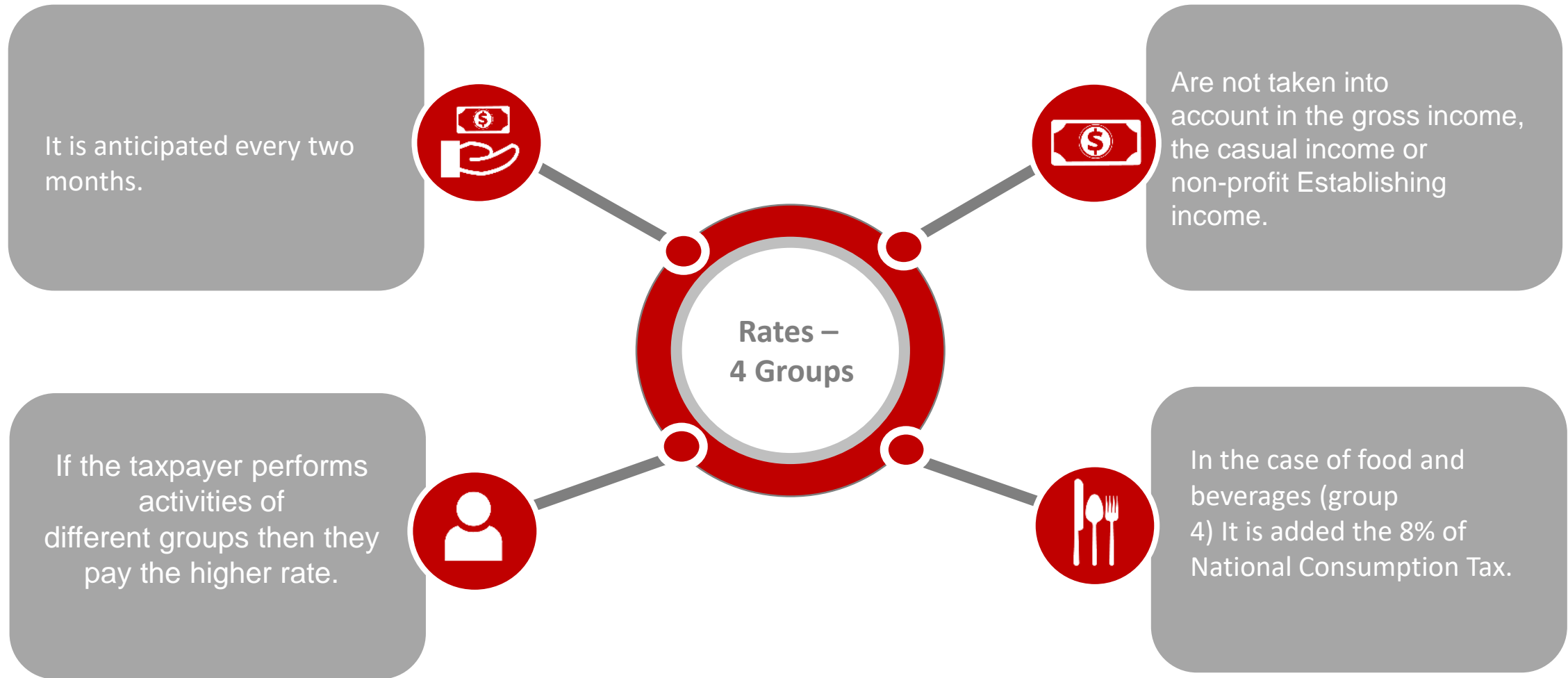


ANNUAL GROSS INCOME		Consolidated SIMPLE Rate
Equal or superior(UVT)	Lower (UVT)	
()	6.000	4.9%
6.000	15.000	5.3%
15.000	30.000	7.0%
30.000	80.000	8.5%

Food retail, beverages and transportation



ANNUAL GROSS INCOME		Consolidated SIMPLE Rate
Equal or superior(UVT)	Lower (UVT)	
()	6.000	3.4%
6.000	15.000	3.8%
15.000	30.000	5.5%
30.000	80.000	7.0%





Income \$83.292.00

Employees: 1 and earns applicable
mínimum legal wage

Pension payment \$ 1.192.487

Regular regime payments

- Rent \$518.000
- Local taxes(ICA, Avisos y Tableros y Sobre tasa Bomberil \$406.898)
- Rate ICA 4,14 por mil

TOTAL: \$924.898

Simple regime payments

- Gross Tax \$1.665.840
- Rate 2%
- Pension discount \$1.192.487
- Local component payment \$406.898
- National component payment \$66.455

SIMPLE final payment \$473.353

• **Saving \$451.545**

• **Saving percentage: 49%**

• **Effective tax rate: 0,57%**



Income \$570.157.00

Employees: 5 and earn the aplicable
mínimum legal wage

Pensión Paymente \$5.962.435

Regular regime payments

- Rent \$22.654.000
- Local taxes (ICA, Avisos y Tableros y Sobre tasa Bomberil \$7.427.549)
- Rate ICA 11.04 por mil

TOTAL: \$30.081.549

Simple regime payments

- Gross Tax \$22.236.123
- Rate 3,9%
- Pension discount \$5.962.435
- Local component payment \$7.427.549
- National component payment \$8.846.139

SIMPLE final payment \$16.273.688

• **Saving: \$13.807.861**

• **Saving percentage: 46%**

• **Effective tax rate: 2,85%**



Income \$308.245.000

Employees: 2 and Earn \$3 Mm each one

Pension payment \$8.640.000

Regular regime payments

- Rent \$33.202.000
- Local taxes (ICA, Avisos y Tableros y Sobre tasa Bomberil \$3.513.623)
- Rates ICA 9,66 por mil

TOTAL: \$36.715.623

Simple regime payments

- Gross Tax \$16.336.985
- Rates 5,3%
- Pension discount \$8.640.000
- Local component payment \$3.513.623
- National component payment \$4.183.362

SIMPLE final payment \$7.696.985

- **Saving: \$29.018.638**
- **Saving percentage: 79%**
- **Effective tax rate: 2,5%**



Income \$585.362.000

Employees: 3 and earn \$1 Mm each one

Pension payment \$4.320.000

Regular regime payments

- Rent \$28.141.000
- Local taxes (ICA, Avisos y Tableros y Sobre tasa Bomberil \$9.532.035)
- Rates ICA 13,8 por mil

TOTAL: \$37.673.035

Simple regime payments

- Gross tax \$22.243.756
- Rates 3,8%
- Pension discount \$4.320.000
- Local component payment \$1.463.405
- National component payment \$8.391.721

SIMPLE final payment \$16.460.351

• **Saving: \$21.212.684**

• **Saving percentage: 56%**

• **Effective tax rate: 2,81%**



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