

Indirect Tax Alert

News from EY Americas Tax

Dominican Republic's National Council of Free Trade Zones of Exportation modifies VAT exemption card validity period

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On 15 January 2020, the Dominican Republic's National Council of Free Trade Zones (FTZ) of Exportation issued Notice No. 00376, which modifies the value-added tax (VAT) exemption card validity period applicable to companies and operators under the FTZ regime, as of the year 2020.

Specifically, Notice No. 00376 replaces the one-year validity period that was applicable to all FTZ companies and entities with the following validity periods:

Entity	Validity period of VAT exemption card
FTZ manufacturing companies whose sales are 100% exports	2 years
Other FTZ manufacturing companies whose sales consist of both local sales and exports	1 year
FTZ companies that provide design, diagramming, telemarketing, telecommunications, and other services	1 year
Operators of FTZ parks with multiple FTZ entities operating within the parks	2 years
Operators of FTZ parks with only one FTZ entity operating within the parks	1 year

If a VAT exemption card is issued for the first time to an FTZ company or operator, it will only be valid for one year.

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EYG no. 000328-20Gbl

1508-1600216 NY
ED None

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