

# Global Tax Alert

News from EY Americas Tax

## Colombian Constitutional Court declares the 2018 tax reform unconstitutional

---

### EY Tax News Update: Global Edition

EY's Tax News Update: Global Edition is a free, personalized email subscription service that allows you to receive EY Global Tax Alerts, newsletters, events, and thought leadership published across all areas of tax. Access information about the tool and registration [here](#).

---

### EY Americas Tax

EY Americas Tax brings together the experience and perspectives of over 10,000 tax professionals across the region to help clients address administrative, legislative and regulatory opportunities and challenges in the 33 countries that comprise the Americas region of the global EY organization. Access more information [here](#).

---

On 16 October 2019, the Colombian Constitutional Court declared Law 1,943, the 2018 tax reform, unconstitutional because of procedural flaws in Congress's approval process. However, the Court decided that the tax reform will remain in effect until the end of 2019, giving Congress time to approve a new tax law that affirms the 2018 tax reform or introduce new measures that would amend the Colombian tax laws.

If a new tax reform law is not approved by Congress by 31 December 2019, the tax regime in force before the 2018 tax reform will apply beginning 1 January 2020.

Although the Colombian Government publicly announced that it will file a tax bill that is similar to the one approved in 2018, historically proposals have been subject to several changes during the approval process in Congress. Therefore, currently there is a significant degree of uncertainty for 2020 and onwards.

The Court did not address whether specific rules included in the 2018 tax reform were unconstitutional because the rules were either (1) already modified or repealed by another law or (2) not effective.

For additional information with respect to this Alert, please contact the following:

**Ernst & Young S.A.S., International Tax and Transaction Services, Bogotá**

- ▶ Luis Orlando Sánchez      [luis.sanchez.n@co.ey.com](mailto:luis.sanchez.n@co.ey.com)
- ▶ Juan Sebastián Torres      [juan.s.torres@co.ey.com](mailto:juan.s.torres@co.ey.com)
- ▶ Andrés Millán      [andres.millan.pineda@co.ey.com](mailto:andres.millan.pineda@co.ey.com)

**Ernst & Young LLP (United States), Latin American Business Center, New York**

- ▶ Ana Mingramm      [ana.mingramm@ey.com](mailto:ana.mingramm@ey.com)
- ▶ Pablo Wejcman      [pablo.wejcman@ey.com](mailto:pablo.wejcman@ey.com)
- ▶ Enrique Perez Grovas      [enrique.perezgrovas@ey.com](mailto:enrique.perezgrovas@ey.com)
- ▶ Zulay Arevalo      [zulay.a.arevalo.garcia1@ey.com](mailto:zulay.a.arevalo.garcia1@ey.com)

**Ernst & Young LLP (United Kingdom), Latin American Business Center, London**

- ▶ Jose Padilla      [jpadilla@uk.ey.com](mailto:jpadilla@uk.ey.com)

**Ernst & Young Tax Co., Latin American Business Center, Japan & Asia Pacific**

- ▶ Raul Moreno, *Tokyo*      [raul.moreno@jp.ey.com](mailto:raul.moreno@jp.ey.com)
- ▶ Luis Coronado, *Singapore*      [luis.coronado@sg.ey.com](mailto:luis.coronado@sg.ey.com)

**About EY**

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit [ey.com](https://ey.com).

EY Americas Tax

© 2019 EYGM Limited.  
All Rights Reserved.

EYG no. 001195-19Gbl

1508-1600216 NY  
ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

**[ey.com](https://ey.com)**