COLOMBIA COVID-19 TAX MEASURES

EXEMPT OPERATIONS GUIDE

THOMSON REUTERS TAX RESEARCH APRIL 2020 CONTENT UPDATE #2

Introduction

Due to COVID-19, the government of Colombia issued Decree 438/2020, exempting the sale of some products from VAT, such as oxygen cylinder, nebulizer, defibrillator and others.

As this exemption applies only if certain technical specifications are met, it's not possible for us to add rules on standard content for it.

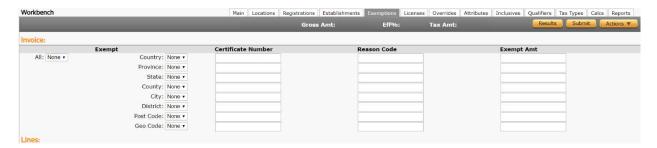
In this guide, we will show how to perform exempt operations in these specific cases.

CONFIGURING DETERMINATION

Exemptions Tab

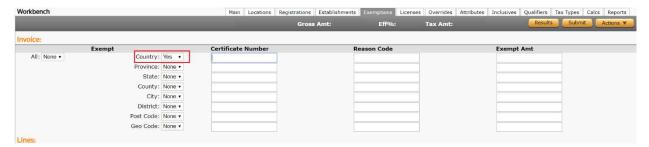
When performing operations subject to VAT exemptions with no standard rule, the exemption option must be turned on the "Exemptions" tab as shown in the following image:

This is the default configuration:



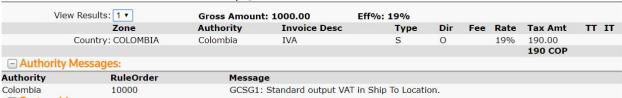


The example below shows that to exempt an operation, simply select "yes" in Country menu:



RESULTS

With default configuration, a goods or service operation will be normally taxed. This image shows the tax amount for the country Colombia.



The following image shows that after selecting "yes" to Country exemption, the results will be no tax amount:



CONCLUSION

This guide explains how to perform exempt operations with no standard rule. Please contact Customer Support with any additional questions.

