

# 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 screenshot displays the Thomson Reuters Workbench interface. At the top, a navigation bar includes tabs for Main, Locations, Registrations, Establishments, Exemptions (which is currently selected), Licenses, Overrides, Attributes, Inclusive, Qualifiers, Tax Types, Calcs, and Reports. Below the navigation bar, there are fields for Gross Amt, Eff%, and Tax Amt, along with buttons for Results, Submit, and Actions. The main area is titled 'Invoice:' and contains a table with the following columns: Exempt, Certificate Number, Reason Code, and Exempt Amt. The Exempt column has a dropdown menu set to 'All: None'. The Certificate Number, Reason Code, and Exempt Amt columns each have a grid of input fields. Below the table, there is a section labeled 'Lines:'.

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

Workbench

Main | Locations | Registrations | Establishments | Exemptions | Licenses | Overrides | Attributes | Inclusions | Qualifiers | Tax Types | Calcs | Reports

Gross Amt:      Eff%:      Tax Amt:      Results      Submit      Actions

Invoice:

All: None

Exempt

Country: Yes

Province: None

State: None

County: None

City: None

District: None

Post Code: None

Geo Code: None

Certificate Number

Reason Code

Exempt Amt

Lines:

## RESULTS

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

View Results: 1	Gross Amount: 1000.00	Eff%: 19%								
Zone	Authority	Invoice Desc	Type	Dir	Fee	Rate	Tax Amt	TT	IT	
Country: COLOMBIA	Colombia	IVA	S	O		19%	190.00			
							190 COP			
Authority Messages:										
Authority	RuleOrder	Message								
Colombia	10000	GCSG1: Standard output VAT in Ship To Location.								

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

View Results: 1	Gross Amount: 1000.00	Eff%: 0%								
Zone	Authority	Invoice Desc	Type	Dir	Fee	Rate	Tax Amt	TT	IT	
Country: COLOMBIA	Colombia	Impuesto sobre las ventas	S	O			0.00			
							0 COP			
Authority Messages:										
Authority	RuleOrder	Message								
Colombia		GCSG1: Standard output VAT in Ship To Location.								

## CONCLUSION

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