

# A.M. Costa Rica Reprint

Your daily English-language news source

Link to original article: <http://www.amcostarica.com>

Published Monday, March 3, 2020

## Important 2020 Deadlines for Expats

By Garland M. Baker

Exclusive to A.M. Costa Rica

There have been more new tax rules in the last four years than there have been in the past 10. Many expats are lost in the maze, and their heads are about to burst with all the information. Here is a concise list of the deadlines past and present to help everyone get organized.

Jan 31. Law 9428 taxes were due. Most people refer to these assessments as the yearly company taxes. In Spanish, they are called, "Impuesto a las Personas Jurídicas." It is not an income tax, but just a charge by the government for using a company structure to hold assets instead of in a personal name. Active companies pay 25% of Costa Rica's minimum salary or 112,500 colons (\$200), and inactive entities pay 15% or 67,530 colons (\$120). Currently, the base salary in the country is 450,200 colons or around \$800. For those that have not paid, interest is now accruing, and they should get the amount due paid as soon as possible to avoid the overcharges.

March 16. Income tax returns are due for any company doing business that was activated after July 1, 2019. It is important to note this is for active companies only and does not apply to inactive ones.



### Important Deadlines

March 31. Filing Law 9416 reports for 2019 without a fine was extended to this date. They are also referred to as the RTBF registry registration or in Spanish, "Registro de Transparencia y Beneficiarios Finales." This extension happened at the last minute in January because one-third of all filers required to file had not done so. This is not a tax, but an informational return. Anyone who has gone through the process to do their reports feel like it is a penalty because most have been hit by high fees from attorneys to file the document. Legislature delegate Pablo Heriberto Abarca is trying to change Article 5 of Law 9416 which mandates yearly filing to a different period, like every five years or so. However, the movement to do this does not have the same support as the extension for the filing deadline passed at the end of January.

March 31. Law 5923, as modified by Law 9643, education and culture taxes are due. This

## Costa Rica Expertise

Tele: +506-2256-8585 • Fax: +506-2256-7575 • [info@crexpertise.net](mailto:info@crexpertise.net)

This A.M. Costa Rica Reprint is free to copy, distribute, and display. Please give credit to source and authors.

© 2000 – 2020 Consultantes Río Colorado S.A. and Garland M. Baker

assessment used to be no big deal about 750 colons for an inactive company and 9,000 for an active one. The lower amount has increased 566% to 5,000 colons and the top amount doubled to 18,000.

March 31. First quarter property taxes are due. They are .25% (decimal point 25 percent) or \$250 for every \$100,000. They can be paid online for most municipalities via the Banco Nacional de Costa Rica or the Banco de Costa Rica. In some cases, due amounts for municipalities can be paid at only one bank or the other, not at both. They can be paid either quarterly or annually.

April 30. Filing Law 9416 reports for 2020 are due. Yep, that's right, the same report everyone with a company has been struggling with during 2019 and now to March 31 because its final deadline was extended, is due again in April. For those who have filed, filing again should not be difficult. They can take their original form, copy it on the Banco Central online system and submit it again for 2020. For those designating another to file the report can do the same thing as long as the original authorization was not restricted.

May 31. Resolution DGT-R-075-2019 requires all inactive companies to register with the tax department based on the last digit of their identification number. This process started in January for entities ending in 1 and 2, 3 and 4's were due in February, 5 and 6's this month, 7 and 8's are due in April and the final group, 9 and 0 are due by May 31. This requirement actually came out in 2017 with a different set of date, but was modified at the end of last year so inactive entities will be prepared to file their D-135 next year in March.

June 30. Second quarterly property taxes are due.

Sept 30. Third quarterly property taxes are due.

Dec. 31. Fourth quarterly property taxes are due.

March 15, 2021. This is just a heads up for expats. The infamous D-135, the first tax returns for inactive companies is due. This is an informational return only, but it will require filers to provide detailed asset and owner's equity data regarding any company existing to hold things like, property titles, motor vehicles, boats, bank accounts and other assets.

The above dates are oriented toward foreigners living in Costa Rica part-time and full-time but not doing business, just enjoying themselves or retired. Some expats are owners of money-making enterprises which have several additional deadlines with the tax department. These individuals should consult an accounting professional.

This is a good list to stick to the fridge and check off things as they are completed. One hot item that deserves a big star next to it is the filing in April for the 2020 version of the Law 9416 report. Not filing it will result in a whopping fine. Hopefully, Pablo Abarca, will make some progress and get the yearly filing changed to a more reasonable period.

---

Editor's note: Garland M. Baker is a 48-year resident and naturalized citizen of Costa Rica. His team solves problems for expats. Reach him at [info@crexpertise.net](mailto:info@crexpertise.net). Baker has undertaken the research leading to his articles with A.M. Costa Rica. Find the collection at [crexpertise.info](http://crexpertise.info). A free reprint is available at the end of each piece. Copyright 2020. Use without permission prohibited.

## Costa Rica Expertise

Tele: +506-2256-8585 • Fax: +506-2256-7575 • [info@crexpertise.net](mailto:info@crexpertise.net)

This A.M. Costa Rica Reprint is free to copy, distribute, and display. Please give credit to source and authors.

© 2000 – 2020 Consultantes Río Colorado S.A. and Garland M. Baker