

## Costa Rica rules and regulations checklist

By Garland M. Baker

Exclusive to A.M. Costa Rica

Costa Rica rules and regulations often change, confusing most people. What better way to clear the panorama than to have a checklist to mark off what is okay and what is not. The best policy in this country is to avoid problems by catching them before they fester.

For those owning a company these are the important things to track: 1.) the company's records at the Registro Nacional, 2.) the status of the company at Hacienda (the tax department) and 3.) the status of the company at the Banco Central regarding its RTBF report.

For anyone who still does not know what that is, RTBF is short for Registro de Transparencia y Beneficiarios Finales. The phrase translates into English as transparency and final beneficiaries register. The report was due in April, but the government extended the deadline to May 31 due to COVID-19.

For those owing property in their personal name or in a company, these things should also be checked: 1.) taxes at the municipality and 2.) if there is a water concession on the property, verify it is up-to-date with MINAE, the water directorate.

Here is the checklist:

The Registro Nacional is where the country keeps all the information on companies, and properties, among many other things. Anyone with a company should go to the [website](#), open



an account and buy a document called a *certificación literal* and check to see if the people who are part of the company are the only ones there. Sometimes others with no business being part of the entity have full power of attorney and could potentially steal all the assets. The document can also be obtained at any bank or post office for a small fee of around \$10.

Most owners miss this one, and it is critical. Check a company's status at [SIT](#), which stands for *situación tributaria*. In English, this means tax situation. The system could not be simpler to use. One selects the type of identification, for companies this is a *cedula jurídica*, and type in that number. After answering the human verification test, the tax profile of the company will appear.

Here are the things to check: 1.) Is the company *moroso*, which mean behind on its tax obligations, 2) is it *omiso*, which means it is negligent and has not filed required tax returns and 3.) does the company have

## 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

*representantes legales*, or legal representatives. This last one goes back to the filing of the infamous D-140 form of years past. If that form was not filed, there will be nothing under that section. Even if the form was filed, there might be nothing there because the tax department never updated the information.

Licenciada Xochilt Quezada, a public accounting professional, said in an interview, “. . . anyone behind, negligent, or without a legal representative should contact an accountant as soon as possible because tax fines are high, but there are ways to mitigate them, if problems are caught early.”

Check a company's status at the Banco Central is another easy task. Go to the website, type in the company's identification *cedula jurídica*, click the *no soy un robot* (I am not a robot) question and read what it says. If the text after the company's name states, *envió la declaración*, everything is fine, if the response is *NO envió la declaración*, the owner of the company should contact a legal professional as soon as possible. The fine for not doing so is bank breaking.

Companies and individuals owning property should also check to see if their property taxes are up to date. This is a little more tricky. Property taxes are paid at the municipality where the property is located. Some municipalities are current with technology, and the information can be obtained from their websites or at the Banco Nacional de Costa Rica (BNCR), or the Banco de Costa Rica (BCR). Others still work in the Stone Age, and a phone call to their office is necessary. A complete list of Costa Rican municipalities can be found at this [link](#).

Most properties have AyA (city water) or Asada (community) water, but some have a well, use river water or have another type of concession. If a property has water, the bill is probably current because AyA and Asadas are relentless about turning it off when the bills are not paid. Those with a well, river water, or other type of concession can check the status of their contract with the country at [MINAE](#) by typing in the type of concession and contract number.

There it is, a checklist to stay out of trouble with the Costa Rican government. It is simple really: 1.) be sure the persons on a company are the only ones registered by checking the Registro Nacional, 2.) stay on top of taxes by periodically reviewing the information at the tax department using *situación tributaria*, 3.) stay friends with the Banco Central by filing the required RTBF form, and verifying it is correct, 4.) pay property taxes due at the local municipality and finally 5.) checking water concessions with MINAE.

Staying on top of these matters guarantees a better night sleep and peaceful living in Costa Rica.

-----  
**Editor's note: Garland M. Baker solves problems for expats in Costa Rica. He is a 49-year resident and naturalized citizen. 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.net](http://crexpertise.net). A free reprint is available at the end of each piece. Copyright 2021. 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